

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer - Resources****Audit Committee: 4 December 2024**

Subject: 2024/25 Internal Audit Annual Strategy and Plan**1. Purpose**

- 1.1 The purpose of this report is to advise members of the planned programme of work for the Internal Audit Section for the year 2024/25.

2. Recommendations

- 2.1 It is recommended that the Committee approve the 2024/25 Audit Plan.

3. Background

- 3.1 The Public Sector Internal Audit Standards include the requirement for the Chief Internal Auditor to prepare a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals.

4. Main Issues

- 4.1 The audit universe contains all areas that have been identified for review and an assessment has been undertaken of the risk relating to each area based on a number of criteria. Account has also been taken of the risks identified in the Council's risk registers and risks identified by external scrutiny bodies through local scrutiny arrangements.
- 4.2 It is intended that audit work will be focused on areas of greatest risk taking into account management's own view of risk and meetings have been held with Chief Officers as appropriate. Each area has been assessed against a broad range of risk criteria and a risk score has been generated based on probability factors such as current control environment, results of last audit and time since last audit.
- 4.3 The audit plan also includes the carry forward of the completion of fieldwork for audits from 2023/24 and those audits which were deferred from 2023/24 due to vacancies arising in the team.
- 4.4 The Audit Plan also includes the activity of the Corporate Fraud Team and includes an allocation of days to provide the Internal Audit Service to the WD Integration Joint Board, the WD Leisure Trust and the Valuation Joint Board.
- 4.5 Internal Audit monitors delivery of the plan continuously during the year using a number of performance indicators. Progress is reported to members on a regular basis.

4.6 Outlined below are the current risk factors influencing our proposed audit coverage for 2024/25:

- Budgetary Control - The Council's Financial Update in June 2024 sets out the scale of the anticipated savings options required in 2025/26 and future years whilst there is a continued need for the Council to meet increases in expenditure arising from inflation and service delivery pressures. Internal Audit will review the adequacy and effectiveness of the budgetary control processes to ensure that members and officers are provided with relevant, reliable and timely management information in relation to the budget process.
- Property Repairs and Maintenance – this audit is carried forward from prior year and will focus on reviewing the adequacy and effectiveness of property repairs and maintenance to ensure value for money is obtained.
- Void Management – this audit is carried forward from prior year and will focus on the adequacy and effectiveness of the void management process to ensure value for money is obtained.
- Participatory Budgeting – this audit is carried forward from prior year and will focus on reviewing the Council's approach to participatory budgeting to ensure arrangements in place to monitor and report on performance are adequate and effective.
- As part of the annual audit planning process, corporate procurement is a key risk area that is reviewed each year. For 2024/25 Internal Audit will agree the risk areas with the Corporate Procurement service and carry out an audit to ensure compliance with relevant policies and procedures.

4.7 The draft 2024/25 Internal Audit Strategy and Plan is included at Appendix 1. There are no significant threats to the independence of the internal audit activity, such as inappropriate scope or resource limitations. The Plan contains contingency provision that will be utilised during the year in response to unforeseen work demands that may arise e.g. special investigations and provision of ad hoc advice. The plan also includes a balance of days required to complete additional fieldwork from the 2023/24 audit plan.

4.8 The risk scoring system is maintained on a real-time basis and is altered as circumstances change. Regular reviews of the risk scores allow Internal Audit to address the changing risk exposure of the organisation more effectively and ensure audit effort is focused on those areas identified as higher risk.

5. Personnel Implications

5.1 There are no personnel issues with this report.

6. Financial and Procurement Implications

6.1 There are neither financial nor procurement implications arising directly from this report.

7. Risk Analysis

7.1 The Plan has been constructed taking cognisance of the risks associated with major systems. Consultation with relevant Chief Officers has been carried out to ensure that risks associated with delivering the Council's objectives have been considered.

8. Equalities Impact Assessment (EIA)

8.1 There are no issues.

9. Consultation

9.1 This report has been subject to consultation with appropriate Chief Officers.

10. Strategic Assessment

10.1 This report relates to all five of the Council's Strategic Priorities.

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Date: 4 November 2024

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Appendix 1:	Draft 2024/25 Internal Audit Strategy and Plan
Background Papers:	None
Wards Affected:	All wards

