



*Please reply to:*

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Date: 17 March 2026

## **Notice of meeting**

### **Audit Committee**

**Date:** Thursday, 26 March 2026

**Time:** 7.00 pm

**Place:** Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames TW18 1XB

#### **To the members of the Audit Committee**

Councillors:

J. Button (Chair)

K. Howkins (Vice-Chair)

G. Neall

L. E. Nichols

H.R.D. Williams

P.N. Woodward

R. Chandler

P. Briggs

S. Seehra

Substitute Members: Councillors C. Bateson, J.R. Boughtflower and T. Burrell

*Councillors are reminded that the Gifts and Hospitality Declaration book will be available outside the meeting room for you to record any gifts or hospitality offered to you since the last Committee meeting.*

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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# Agenda

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**1. Apologies and Substitutes**

To receive any apologies for absence and notification of substitutions.

**2. Minutes**

To confirm the minutes of the meeting held on 24 February 2026.

*Minutes to follow.*

**3. Disclosures of Interest**

To receive any disclosures of interest from Councillors in accordance with the Council's Code of Conduct for members.

**4. Internal Audit Charter and Annual Audit Plan 2026-27**

**5 - 42**

Committee is asked to:

1. Provide input to and approve the Internal Audit Charter 2026-27
2. Provide input to and approve the Internal Audit Annual Audit Plan 2026-27

**5. Internal Audit Progress Report**

**43 - 60**

Committee is asked:

1. To note the Internal Audit Progress Report – February 2026
2. To approve the adjustments to the internal audit plan 2025/26.

**6. External Quality Assessment - Final Report**

**61 - 96**

The Committee is asked to note:

1. The report of the External Assessor following the External Quality Assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector; and
2. The action plan developed against suggested opportunities for future development.

**7. Governance Assurance Update**

**Verbal Report**

Committee will receive an update on Governance Assurance and Risk Management from Rob Winter.

**8. Committee Forward Plan**

**97 - 100**

To consider and approve the work programme for the municipal year



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**Committee Report Checklist**

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

**Stage 1**

**Report checklist – responsibility of report owner**

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	N/A	
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	N/A	
Relevant Group Head review	N/A	
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	N/A	
This item is on the Forward Plan for the relevant committee	Y	
	<b>Reviewed by</b>	
Finance comments		
Risk comments	LO	03/03/26
Legal comments	LH	27/02/26
HR comments (if applicable)	N/A	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

**Stage 2**

**Report checklist – responsibility of report owner**

ITEM	Completed by	Date
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	27/02/26
S151 Officer commentary – at least <b>5 working days before MAT</b>	T Collier	25/02/26
Confirm final report cleared by MAT		

# Audit Committee

26 March 2026

<b>Title</b>	Internal Audit Charter and Annual Audit Plan 2026-27
<b>Purpose of the report</b>	To inform, assure and approve
<b>Report Author</b>	Iona Bond, Deputy Head of Southern Internal Audit Partnership
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Services
<b>Recommendations</b>	<p><b>The Committee is asked:</b></p> <ol style="list-style-type: none"> <li><b>1. Provide input to and approve the Internal Audit Charter 2026-27 (Appendix A)</b></li> <li><b>2. Provide input to and approve the Internal Audit Annual Audit Plan 2026-27 (Appendix B)</b></li> </ol>
<b>Reason for Recommendation</b>	In accordance with the Global Internal Audit Standards in UK Public Sector the Chief Internal Auditor is required to provide a written status report to the Audit Committee.

## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>• The Global Internal Audit Standards (GIAS) require all internal audit providers to implement and maintain an 'Internal Audit Charter'. The internal audit charter is defined as 'a formal document that includes the internal audit function's mandate, organisational position, reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Regular review and communication of the Internal Audit Charter helps to maintain awareness across senior management and the Audit Committee.</li> </ul>

<p>relationships, scope of work, types of service, and other specifications’</p> <ul style="list-style-type: none"> <li>Each year in conformance with the GIAS Internal Audit must create a risk-based internal audit plan providing independent and objective assurance to management and the Audit Committee, in relation to the effectiveness of the framework of internal control, risk management and governance.</li> </ul>	<ul style="list-style-type: none"> <li>The Internal Audit Plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resource to provide a clear statement of assurance on risk management, internal control, and governance arrangements</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>To present the Internal Audit Charter 2026/27 to the Management Team and the Audit Committee for approval in accordance with requirements of the GIAS. (See Appendix A)</li> <li>In producing the Internal Audit Annual Plan for 2026/27 the Chief Internal Auditor has applied a risk-based approach in line with the GIAS and focussed on areas of higher priority that align with the Council’s corporate priorities and objectives. (See Appendix B)</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Management Team and Group Heads to note the proposed schedule for undertaking planned assurance assignments set out at Appendix B and confirm it is agreeable.</li> <li>The Audit Committee to approve the Internal Audit Charter and Internal Audit Plan for 2026/27 at the meeting of 26 March 2026.</li> <li>Progressing delivery of the Internal Audit Plan 2026/27.</li> </ul>

1.1 As required by the Global Internal Audit Standards in UK Public Sector this report presents the Internal Audit Charter and the Internal Audit Plan 2026 – 27.

- The Internal Audit Charter (Appendix A) is a formal document that includes the internal audit function’s mandate, organisational position, reporting relationships, scope of work, types of service, and other specifications.
- The Internal Audit Plan (Appendix B) is a document, developed by the Chief Internal Auditor, that identifies the engagements and other internal audit services anticipated to be provided during a given period.

## 2. Key issues

2.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

‘A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

- 2.2 From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements shall be referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).
- 2.3 The Standards (6.2) require all internal audit providers to implement and maintain an 'Internal Audit Charter'. The internal audit charter is defined as 'a formal document that includes the internal audit function's mandate, organisational position, reporting relationships, scope of work, types of service, and other specifications.'
- 2.4 Section 10B of the Application Note makes it a mandatory requirement in the UK public sector, for the chief internal auditor to prepare such an overall conclusion at least annually in support of wider governance reporting. This overall conclusion must encompass governance, risk management and control. The requirement for an overall conclusion must also inform planning carried out under GIAS Standard 9.4 (Internal Audit Plan).
- 2.5 In accordance with the Standards (9.4) there is a requirement that internal audit must create a risk-based internal audit plan that supports the achievement of the organisation's objectives. The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to fulfil the audit mandate and delivery of the internal audit strategy.
- 2.6 The aim of internal audit's work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:
- The framework of internal control, risk management and governance is appropriate and operating effectively; and
  - Risks to the achievement of the Council's objectives are identified, assessed and managed to a defined acceptable level.

#### **Internal Audit Charter 2026-27**

- 2.7 The internal audit charter is reported to the Audit Committee annually for review and approval. There have been no amendments to last year's Internal Audit Charter. A copy is attached as Appendix A.

#### **Internal Audit Plan 2026-27**

- 2.8 The proposed risk based internal audit plan for 2026-27 is attached at Appendix B and has been developed at a strategic level providing a value adding, and proportionate level of assurance aligned to the Council's strategic outcomes. It is based on a range of inputs including review of the Council's assurance registers, sector knowledge and discussions with management teams.
- 2.9 This is a unique year for the Council taking them through to vesting day (1 April 2027). We have worked with management to ensure the audit plan is

positioned to add optimum value to the organisation during what will be a challenging period of significant change and uncertainty.

- 2.10 The audit plan will remain fluid to ensure internal audit's ability to react to the changing needs of the Council. Any additions to the plan must be able to clearly demonstrate a contribution to the audit conclusion on risk management, control and governance.
- 2.11 Any changes to the plan (including advisory assignments) will be transparently reported to the Management Team and the Audit Committee during the course of the year for approval as part of our regular Progress Reports.
- 2.12 The Internal Audit Charter ensures the Chief Internal Auditor has sufficient resource necessary to fulfil the requirements and expectations to deliver an internal audit conclusion.
- 2.13 The internal audit plan is tailored to support the organisation through to vesting day, however, it is recognised that a significant level of organisational capacity / resource will be necessarily focused on LGR readiness in addition to delivering business-as-usual operations potentially impacting capacity to support internal audit delivery.
- 2.14 Should we feel the delivery of the plan is compromised in any way we will report this to the Management and the Audit Committee through our regular progress report(s).
- 2.15 The endorsement and sponsorship of the plan(s) at member / chief officer level will assist in providing the engagement and buy-in of staff at an operational level to ensure the outcome of audit reviews are optimised.

### **3. Options appraisal and proposal**

- 3.1 The Audit Committee are requested to approve the Internal Audit Charter and risk based Internal Audit Plan for 2026/27 in line with GIAS, to support the provision of independent assurance to the authority on the adequacy of internal control, governance and risk management arrangements.

### **4. Risk implications**

- 4.1 In producing the programme of audit work for 2026/27 the Chief Internal Auditor has ensured that a risk-based approach has been applied in line with audit standards and focussed on areas of higher priority that align with corporate priorities and objectives. Consideration has been given to current and emerging risks (and opportunities) facing the Council during 2026/27.

### **5. Financial implications**

- 5.1 The Internal Audit Annual Plan includes reviews of functions and systems that are financially material and therefore represent greater risk to the authority. Issues presenting adverse financial consequences or threats to the Council's financial position apply to a range of workstreams on the Plan. At the end of the financial year the Chief Internal Auditor's conclusion is one of the inputs

into the draft Annual Governance Statement which is published as part of the draft Statement of Accounts.

- 5.2 To support special investigations (relating to suspected internal fraud or irregularity) there may be a requirement to bring in subject matter experts and Investigators.

## **6. Legal comments**

- 6.1 The Global Internal Audit Standards (GIAS) are mandatory further to the Accounts and Audit (England) Regulations 2015. The GIAS require public bodies to establish and deliver a risk-based internal audit plan and for this to be approved by the Audit Committee.
- 6.2 This report assists the Council to demonstrate compliance with the statutory requirements.

## **Corporate implications**

### **7. S151 Officer comments**

- 7.1 Having an effective Internal Audit in place with an appropriate annual audit plan with sufficient breadth of coverage of both key financial controls and other controls and governance is of key importance to the S151 Officer. 2026-27 will be the final year of operation of the Council so it will be particularly important that the Audit Plan is fully completed on time. It is important that the Audit Plan is aligned to the Local Government Reorganisation transition process to the safe and legal establishment of West Surrey. The S151 Officer supports the proposal.

### **8. Monitoring Officer comments**

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **9. Procurement comments**

- 9.1 There are no procurement implications arising from this report.

### **10. Equality and Diversity**

- 10.1 Equality and diversity are key considerations that feature in the assessment of risk and audit needs.

### **11. Sustainability/Climate Change Implications**

- 11.1 Sustainability is a key consideration and features in the assessment of risk and audit needs.

**12. Other considerations**

12.1 None.

**13. Timetable for implementation**

13.1 Applicable for the period 1 April 2026 – 31 March 2027

**14. Contact**

14.1 Iona Bond, Deputy Head of Southern Internal Audit Partnership  
[iona.bond@hants.gov.uk](mailto:iona.bond@hants.gov.uk)

***Please submit any material questions to the Committee Chair and Officer  
Contact by two days in advance of the meeting.***

**Background papers: None**

**Appendices:**

**Appendix A – Internal Audit Charter 2026-27**

**Appendix B – Internal Audit Annual Plan 2026-27**

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**Southern Internal  
Audit Partnership**

Assurance through excellence  
and innovation

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# SPELTHORNE BOROUGH COUNCIL

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## Internal Audit Charter 2026/27

Prepared By: Iona Bond, Deputy Head of Southern Internal Audit Partnership

February 2026

## 1. Introduction

The [Global Internal Audit Standards](#), issued by the Institute of Internal Auditors and effective in the UK Public Sector from April 2025, guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function.

While the Global Internal Audit Standards apply to all internal audit functions, it is acknowledged that internal auditors in the public sector work in a political environment under governance, organisational and funding structures that differ from those of the private sector.

Consequently, internal audit practitioners working in, or for, the UK public sector are required to apply the Global Internal Audit Standards subject to the interpretations and requirements of the [Application Note: Global Internal Audit Standards in the UK public sector](#), issued by Relevant Internal Audit Standard Setters (RIASS).

In addition, relevant public sector bodies are also required to apply the Chartered Institute of Public Finance & Accountancy (CIPFA) [Code of Practice for the Governance of Internal Audit in UK Local Government](#) which provides a conduit for meeting the essential conditions for governance set out in the Global Internal Audit Standards, tailored for UK local government.

The collective requirements shall be referred to as the Global Internal Audit Standards in the UK Public Sector. All SIAP policies and procedures have been reviewed and updated to ensure compliance with these requirements with effect from April 2025.



The Standards require all internal audit providers to implement and maintain an 'Internal Audit Charter'.

The internal audit charter is defined as *'a formal document that includes the internal audit function's mandate, organisational position, reporting relationships, scope of work, types of service, and other specifications'*

## 2. Definitions

The Global Internal Audit Standards in the UK Public Sector apply the following definitions:

**The Board** – *‘the governing body authorised to provide the internal audit function with the appropriate authority, role, and responsibilities.’* At the Council this shall mean the Audit Committee.

**Senior Management** – *‘the highest level of executive management of an organisation that is ultimately accountable to the Board for executing the organisation’s strategic decisions, typically a group of persons that includes the Chief Executive Officer or Head of Organisation’.* At the Council this shall mean the Management Team (MAT).

## 3. Internal Audit Mandate

The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

*‘5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.*

*(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—*

- (a) make available such documents and records; and*
- (b) supply such information and explanations*

*as are considered necessary by those conducting the internal audit.*

*(3) In this regulation “documents and records” includes information recorded in an electronic form.’*

From 1 April 2025, the *‘standards or guidance’* in relation to internal audit are those laid down in the Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government.

The scope of internal audit includes both assurance and advisory services covering the entire breadth of the Council, including all activities, assets, and personnel of the organisation.

Fraud investigations may also be commissioned which will be conducted by the Southern Internal Audit Partnership’s Counter Fraud Unit.

## 4. Authority, Roles and Responsibilities

### Authority

The Chief Internal Auditor is positioned at a level in the organisation that enables internal audit services and responsibilities to be performed independently of management and with objectivity, enabling escalation as appropriate.

The Chief Internal Auditor reports functionally to the Audit Committee, and organisationally to the Deputy Chief Executive/S151 Officer, who is a member of the Management Team and has statutory responsibility as proper officer under Section 151 of the Local Government Act 1972, for ensuring an effective system of internal financial control and proper financial administration of the Council's affairs.

The Chief Internal Auditor has direct access to the Chief Executive who carries the responsibility for the proper management of the Council and for ensuring that the principles of good governance are reflected in sound management arrangements.

The Chief Internal Auditor has direct access to the Council's Monitoring Officer where matters arise relating to Chief Executive responsibility, legality and standards.

Where it is considered necessary to the proper discharge of the internal audit function, the Chief Internal Auditor has direct access to elected Members of the Council and in particular those who serve on committees charged with governance (i.e. Audit Committee). Private meetings, without senior management present, are also offered to the Chair of the Audit Committee.

Should organisation structures change, senior management and the Audit Committee will ensure that the reporting line of the Chief Internal Auditor remains with a member of the Management Team and retains the relevant access to Members and officers as outlined above.

It is recognised that the Chief Internal Auditor supervises assurance services related to activities that are managed by the Deputy Chief Executive/S151 Officer to whom the Chief Internal Auditor reports administratively, however, this perceived impairment is mitigated through overview from the Head of Southern Internal Audit Partnership, and the alternative reporting lines detailed above.

Internal audit reporting protocols are in place to ensure that the scope of work and findings for all assignments are reported appropriately and that agreed management actions are approved by senior management.

Every effort will be made to resolve disagreements that may arise during the audit process. However, if, unresolved issues (such as limitations to the scope of work or failure to agree appropriate actions in response to audit findings) are considered by internal audit to fall outside of the Council's risk tolerance, these will be escalated to the relevant Group Head in the first instance and then to the Deputy Chief Executive/S151 Officer, Chief Executive and Audit Committee as deemed necessary.

The Management Team and the Audit Committee authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information. Such access shall be granted on demand and not subject to prior notice.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of the Council and other specialised services from within or outside the Council to complete internal audit services.

## Role

The role of internal audit is best summarised through its definition within the Global Internal Audit Standards in the UK Public Sector, as:

*'An independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.'*

## Purpose

Internal audit strengthens the Council's ability to create, protect, and sustain value by providing the Audit Committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal audit enhances the Council's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Internal audit is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards in the UK Public Sector, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively. The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

### **Responsibility**

The responsibility for maintaining an adequate and effective system of internal audit within the Council lies with the Deputy Chief Executive/S151 Officer, as the authority's Chief Finance Officer (S151 Officer).

For the Council, internal audit is provided by the Southern Internal Audit Partnership. The Chief Internal Auditor (Iona Bond, Deputy Head of Southern Internal Audit Partnership) is responsible for effectively managing the internal audit activity in accordance with the Global Internal Audit Standards in the UK Public Sector.

### ***The Chief Internal Auditor***

Has the responsibility to:

- At least annually, develop a risk-based internal audit plan engaging with the Audit Committee and Management Team and submit the plan to the Audit Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee and Management Team.
- Review and adjust the internal audit plan, as necessary, in response to changes in the Council's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and Management Team if there are significant interim changes to the internal audit plan.

- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards in the UK Public Sector (and relevant laws and/or regulations).
- Follow up on engagement findings and confirm the implementation of management actions or action plans and communicate the results of internal audit services to the Audit Committee and Management Team periodically and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards in the UK Public Sector and fulfil the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the Council and communicate to the Audit Committee and Management Team as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure awareness of the Council's relevant policies and procedures, however should such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards in the UK Public Sector, such conflicts will be resolved or documented and communicated to the Audit Committee and Management Team.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services.
- Deliver an annual conclusion that can be used by the Council to inform its annual governance statement. The annual conclusion will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Discuss the annual conclusion with the Audit Committee and Management Team and submit the annual conclusion to the Audit Committee for review and approval.

The Chief Internal Auditor will liaise with the external auditors on matters of mutual interest and to seek opportunities for cooperation in the conduct of audit work. The external auditors will have the opportunity to rely on the work of internal audit where appropriate.

A range of internal audit services are provided (Annex 1) in the delivery of the audit plan and to form the annual conclusion. The approach is determined by the Chief Internal Auditor and will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

### ***Fraud and irregularity***

Internal audit will plan and evaluate their work to have a reasonable expectation of detecting fraud and identifying any significant weaknesses in internal controls.

Management is required to report all suspicions of theft, fraud and irregularity to the Chief Internal Auditor so that they can consider the adequacy of relevant controls, evaluate the implication of the fraud on the risk, control and governance processes and consider making recommendations as appropriate.

Internal audit will not carry out investigations unless commissioned to do so and where this is the case, the Chief Internal Auditor will ensure that investigators are appropriately trained in carrying out their responsibilities.

Where there is evidence that Council staff are committing fraud, internal audit will liaise with the Deputy Chief Executive/S151 Officer and the service area concerned.

Internal audit will consider assurance over the Council's Fraud Framework as part of the internal audit planning process.

## **5. Internal audit resources**

The Chief Internal Auditor is professionally qualified (CMIIA, CCAB or equivalent), maintains a comprehensive understanding of the Global Internal Audit Standards in the UK Public Sector, has wide internal audit and management experience, reflecting the responsibilities that arise from the need to build and manage an effective internal audit function (incl. recruitment, training and development), liaises internally and externally with Members, senior management and other professionals, and demonstrates sound sector knowledge & experience.

The Deputy Chief Executive/S151 Officer will provide the Chief Internal Auditor with the resources necessary to fulfil the Council's requirements and expectations to fulfil the audit mandate and delivery of the internal audit strategy.

The Head of the Southern Internal Audit Partnership has a resource strategy in place to optimise internal audit resources. Ongoing sufficiency of resources (financial, human and technological) will be transparently communicated by the Chief Internal Auditor to the Management Team and the Audit Committee through regular reporting as part of the approval of the internal audit plan and further throughout the year as part of the progress reports and ultimately within the annual conclusion.

Any resource implications that put the fulfilment of the internal audit mandate at risk will be reported accordingly through the afore mentioned reports.

### ***Financial Resource***

The Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit strategy and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.

The Head of the Southern Internal Audit Partnership will manage the day-to-day activities of the internal audit function effectively and efficiently, in alignment with the budget.

### ***Human Resource***

The Head of Southern Internal Audit Partnership will ensure that the internal audit service has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and operational risk-based audit plan.

The Chief Internal Auditor continually evaluates the competencies of individual internal auditors (regular one-to-ones, performance management and quality review processes), and encourages professional development.

The annual operational risk-based plan will identify the resources required to complete the work, thereby highlighting sufficiency of available resources. The Chief Internal Auditor can propose an increase in audit resource or a reduction in the number of audits if there are insufficient resources.

The Management Team and the Audit Committee will be advised where, for whatever reason, internal audit is unable to provide assurance on any significant risks within the timescale envisaged by the risk assessment process.

Significant matters that jeopardise the delivery of the plan or require changes to the plan will be identified, addressed and reported to Management Team and the Audit Committee.

If the Chief Internal Auditor, Management Team or the Audit Committee consider that the scope or coverage of internal audit is limited in any way, or the ability of internal audit to deliver a service consistent with the Global Internal Audit Standards in the UK Public Sector is prejudiced, they will advise the Deputy Chief Executive/S151 Officer, accordingly.

### **Technological Resource**

The Head of the Southern Internal Audit Partnership will ensure the internal audit function has technology to support the internal audit process and regularly evaluate the technology used to pursue opportunities to improve effectiveness and efficiency.

The implementation of new technologies is supported through effective and timely training for internal audit staff.

The impact of any technology limitations on the effective and efficient delivery of internal audit services will be communicated to Management Team and the Audit Committee.

## **6. Ethics and Professionalism**

The Chief Internal Auditor will ensure that internal auditors:

- Conform with the Global Internal Audit Standards in the UK Public Sector, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the Council and be able to recognise conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the Council.
- Report organisational behaviour that is inconsistent with the Council's ethical expectations, as described in applicable policies and procedures.
- Apply the Seven Principles of Public Life alongside existing ethical frameworks.

## **7. Independence and objectivity**

The Chief Internal Auditor retains no roles or responsibilities that have the potential to impair the internal audit functions independence, either in fact or appearance.

Should such circumstance arise, the Chief Internal Auditor will advise the Audit Committee of the safeguards put in place to manage actual, potential or perceived impairments.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review.

Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- assessing specific operations for which they had responsibility within the previous year.
- performing operational duties for the Council or its affiliates.
- initiating or approving transactions external to the internal audit function.
- directing the activities of any Council employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit team or to assist internal auditors.

Internal auditors will:

- disclose impairments of independence or objectivity, in fact or appearance, to the Chief Internal Auditor.
- exhibit professional objectivity in gathering, evaluating, and communicating information.
- make balanced assessments of all available and relevant facts and circumstances.
- take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Induction and refresher training combined with internal audit procedures and guidance provide a systematic and disciplined approach for gathering and evaluating information to provide a balanced assessment of the activity under review.

The Chief Internal Auditor will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication.

If the Chief Internal Auditor determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

In addition, to achieve the degree of independence and objectivity necessary to effectively discharge its responsibilities, arrangements are in place to ensure the internal audit activity:

- operates in a framework that allows unrestricted access to Management Team and the Audit Committee.
- reports functionally to Audit Committee.
- reports in their own name.
- rotates responsibilities for audit assignments within the internal audit team.
- completes individual declarations confirming compliance with rules on independence, objectivity, conflicts of interest and acceptance of inducements, and
- ensures the planning process recognises, records and addresses potential conflicts of interest.

A register of potential conflicts of interest will be maintained with each case assessed and outcomes documented. If, despite this, independence or objectivity is impaired in fact or appearance, the details of the impairment will be disclosed to Management Team and the Audit Committee. The nature of the disclosure will depend upon the impairment.

Management Team will ensure that independence is safeguarded through ensuring internal audit's access to staff and records, as set out in regulations and the charter, operates freely and without any interference and where there are actual or potential impairments to the independence of internal audit, the Management Team will work with the Chief Internal Auditor to remove or minimise them or ensure safeguards are operating effectively.

The Audit Committee will support internal audit's independence by reviewing the effectiveness of safeguards at least annually, including any issues or concerns about independence raised by the Chief Internal Auditor.

The Chief Internal Auditor will confirm to the Audit Committee, at least annually, the organisational independence of the internal audit function. The Chief Internal Auditor will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfil its mandate

Matters around the appointment, removal, remuneration and performance evaluation of the Chief Internal Auditor will be undertaken by the Head of the Southern Internal Audit Partnership.

The Audit Committee should provide feedback on the performance evaluation of the Chief Internal Auditor. This will be achieved through an annual survey sent to all Audit Committee members.

## **8. Due Professional Care**

Internal auditors will perform work with due professional care, competence and diligence. Internal auditors cannot be expected to identify every control weakness or irregularity, but their work should be designed to enable them to provide reasonable assurance regarding the controls examined within the scope of their review.

Internal auditors will have a continuing duty to develop and maintain their professional skills, knowledge and judgement based on appropriate training, ability, integrity, objectivity and respect.

Internal auditors will apprise themselves of the Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government and will work in accordance with them in the conduct of their duties.

Internal auditors will be alert to the possibility of intentional wrongdoing, errors and omissions, poor value for money, failure to comply with management policy and conflicts of interest. They will ensure that any suspicions of fraud, corruption or improper conduct are promptly reported to the Chief Internal Auditor.

Internal auditors will treat the information they receive in carrying out their duties as confidential. There will be no unauthorised disclosure of information unless there is a legal or professional requirement to do so. Confidential information gained during internal audit work will not be used to effect personal gain.

## **9. Communication, Reporting and Oversight**

### ***Internal Audit Strategy***

The Head of the Southern Internal Audit Partnership will develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the Council and aligns with the expectations of the Audit Committee, Management Team and other key stakeholders.

The internal audit strategy is a plan of action designed to achieve the audit function's long-term objective(s). The internal audit strategy includes a vision, strategic objectives, and supporting initiatives for the internal audit function to help fulfil the internal audit mandate.

## ***Internal Audit Charter***

The internal audit charter defines the internal audit function's mandate, organisational position, reporting relationships, scope of work, types of service, and other specifications relevant to its effective operation.

### ***Audit Plan***

The Chief Internal Auditor will develop an internal audit plan that supports the achievement of the Council's objectives.

The plan will be based on a documented assessment of the Council's strategies, objectives, and risks. Such assessment will be informed through engagement with the Audit Committee, and Management Team as well as the Chief Internal Auditors understanding of the organisation's governance, risk and control processes.

The plan will be regularly reviewed with significant changes discussed and approved with the Management Team and the Audit Committee in a timely manner.

### ***Audit Assignments***

Internal auditors will communicate with management at the commencement of each review to ensure that the scope and timing of the work is understood and agreed, and this will be documented in a Terms of Reference. Internal audit contacts agreed as part of this process will be expected to be available for discussions and to provide the information required to complete the assignment in line with the timelines agreed. Regular communication throughout the review will ensure timely awareness of any issues arising and a close of audit meeting will also be held to summarise and confirm findings.

The results of all planned audit assignments will be summarised in a formal report, including:

- the purpose and scope of the reviews
- the assurance opinion
- an executive summary
- action plans outlining issues arising and actions proposed by management to address them (including consideration of root cause and identification of key themes).

The reports will be distributed and agreed in line with the established reporting protocols for the Council.

### ***Progress Reports***

Throughout the year the Chief Internal Auditor will maintain regular communications with the Management Team and the Audit Committee on internal audit performance and other matters such as:

- revisions to the plan.
- any impairments to independence.
- significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for management that could interfere with the achievement of Council's strategic objective.
- results of assurance and advisory services.
- management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the Council's risk appetite.
- performance measures, including ongoing conformance with the Global Internal Audit Standards in the UK Public Sector.
- evaluation of resourcing to meet the requirements of the internal audit mandate / plan.

### ***Annual Conclusion***

The Chief Internal Auditor shall deliver an annual conclusion that can be used by the Council to inform its annual governance statement.

The annual conclusion will conclude on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

The annual conclusion will incorporate as a minimum:

- the opinion.
- a summary of the work that supports the opinion.
- a statement on conformance with Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government.
- results of the quality assurance and improvement programme.

## ***Quality assurance and Improvement Programme***

The Head of the Southern Internal Audit Partnership maintains a quality assurance and improvement programme that covers all aspects of the internal audit function. The programme includes:

**External Quality Assessments** – to be performed at least once every five years by a qualified independent assessor or assessment team (with appropriate characteristics and sector knowledge). The requirement for an external quality assessment may also be met through a self-assessment with independent validation.

The decision on the appointment of the external assessor and format of the external quality assessment will be communicated to the Council’s Management Team and Audit Committee.

**Internal Quality Assessments** – self-assessments to be performed annually to review internal audits conformance with the Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government along with progress towards performance objectives.

The Chief Internal Auditor will communicate annually the results of the internal quality assessment to Management Team and the Audit Committee. The results of external quality assessments will be reported when completed.

In both cases communications will include:

- The internal audit function’s conformance with Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government and achievement of performance objectives.
- Compliance with laws and regulations relevant to internal auditing.
- If applicable, plans to address the internal audit function’s deficiencies and opportunities for improvement.

In addition, an annual satisfaction survey will be conducted with key stakeholders to assess the value of the service and to seek suggestions for improvement.

The results of the survey, annual self-assessment, and external assessment will be shared with the Management Team and the Audit Committee, together with plans to address any issues arising.

## Management Team

As those responsible for the leadership and direction of the Council it is imperative that the Management Team are engaged in:

- input, review, and note the internal audit mandate and charter (minimum annually).
- input, review, and note the internal audit strategy.
- Input and note the risk based internal audit plan (making appropriate enquiries of the Chief Internal Auditor to determine inappropriate scope and resource limitations).
- receiving regular progress reports from the Chief Internal Auditor on the outcomes and internal audits performance relative to its plan.
- review and note the Chief Internal Auditor’s annual conclusion.
- review of the quality assurance and improvement programme, engaging with, and receiving the results of internal and external assessments, including areas of non-conformance.

## The Audit Committee

As those responsible for the governance of the Council it is imperative that the Audit Committee are engaged in:

- input, review and approval of the internal audit mandate and charter (minimum annually).
- input, review, and note the internal audit strategy.
- input, and approval of the risk based internal audit plan (making appropriate enquiries of management and Chief Internal Auditor to determine inappropriate scope and resource limitations).
- receiving regular progress reports from the Chief Internal Auditor on the outcomes and internal audits performance relative to its plan.
- consider the Chief Internal Auditor’s annual conclusion.
- review of the quality assurance and improvement programme, engaging, with, and receiving the results of internal and external assessments, including areas of non-conformance.
- participation in discussions with the Chief Internal Auditor and senior management about the “essential conditions,” described in the Global Internal Audit Standards in the UK Public Sector.
- overview of significant advisory services not already included in the audit plan, prior to acceptance of the engagement.

## **10. Review of the internal audit mandate and charter**

This mandate and charter will be reviewed annually (minimum) by the Chief Internal Auditor and reported to Management Team and the Audit Committee for approval to ensure that any changes to the Global Internal Audit Standards in the UK Public Sector, reorganisation within the organisation or other significant changes affecting the nature and scope of internal audit services are considered.

## Annex 1

## Assurance Services

- **Risk based audit:** in which risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of managements' objectives. Any audit work intended to provide an audit opinion will be undertaken using this approach.
- **Developing systems audit:** in which the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management; and programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.
- **Quality assurance review:** in which the approach and competency of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.
- **Advisory services:** in which advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management and governance.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

- **Data analytics:** is a process of assessing data to find trends, patterns or other insights. Internal auditors use data analytics to find and define risks, errors, and anomalies that could reveal deeper problems. The extended use of data analytics helps provide greater levels of assurance through analysis of a total population rather than traditional sampling methodologies.
- **IT Audit:** a specialist IT audit team are in place that are experienced in covering all aspects of established and emerging technologies. With IT underpinning a vast majority of how we function assurance in this area is crucial. To be able to provide a fully qualified team of IT audit specialists is a fundamental component of the audit offering.

- **Fraud and irregularity investigations:** Internal audit may provide specialist skills and knowledge to assist in or lead fraud or irregularity investigations, or to ascertain the effectiveness of fraud prevention controls and detection processes.
  
- **Value For Money:** is implicit in the vast majority of our internal audit work, however, value for money work can also be conducted through review of the optimal use of resources to achieve an intended outcome, and can be summarised as:
  - **Economy** – minimising the cost of resources used or required (inputs) – spending less
  - **Efficiency** – the relationship between the output from goods or services and the resources to produce them – spending well
  - **Effectiveness** – the relationship between the intended and actual results of public spending (outcomes) – spending wisely.
  
- **Third party assurance:** the availability of objective assurance from other assurance providers will be considered in determining audit needs. Where internal audit needs to work with the internal auditors of other organisations, a practice which is expanding with the development of more organisational strategic partnerships, the roles and responsibilities of each party, as well as billing arrangements, will be clearly defined, agreed and documented prior to the commencement of work. Internal audit will also ensure awareness of and seek to place reliance on the work of other independent review bodies.



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# **Southern Internal Audit Partnership**

Assurance through excellence  
and innovation

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## **Spelthorne Borough Council Internal Audit Plan 2026-27**

**Prepared by: Iona Bond, Deputy Head of Southern Internal Audit Partnership**

**February 2026**

## Introduction

The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

*'5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'*

The scope of internal audit includes both assurance and advisory services covering the entire breadth of the Council, including all activities, assets, and personnel of the organisation.

The role of internal audit is that of an:

*'Independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes'.*

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

The aim of internal audit's work programme is to provide independent and objective assurance to management, the Management Team and the Audit Committee, in relation to the business activities; systems and processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risks to the achievement of the Council's objectives are identified, assessed and managed to a defined acceptable level.

## Conformance with internal auditing standards

From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards, Application Note: Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements shall be referred to as the Global Internal Audit Standards (GIAS) in the UK Public Sector.

Standard 8.4 [External Quality Assessment] requires internal audit providers to undergo an external quality assessment every five years. In September 2025 JC Training Ltd were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector.

In considering all sources of evidence the external assessor concluded:

**'SIAP has achieved an excellent result of 'generally achieves' in this EQA** in relation to the GIAS and Application Note. The IIA use the term 'general achievement' or 'general conformance' to indicate that "internal audit activities were performed in general conformance with the Global Standards."

I include a summary of SIAP's conformance to the GIAS, below. Overall, I believe that the team has achieved an excellent performance given its size, together with the breadth and depth of the benchmark established by the new GIAS.

**I am delighted to confirm that SIAP fully achieves 46 of the 52 Standards and generally achieves the remaining six Standards.** There are no partial conformances, or areas where the team do not conform with any Standards.

I have undertaken ten reviews of diverse internal audit functions using the (new) GIAS to date and **this result puts SIAP firmly within the top quartile and represents the highest level of achievement and conformance with the new GIAS that I have seen to date.'**

Summary of IIA Conformance	Standards	Does not Conform	Partially Conforms/Achieves	Generally Conforms/Achieves	Fully Conforms/Achieves	Total
Purpose of Internal Auditing	N/A					N/A
Ethics and Professionalism	13				13	13
Governing the Internal Audit Function	9			3	6	9
Managing the Internal Audit Function	16			1	15	16
Performing Internal Audit Services	14			2	12	14
	52	0	0	6	46	52

## Developing the internal audit plan 2026-27

In accordance with the Global Internal Audit Standards in the UK Public Sector there is a requirement that internal audit must create a risk-based internal audit plan that supports the achievement of the organisation’s objectives. The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to fulfil the audit mandate and delivery of the internal audit strategy.

This is a unique year for the Council taking them through to vesting day (1 April 2027) for the new West Surrey Council. We have worked with management to ensure the audit plan is positioned to add optimum value to the organisation during what will be a challenging period of significant change and uncertainty.

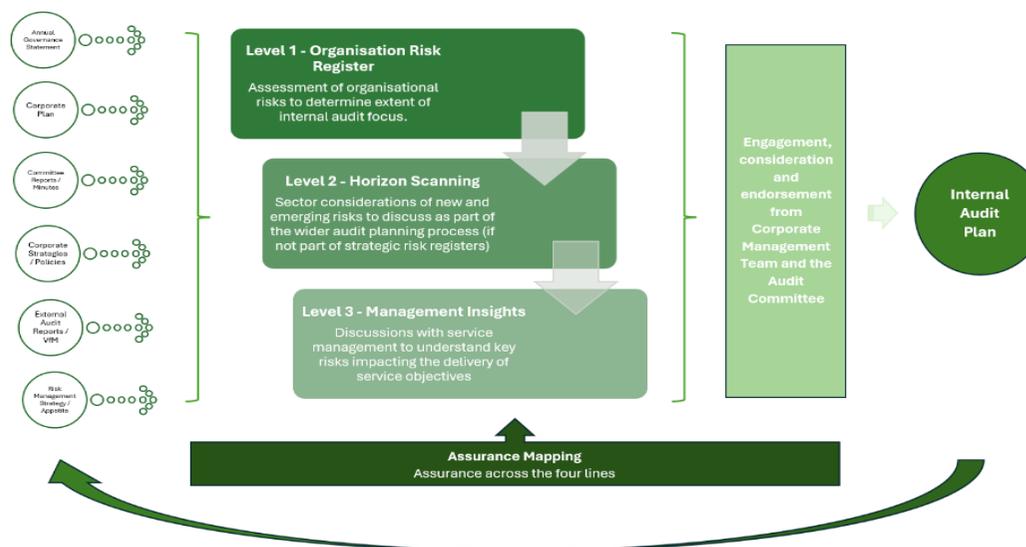
Whilst planning has maintained its usual robust approach, we have incorporated a contingency to provide reactive assurance and advisory resource to the organisation during 2026-27.

The risk-based internal audit plan is prepared based on a range of inputs (see diagram).

The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, the Management Team, and the Audit Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Council.

Amendments to the plan and use of contingency will be identified through the Chief Internal Auditor’s continued contact and liaison with those responsible for the governance of the Council and reported to the Management Team, and Audit Committee through regular progress reports.

The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation. We will however continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained.



## Internal audit resources

On development of the 2026-27 internal audit plan as Chief Internal Auditor, I am of the opinion that there is a sufficient level of resource available, supported by an appropriate range of knowledge, skills, qualifications and experience to deliver the internal audit plan in the fulfilment of the audit mandate and delivery of the internal audit strategy.

The Head of the Southern Internal Audit Partnership has a resource strategy in place to optimise internal audit resources to efficiently and effectively deliver the internal audit plan.

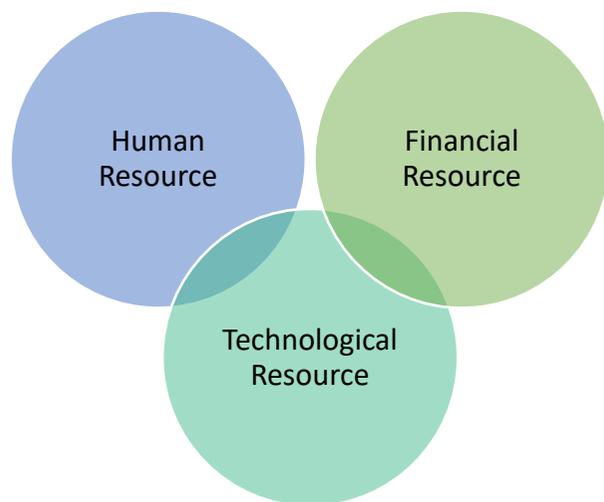
**Human Resource** - the internal audit service has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and operational risk-based audit plan.

If the Chief Internal Auditor, Management Team or the Audit Committee consider that the scope or coverage of internal audit is limited in any way, or the ability of internal audit to deliver a service consistent with the Global Internal Audit Standards in the UK Public Sector is prejudiced, they will advise the Deputy Chief Executive and Section 151 Officer, accordingly.

**Financial Resource** - the Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit mandate and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.

**Technological Resource** - the internal audit function has the technology to support the internal audit process and regularly evaluates technological resources in pursuit of opportunities to improve effectiveness and efficiency.

The internal audit plan is tailored to support the organisation through to vesting day, however, it is recognised that a significant level of organisational capacity / resource will be necessarily focused on LGR readiness in addition to delivering business-as-usual operations potentially impacting capacity to support internal audit delivery. Should we feel the delivery of the plan is compromised in any way we will report this to Senior Management and the Audit Committee through our regular progress report(s).



## Resourcing the internal audit plan

The Global Internal Audit Standards in the UK Public Sector require a clear analysis of the resources and hours available for internal audit engagements compared to other administrative and non-audit related activities or initiatives focused on improving the internal audit function.

Activity		Days
Risk-Based Audit /Advisory	- Delivery of risk-based internal audit assignments designed to fulfil the audit mandate, delivery of the internal audit strategy and in support of the Council in the achievement of corporate objectives.	220
Contingency	- Reactive and advisory work as may be required during the year	50
Audit Management	- Time allocated for the liaison and reporting to Management Team and the Audit Committee, ongoing monitoring and update of the audit plan, implementation of management actions and ongoing quality review.	30
Total Audit Days	- Total resource allocation for the delivery of the internal audit plan	300

\*100% of the commissioned audit days are dedicated to fulfilling the audit mandate, and delivery of the internal audit strategy. Internal audit services are provided through the Southern Internal audit Partnership who undertake all administrative and non-audit related activities outside of the commissioned audit days.

A range of internal audit services are provided to deliver the internal audit plan (see Internal Audit Charter). The approach is determined by the Chief Internal Auditor and will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

## Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Iona Bond, Deputy Head of Southern Internal Audit Partnership (Chief Internal Auditor).

## Independence

The Chief Internal Auditor will ensure that the internal audit function remains free from all conditions that threaten the ability of auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The Chief Internal Auditor is not aware of any relationships that may affect the independence and objectivity of the internal audit team.

The internal audit team retains no roles or responsibilities that have the potential to impair the internal audit functions independence, either in fact or appearance. Should such circumstance arise, the Chief Internal Auditor will advise the Audit Committee of the safeguards put in place to manage actual, potential or perceived impairments.

## Internal Audit Plan 2026-27

Audit Assignment	SLT Sponsor	Scope	Corporate Priority	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Accounts Payable	DCE/S.151	Cyclical review of core financial system.		Assurance	High	Q1
HR – Vacancy Management, inc. Capacity/TUPE	DCE	Assurance over the framework of control for vacancy management and preparations for TUPE.		Assurance	High	Q1
Homelessness – Supported Accommodation	DCE/S.151	Review of the processes and controls in place for the management of supported accommodation		Assurance	High	Q1
Corporate Performance Management Framework	CE	Review of the corporate performance management arrangements in place including monitoring and reporting.		Assurance	High	Q2
Procurement	CGMO	Assurance over compliance with contract standing orders and legislative requirements.		Assurance	High	Q2
Medium Term Financial Planning and Savings Realisation	DCE/S.151	Assurance over the development, governance, and delivery of the Council's medium term financial plan and savings proposals.		Assurance	High	Q2
Homelessness – Sourcing Temporary Accommodation	DCE/S.151	Review of the financial controls in place for the sourcing of temporary accommodation		Assurance	High	Q2

Audit Assignment	SLT Sponsor	Scope	Corporate Priority	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
IT - TBC	DCE	TBC		Assurance	High	Q2/3
Governance Assurance (Risk Management)	DCE	Review of the new governance assurance places in place to manage strategic risk.		Assurance	High	Q3
Council Tax	DCE/S.151	Cyclical review of core financial system.		Assurance	High	Q3
Follow Up – Building Control	DCE	To follow up on the key observations raised in the 2024/25 “limited assurance” review to ensure actions have been fully implemented.		Follow Up	Medium	Q3
Follow Up – Tree Maintenance	DCE	To follow up on the key observations raised in the 2024/25 “limited assurance” review to ensure actions have been fully implemented.		Follow Up	Medium	Q3
Follow Up – Accounts Receivable and Debt Management	DCE/S.151	To follow up on the key observations raised in the 2024/25 “limited assurance” review to ensure actions have been fully implemented.		Follow Up	Medium	Q3
LGR - Contingency	MAT	Provision for reactive/advisory work as may be required through the LGR process.		-	-	Q1-4

**Audit Sponsor**

Gordon Mitchell  
Interim Chief Executive  
(CE)

Terry Collier Deputy Chief Executive/Section 151 Officer (DCE/S.151)	Lee O'Neil Deputy Chief Executive (DCE)
Linda Heron Group Head Corporate Governance and Monitoring Officer (CGMO)	

**Council Priorities**



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**Committee Report Checklist**

**Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.**

**Stage 1**

**Report checklist – responsibility of report owner**

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	N/A	
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	N/A	
Relevant Group Head review	N/A	
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	N/A	
This item is on the Forward Plan for the relevant committee	Y	
	<b>Reviewed by</b>	
Finance comments		
Risk comments	LO	03/03/26
Legal comments	LH	27/02/26
HR comments (if applicable)	N/A	

**For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.**

**Do not forward to stage 2 unless all the above have been completed.**

**Stage 2**

**Report checklist – responsibility of report owner**

ITEM	Completed by	Date
Monitoring Officer commentary – <b>at least 5 working days before MAT</b>	L Heron	27/02/26
S151 Officer commentary – <b>at least 5 working days before MAT</b>	T Collier	25/02/26
Confirm final report cleared by MAT		

# Audit Committee

26 March 2026

<b>Title</b>	Internal Audit Progress Report February 2026
<b>Purpose of the report</b>	To inform, assure and approve
<b>Report Author</b>	Iona Bond, Deputy Head of Southern Internal Audit Partnership
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Services
<b>Recommendations</b>	<p><b>The Committee is asked:</b></p> <ol style="list-style-type: none"> <li>1. To note the Internal Audit Progress Report – February 2026 (Appendix A), and</li> <li>2. To approve the adjustments to the internal audit plan 2025/26.</li> </ol>
<b>Reason for Recommendation</b>	In accordance with the Global Internal Audit Standards in UK Public Sector the Chief Internal Auditor is required to provide a written status report to the Audit Committee.

## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>• In accordance with the Global Internal Audit Standards in UK Public Sector the Chief Internal Auditor is required to provide a written status report to present internal audit activity and key findings from work concluded in delivery of the internal audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>• The internal audit progress report provides a mechanism through which internal audit performance, issues impacting the Chief Internal Auditors annual opinion, and progress against the Audit Plan can be monitored.</li> </ul>

This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Consider the internal audit progress report for awareness of issues raised and to monitor the implementation of management actions raised to mitigate identified risks.</li> </ul>	<ul style="list-style-type: none"> <li>To inform and assure Management Team and Group Heads of internal audit progress against the planned assurance assignments and key issues raised for 2025/26 and confirm it is agreeable and to note changes to the 2025-26 annual audit plan.</li> <li>To inform and assure the Audit Committee of the Internal Audit Progress at the meeting of 26 March 20265.</li> <li>For the Audit Committee to approve changes to the 2025-26 annual audit plan.</li> </ul>

1.1 This report provides an overview of internal audit activity against assurance work completed in accordance with the approved audit plan for 2025-26 and to provide an overview of the outstanding management actions.

## 2. Key issues

2.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

‘A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

2.2 From 1 April 2025, the ‘standards or guidance’ in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements shall be referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).

2.3 The Southern Internal Audit Partnership have made all necessary adaptations to its processes, procedures and practices to ensure it is best placed to conform with these requirements with effect from 1 April 2025.

2.4 In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), the Chief Internal Auditor is required to provide a written status report to the Audit Committee, summarising:

- ongoing confirmation or otherwise regarding independence, and impairments [Standard 7.1]

- a summary of significant issues and escalation of matters of importance [Standard 8.1]
- overview and sufficiency of resourcing [Standards 8.2, 10.1, 10.2, and 10.3]
- communication of unresolved issues that fall outside of the Council's risk tolerance [Standard 11.5]
- update on progress and any changes to the annual audit plan [Standard 9.4]
- internal audit performance measures [Standard 12.2]
- status of 'live' internal audit reports and status on the implementation of management actions [Standard 15.2]

2.5 Steady progress against the plan for 2025-26 continues to be made although it remains imperative that through the remainder of the year audit work is progressed timely and therefore any delays we experience will continue to be escalated promptly to relevant management.

2.6 Members are requested to note the Internal Audit Progress Report – February 2026 (Appendix A) and approve adjustments to the internal audit plan 2025-26.

### **3. Options appraisal and proposal**

3.1 To inform and assure the Audit Committee of Internal Audit progress as detailed within Appendix A.

### **4. Risk implications**

4.1 In producing the programme of audit work for 2025/26 the Chief Internal Auditor has ensured that a risk-based approach has been applied in line with audit standards and focussed on areas of higher priority that align with corporate priorities and objectives. Consideration has been given to current and emerging risks (and opportunities) facing the Council during 2025/26.

### **5. Financial implications**

5.1 The Internal Audit Progress Report includes reviews of functions and systems that are financially material and therefore represent greater risk to the authority. Issues presenting adverse financial consequences or threats to the Council's financial position apply to a range of workstreams on the plan.

### **6. Legal comments**

6.1 The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk

management, control and governance processes, taking into account public sector internal audit standards or guidance.

- 6.2 The Global Internal Audit Standards in UK Public Sector are mandatory further to the Accounts and Audit (England) Regulations 2015 within which there is a requirement to provide a written status report to the Audit Committee.
- 6.3 This report assists the Council to demonstrate compliance with the statutory requirements.

## **Corporate implications**

### **7. S151 Officer comments**

- 7.1 As S151 Officer, it is important to receive timely and comprehensive assurance, that the audit plan is on track and to have feedback on risks and emerging issues, and equally feedback on progress being made on addressing risks identified in recent external reviews. The S151 Officer fully supports SIAP and the Audit Committee in seeking to ensure that officers and SIAP are working effectively to ensure that the audits in the plan are delivered. The S151 Officer and SIAP have periodically met to ensure that overall the plan remains on track for 2025-26. As stated above there are no additional budget implications.

### **8. Monitoring Officer comments**

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **9. Procurement comments**

- 9.1 There are no procurement implications arising from this report.

### **10. Equality and Diversity**

- 10.1 Equality and diversity are key considerations that feature in the assessment of risk and audit needs.

### **11. Sustainability/Climate Change Implications**

- 11.1 Sustainability is a key consideration and features in the assessment of risk and audit needs.

### **12. Other considerations**

- 12.1 None.

### **13. Timetable for implementation**

13.1 Applicable for the period 1 April 2025 – 31 March 2026

**14. Contact**

14.1 Iona Bond, Deputy Head of Southern Internal Audit Partnership  
[iona.bond@hants.gov.uk](mailto:iona.bond@hants.gov.uk)

***Please submit any material questions to the Committee Chair and Officer  
Contact by two days in advance of the meeting.***

**Background papers: Internal Audit Plan 2025-26.**

**Appendices:**

**Appendix A – Internal Audit Progress Report February 2026**

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**Southern Internal  
Audit Partnership**

Assurance through excellence  
and innovation

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**Internal Audit Progress Report  
Spelthorne Borough Council – February 2026**

Prepared by: **Iona Bond, Deputy Head of Partnership**

## 1. Internal Audit Mandate

The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

*'5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.*

*(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—*

*(a) make available such documents and records; and*

*(b) supply such information and explanations*

*as are considered necessary by those conducting the internal audit.'*

The role of internal audit is best summarised through its definition within the Standards, as an:

*'An independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.'*

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

## 2. Internal Audit Standards

With effect from 1 April 2025, the 'Standards' against which internal audit within the public sector must conform are those laid down in the Global Internal Audit Standards, Application Note: Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector.

### 3. Purpose of Report

In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to Senior Management and the Audit Committee, summarising:

- The monitoring of 'live' internal audit reports
- an update on progress against the annual audit plan and any subsequent revisions
- acknowledgement of any actual or perceived impairments to internal audit independence
- internal audit performance, planning and resourcing issues
- results of audit assignments and insights.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of controls in place focusing on those designed to mitigate risks to the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

**Substantial**

A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

**Reasonable**

There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

**Limited**

Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

**No**

Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

#### 4. Resourcing

As Chief Internal Auditor I maintain responsibility for ensuring that there is a sufficient level of resource available, supported by an appropriate range of knowledge, skills, qualifications and experience to deliver the internal audit plan (2025-26) and in the fulfilment of the audit mandate and delivery of the internal audit strategy.

- **Human Resource** - the Southern Internal Audit Partnership has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and risk-based audit plan.
- **Financial Resource** - the Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit mandate and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.
- **Technological Resource** - the internal audit function has the technology to support the internal audit process and regularly evaluates technological resources in pursuit of opportunities to improve effectiveness and efficiency.

#### 5. Independence

As your chief internal auditor, I retain no roles or responsibilities that have the potential to impair my independence, either in fact or appearance. Internal auditors engaged in the delivery of the 2025-26 internal audit plan have had no direct operational responsibility or authority over any of the activities reviewed. I can confirm there has been no interference encountered relating to the scope, performance, or communication of internal audit work during the year to date in the delivery of the internal audit plan or the fulfilment of the internal audit mandate.

#### 6. Impairments

There have been no impairments to internal audit activity during the year. The internal audit function has remained free from all conditions that threaten our ability to carry out responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The internal audit team have maintained an unbiased mental attitude allowing them to perform engagements objectively enabling them to believe in their work product, with no compromise to quality, and no subordination to their judgment on audit matters, either in fact or appearance.

## 7. Rolling Work Programme

The internal audit plan for 2025-26 was originally presented to Senior Management and approved by the Audit Committee in May 2025. The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Progress against the plan is detailed below.

It remains imperative that through the remainder of the year audit work is progressed timely and therefore any delays we experience will continue to be escalated promptly to relevant management.

Audit Review	Sponsor	Scoping Held	ToR Issued	Fieldwork Start	Draft Report	Final Report	Assurance Opinion	Comment
<b>2024-25</b>								
Contract Management	Deputy Chief Executive and S151 Officer	06.02.25	25.02.25	04.06.25	01.09.25	28.10.25	Reasonable	
Risk Management	Deputy Chief Executive	05.02.25	04.03.25	10.03.25	04.06.25	04.11.25	Limited	
<b>2025-26</b>								
Decision Making and Accountability	Deputy Chief Executive and S151 Officer	21.05.25	17.07.25	17.07.25	30.09.25	06.11.25	Reasonable	
Contract Management – Leisure Centres	Deputy Chief Executive and S151 Officer	01.08.25	09.09.25	22.09.25	10.11.25	27.02.26	Reasonable	
Main Accounting	Deputy Chief Executive and S151 Officer	25.07.25	07.08.25	11.08.25	24.09.25	15.10.25	Reasonable	
National Non Domestic Rates	Deputy Chief Executive and S151 Officer	23.07.25	01.08.25	15.09.25	29.01.26	19.02.26	Reasonable	
Annual Governance Statement	Deputy Chief Executive and S151 Officer	28.08.25	02.10.25	01.10.25	18.11.25	01.12.25	Reasonable	

Audit Review	Sponsor	Scoping Held	ToR Issued	Fieldwork Start	Draft Report	Final Report	Assurance Opinion	Comment
Improvement and Recovery Plan – Governance Framework	MAT	22.10.25	06.01.26	08.01.26	02.03.26			
Cyber Security training and Awareness	Deputy Chief Executive and S151 Officer	20.10.25	05.11.25	27.11.25				
Disabled Facilities Grant	Deputy Chief Executive and S151 Officer	05.11.25	26.11.25	08.12.25	16.01.26	30.01.26	Substantial	
Treasury Management	Deputy Chief Executive and S151 Officer	26.11.25	17.12.25	02.02.26				
Budget Monitoring	Deputy Chief Executive and S151 Officer	25.09.25	20.10.25	02.03.26				
Community Infrastructure Levy	Deputy Chief Executive	05.12.25	29.01.26	26.01.26				
Commercial Property Management	Deputy Chief Executive and S151 Officer	15.01.26	21.01.26	02.02.26				

## 8. Adjustment to the Internal Audit Plan 2025-26

Internal Audit focus continues to be proportionate and appropriately aligned. The plan remains fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, Senior Management, and Audit Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Council.

Such amendments to the 2025-26 internal audit plan are detailed below with explanations for the proposed amendments.

Additions	Audit Review	Reason for inclusion in the plan
	Annual Governance Statement	Replacement for Savings Proposals and Realisation. Taken from contingency list.
	Disabled Facilities Grant	This has been added to the plan (from the contingency list of audits) due to the cancellation of other audit reviews.
	Community Infrastructure Levy	This has been added to the plan (from the contingency list of audits) due to the cancellation of other audit reviews.

Withdrawals	Audit Review	Reason for removal from the plan
	Savings Proposals and Realisation	The 24-25 audit review has only recently been finalised with the majority of management actions due for implementation during Q3. Therefore no added value re-auditing at this time.
	Knowle Green Estates	Following the commissioning of independent assurance work by the Board around health and safety statutory compliance no additional internal audit work is considered necessary at this time.
	Governance of Companies – Knowle Green Estates	At our detailed scoping we were informed that the Council had commissioned an independent review of Knowle Green Estates. In reviewing the scope of this review it was clear that there would be duplication in the work we had scheduled to undertake.  We have agreed with senior management that as part of the 2026/27 audit plan we will undertake a follow up review of actions arising from the externally commissioned review.
	Homelessness	Due to capacity within the Council this review has been cancelled.
	Asset Management	The scheduled coverage on the Improvement Recovery Plan, Corporate Plan and commercial property will crosscut into asset management. Further consideration of this as an audit area will be considered as part of the 2026/27 planning process when the results of the aforementioned reviews will be taken into account.

## 9. Acceptance of Risk

Internal audit reporting protocols are in place to ensure that the scope of work and findings for all assignments are reported appropriately and that agreed management actions are approved by senior management.

Every effort will be made to resolve disagreements that may arise during the audit process. However, if, unresolved issues are considered by internal audit to fall outside of the Council’s risk tolerance, these will be escalated to Senior Management and Audit Committee as deemed necessary.

There are no such instances to report from our delivery of the 2025–26 internal audit plan to date.

## 10. Executive Summaries of reports published concluding a ‘Limited’ or ‘No’ assurance opinion

There have been no reports published concluding with a ‘limited’ assurance opinion for inclusion within this progress report.

## 11. Analysis of ‘Live Audit Reviews’

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions													
				Agreed			Pending			Complete			Overdue				
				L	M	H	L	M	H	L	M	H	L	M	H		
<b>2024/25</b>																	
Equality, Diversity and Inclusivity	June 2025	DCE	Limited	2	2	4				1	2	3	1			1	
Savings Realisation	Sept 2025	DCE/S151	Limited		6	8		1			5	8					
Accounts Receivable and Debt Management	Oct 2025	DCE/S151	Limited	7	4		1	2		5	2		1				
<b>2025/26</b>																	
Decision Making and Accountability	Nov 2025	DCE/S151	Reasonable	1	9		1	4			5						
Annual Governance Statement	Dec 2025	DCE/S151	Reasonable		4			2			2						
National Non Domestic Rates	Feb 2026	DCE/S151	Reasonable	2	1	1	2	1	1								
Contract Management – Leisure Centres	Feb 2026	DCE/S151	Reasonable		7	1		7	1								
<b>Total</b>				<b>12</b>	<b>33</b>	<b>14</b>	<b>4</b>	<b>17</b>	<b>2</b>	<b>6</b>	<b>16</b>	<b>11</b>	<b>2</b>			<b>1</b>	

## Overdue 'High Priority' Management Action

## Equality, Diversity and Inclusivity - Limited

**Observation:**

The Council do not have a Strategy in place for Equality, Diversity and Inclusion. Within the Council's Corporate Plan (2024- 2028) there is an action for this to be completed by the end of 2025. We were not provided with any evidence to indicate that this action was being developed at the time of the audit.

Without an approved strategy in place for Equality, Diversity and Inclusion there is a lack of strategic direction which could present limitations in terms of enabling a coordinated and holistic approach across the Council.

**Risk:**

Lack of strategic direction for EDI.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
To develop and finalise strategy for EDI including Committee approval	31.12.25	30.04.26	The draft Strategy has been written and now needs to go through the committee reporting and approval process.

## Overdue 'Low &amp; Medium Priority' Management Actions

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
			Low	Medium		
Equality, Diversity and Inclusivity	June 2025	Limited	1		31.12.25	30.04.26
Accounts Receivable and Debt Management	Oct 2025	Limited	1		01.11.25	28.02.26
<b>Total</b>			<b>2</b>			

## Southern Internal Audit Partnership - Performance Measures

Performance Measure	Regularity	Target	Actual 25/26	Status	Direction of Travel
<b>1. Percentage of the agreed audit plan completed (issue of draft / final report)</b>	Ongoing	90%	58%*		n/a
<b>2. Audits delivered within agreed timescales (% year to date)</b>					
○ To issue of draft report	Ongoing	80%	71%*		n/a
○ To issue of final report	Ongoing	80%	50%*		n/a
<b>3. Conformance with the Global Internal Audit Standards in the UK Public Sector</b>	Annual	Generally conforms	Generally conforms		
<b>4. Audits conducted optimising the effect use of data analytics (% year to date)</b>	Ongoing	60%	60%*		n/a
<b>5. Stakeholder satisfaction (annual survey)</b>					
○ Audit Committee	Annual	90%	97%		n/a
○ Senior Management		90%	100%		n/a
○ Key Contacts		90%	100%		n/a
<b>6. Internal audit effectively communicates with key stakeholders</b>					
○ Audit Committee	Annual	90%	100%		n/a
○ Senior Management		90%	100%		n/a
○ Key Contacts		90%	100%		n/a
<b>7. Sufficiency of input to and discussion of the internal audit plan</b>					
○ Audit Committee	Annual	90%	100%		n/a
○ Senior Management		90%	100%		n/a
<b>8. Appropriate focus on key risks</b>					
○ Audit Committee	Annual	90%	75%		n/a
○ Senior Management		90%	100%		n/a
○ Key Contacts		90%	100%		n/a

\* Cumulative throughout the year



**Committee Report Checklist**

**Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.**

**Stage 1**

**Report checklist – responsibility of report owner**

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	N/A	
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	N/A	
Relevant Group Head review	N/A	
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	N/A	
This item is on the Forward Plan for the relevant committee	Y	
Finance comments	N/A	
Risk comments	LO	03/03/26
Legal comments	LH	27/02/26
HR comments (if applicable)	N/A	

**For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.**

**Do not forward to stage 2 unless all the above have been completed.**

**Stage 2**

**Report checklist – responsibility of report owner**

ITEM	Completed by	Date
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	27/02/26
S151 Officer commentary – at least <b>5 working days before MAT</b>	T Collier	20/02/26
Confirm final report cleared by MAT		

# Audit Committee

26 March 2026

<b>Title</b>	<i>External Quality Assessment – Final Report</i>
<b>Purpose of the report</b>	To inform
<b>Report Author</b>	<i>Iona Bond, Deputy Head of Southern Internal Audit Partnership</i>
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Services
<b>Recommendations</b>	<p><b>The Committee is asked to note:</b></p> <ol style="list-style-type: none"> <li><b>1. the report of the External Assessor following the External Quality Assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector (Appendix A); and</b></li> <li><b>2. the action plan developed against suggested opportunities for future development (Appendix B).</b></li> </ol>
<b>Reason for Recommendation</b>	In accordance with the Global Internal Audit Standards in the UK Public Sector an external quality assessment must be undertaken every five years.

## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>• In accordance with the Global Internal Audit Standards in UK Public Sector an external quality assessment must be undertaken every five years.</li> </ul>	<ul style="list-style-type: none"> <li>• As a requirement of the Global Internal Audit Standards in UK Public Sector.</li> </ul>

This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Note the report of the outcome of the external assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector.</li> </ul>	<ul style="list-style-type: none"> <li>To inform Management Team and Group Heads of the outcome of the external assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector.</li> <li>To inform Audit Committee of the outcome of the external assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector at the meeting of 24 February 2026.</li> </ul>

1.1 This report provides the Audit Committee with the outcome from the External Quality Assessment of the Southern Internal Audit Partnership against the new Global Internal Audit Standards in the UK Public Sector.

## 2. Key issues

### Contextual information

2.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

‘A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

2.2 From 1 April 2025, the ‘standards or guidance’ in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).

2.3 The Standards (8.4) require that *‘the Chief Internal Auditor must develop a plan for an external quality assessment and discuss the plan with the Audit Committee. The external audit assessment must be performed at least once every five years by a qualified, independent assessor or assessment team. The requirement for an external assessment may also be met through a self-assessment with independent validation.’*

## External Quality Assessment

- 2.4 An External Quality Assessment of the Southern Internal Audit Partnership was undertaken during September to December 2025. The scope was comprehensive including review of the Southern Internal Audit Partnership's:
- Conformance with the Global Internal Audit Standards in the UK Public Sector.
  - Mandate, charter, strategy, methodologies, processes, risk assessment and internal audit planning.
  - Performance measures and outcomes.
  - Qualifications and competencies including those of the Chief Internal Auditor.
  - Integration into the organisation's governance processes.
  - Contribution towards the organisation governance, risk management, and control processes.
  - Contribution to the organisations operations and ability to attain its objectives.
  - Ability to meet the expectations of stakeholders.
- 2.5 The External Quality Assessment was undertaken by John Chesshire of JC Training Ltd who met all of the necessary requirements of the enhanced qualification and experience required of an external assessor in the public sector. John is also the current Chairman of the Internal Audit Standards and Advisory Board whose role includes oversight of the development and periodic revision of the Global Internal Audit Standards. As such John is ideally positioned to provide the most credible assessment of the Southern Internal Audit Partnership against the new Standards.

## External Quality Assessment Outcome

- 2.6 A full copy of the External Quality Assessment – Final Report is provided (Appendix A), in concluding their conformance opinion, the external assessor states:

*'I undertook this EQA review to provide an independent, objective, examination of SIAP against the GIAS, the Application Note, and the expectations within the CIPFA Code, as well as considering the function's effectiveness and delivery compared with other internal audit functions, current and emerging good practice(s).*

*The GIAS comprises five Domains, 15 Principles and 52 Standards. For each Standard, there are Requirements, Considerations for Implementation and Examples of Evidence of Conformance to achieve.*

***SIAP has achieved an excellent result of 'generally achieves' in this EQA in relation to the GIAS and Application Note. The IIA use the term 'general achievement' or 'general conformance' to indicate that "internal audit activities were performed in general conformance with the Global Standards."***

*I include a summary of SIAP’s conformance to the GIAS, below. Overall, I believe that the team has achieved an excellent performance given its size, together with the breadth and depth of the benchmark established by the new GIAS.*

***I am delighted to confirm that SIAP fully achieves 46 of the 52 Standards and generally achieves the remaining six Standards. There are no partial conformances, or areas where the team do not conform with any Standards.***

***I have undertaken ten reviews of diverse internal audit functions using the (new) GIAS to date and this result puts SIAP firmly within the top quartile and represents the highest level of achievement and conformance with the new GIAS that I have seen to date.’***

Summary of IIA Conformance	Standards	Does not Conform	Partially Conforms/Achieves	Generally Conforms/Achieves	Fully Conforms/Achieves	Total
<i>Purpose of Internal Auditing</i>	N/A					N/A
<i>Ethics and Professionalism</i>	13				13	13
<i>Governing the Internal Audit Function</i>	9			3	6	9
<i>Managing the Internal Audit Function</i>	16			1	15	16
<i>Performing Internal Audit Services</i>	14			2	12	14
	52	0	0	6	46	52

2.7 In contextualising the overall assessment outcome, the external assessors clarify:

*‘Given these results, you may ask why does SIAP not fully achieve/conform, overall, given this level of attainment? The reason is that the IIA have set an incredibly high, and some may say excessively high, benchmark for the ‘fully achieves’ level of attainment. To fully achieve or conform, the IIA state that “The internal audit function is fully achieving all 15 principles and the Purpose of Internal Auditing.” To fully achieve each of the 15 Principles, an internal audit function must fully conform with each of the 52 Standards.*

*Given that the GIAS remains ‘comply or explain’ in nature, an internal audit function can reasonably decide that some elements are not necessary to fully adopt, given the team’s nature, size, sector, cost/benefit, value for money*

*considerations, or target maturity level. Not everything must be platinum-plated, and a level of common sense, judgement and proportionality is important.'*

### **Opportunities for Improvement**

- 2.8 It is important to note that the external assessor in their final report clearly states 'I do not make any formal recommendations in this report. To aid continuous improvement however, I do make a small number of suggestions for future development'.
- 2.9 Whilst there is no obligation on the Southern Internal Audit Partnership to address the highlighted areas of improvement, our culture as a learning organisation seeks continual development in ensuring our service is future proofed, lean, efficient, and effective. Consequently, an Action Plan (Appendix B) has been compiled to consider each of the suggested future development opportunities.

### **Conclusion**

- 2.10 The decision to undertake an early external quality assessment and the resulting outcome provides assurance to the Council that the Southern Internal Audit Partnership are operating in general conformance with the Global Internal Audit Standards in the UK Public Sector and remain well positioned as your internal audit provider.

### **3. Risk implications**

- 3.1 The absence of conducting an external audit assessment within the specified timelines will conflict with the expectation of the Global Internal Audit Standards of completing an EQA every 5 years.

### **4. Financial implications**

- 4.1 There is no additional budget impact to the Council.

### **5. Legal comments**

- 5.1 The Council is required to make proper provision for internal audit in accordance with the 1972 Local Government Act and the Accounts and Audit Regulations 2015.
- 5.2 The Council's internal audit function is required to comply with the Global Internal Audit Standards (GIAS), which standards are designed to ensure high quality and effective internal audit functions.
- 5.3 By completing the external review of the effectiveness of internal audit the Council will ensure compliance with the GIAS. In addition, this external review will provide assurance to the Audit Committee in respect of the quality and the effectiveness of the Council's internal audit function.

## **Corporate implications**

### **6. S151 Officer comments**

- 6.1 As S151 Officer, it is important to receive independent reassurance as to the effectiveness of the Council's internal audit support which plays a key role in supporting the S151 to undertake their responsibilities. The S151 Officer is pleased to note the outcome of the external assessment undertaken in late 2025.

### **7. Monitoring Officer comments**

- 7.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **8. Procurement comments**

- 8.1 There are no procurement implications immediately arising from this report.

### **9. Equality and Diversity**

- 9.1 Equality and diversity are key considerations that feature in the assessment of risk and audit needs.

### **10. Sustainability/Climate Change Implications**

- 10.1 Sustainability is a key consideration and features in the assessment of risk and audit needs.

### **11. Other considerations**

- 11.1 None.

### **12. Timetable for implementation**

- 12.1 The EQA will be applicable for the period 1 April 2026 – 31 March 2031.

### **13. Contact**

- 13.1 Iona Bond, Deputy Head of Southern Internal Audit Partnership  
[iona.bond@hants.gov.uk](mailto:iona.bond@hants.gov.uk)

***Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.***

**Background papers: There are none.**

**Appendices:**

Appendix A – External Quality Assessment Outcome Report

Appendix B – External Quality Assessment Action Plan



**Neil Pitman**  
Head of Southern Internal Audit Partnership

Dear Neil,

Please see attached my final report as promised.

This report forms the final phase of the external quality assessment exercise. Congratulations on an excellent result.

Many thanks once again to you and the team for facilitating the exercise smoothly, professionally and efficiently.

Best wishes as ever and very happy to answer any questions.

**John Chesshire**  
Director, JC Audit Training Ltd



# External Quality Assessment

## INDEPENDENT REVIEW FINAL REPORT

<b>GENERAL ACHIEVEMENT</b>	<b>SOUTHERN INTERNAL AUDIT PARTNERSHIP GENERALLY ACHIEVES THE GLOBAL INTERNAL AUDIT STANDARDS, THE INTERNATIONAL PROFESSIONAL PRACTICES FRAMEWORK AND THE UK PUBLIC SECTOR APPLICATION NOTE</b>
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John Chesshire CFIIA CRMA CIA CISA  
JC Audit Training Ltd

11 December 2025

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## Executive Summary

1. The Institute of Internal Auditors (IIA) launched their new Global Internal Audit Standards (GIAS) in January 2024, providing organisations, and their internal audit functions, twelve months to adapt their practices to meet the updated benchmark. The UK public sector delayed formal implementation to align with reporting years, and the GIAS became formally effective across this sector from 1<sup>st</sup> April 2025.
2. The GIAS comprises five Domains, 15 Principles, and 52 Standards. They replace the previous iteration and the UK's Public Sector Internal Audit Standards (PSIAS), which in turn were based upon the IIA's earlier International Standards.
3. The Southern Internal Audit Partnership (SIAP) commissioned this external quality assessment (EQA) in 2025 to assess their service against the new GIAS, as the very latest, best international internal audit practice. The GIAS requires an EQA at least once every five years, with SIAP last having one in September 2020. I was requested to undertake this current engagement, and, for the record, I also delivered the previous exercise on behalf of the Chartered IIA.
4. I am an experienced EQA reviewer, a former Head of Internal Audit and Chief Assurance Officer, and current Audit Committee Chair. I have delivered approximately 60 EQA reviews over the last eight years to a variety of clients of all sectors and sizes, across the UK and overseas. I have already undertaken several of these using the new GIAS.
5. I undertook this EQA by undertaking a formal validation of the team's internal assessment in Autumn 2025. This included examining SIAP's approach, ways of working, methodologies, remote document review and analysis, a selection of stakeholder and team member interviews, a targeted review of a selection of recent internal audit assurance and advisory engagement files, evaluation and the drafting and communication of this report.
5. I am delighted to report that SIAP **generally achieves** the GIAS which represents the global benchmark for internal audit quality. The IIA use the term 'general achievement' or 'general conformance' to indicate that "internal audit activities were performed in general conformance with the Global Standards."
6. This is an **excellent result**, particularly given the recent launch of the GIAS and SIAP's complexities as a multi-client provider of internal audit services. Many internal audit functions are struggling to conform with aspects of the GIAS, and others within the public sector are certainly not as well advanced in their implementation and maturity.

7. I have undertaken ten reviews of diverse internal audit functions using the (new) GIAS to date and this result puts **SIAP firmly within the top quartile and represents one of the highest levels of achievement and conformance with the new GIAS that I have seen to date.** Congratulations to all involved.
8. SIAP, and their key stakeholders, have established an effective governance and management framework over their activity that includes:
  - Well-established Audit Committee (or equivalent) oversight, appropriate functional and administrative reporting lines, with revised Internal Audit Mandates and Charters, updated in line with the new GIAS.
  - A very experienced Head of Partnership leads SIAP, supported by an Assistant Head, four deputies and a knowledgeable professional team with diverse knowledge, backgrounds and capabilities. The SIAP team are trusted, valued and respected for their professionalism by key stakeholders.
  - SIAP strategic and operational priorities are guided by regular engagement with key stakeholders, an overarching audit strategy aligned with the new GIAS, flexible periodic audit plans, an updated quality assurance and improvement programme, investment in learning and development, and increasingly effective use of specialist internal audit software applications.
  - Revised SIAP working practices, templates, tools and an updated internal audit methodology aligned with the GIAS that seeks to balance agility and efficiency, with root cause analysis and depth to deliver added value, insight and - increasingly - foresight to its key stakeholders.
9. From the EQA results, I am satisfied that SIAP clearly conforms with the fifteen GIAS Principles. SIAP also conforms with the fifty two Standards. **I am very pleased to report that there are no Standards that the Internal Audit Service ‘partially achieves’ or ‘does not achieve’.** Once again, this is very positive and represents an excellent level of performance against a challenging - and new - set of demanding benchmarks.
10. Given SIAP’s high level of performance and achievement with the GIAS, I do not make any formal recommendations in this report. To aid continuous improvement, however, I do make a small number of suggestions for further development.
11. I would like to thank everyone who assisted us in this review, most obviously the Head of Partnership, for organising everything, and their SIAP colleagues and key stakeholders I interviewed as part of this EQA process. Thank you all.

## Introduction and approach

12. The Head of Southern Internal Audit Partnership (SIAP) commissioned this External Quality Assessment (EQA) against the Institute of Internal Auditors (IIA) Global Internal Audit Standards (GIAS). The GIAS were formally implemented across the UK public sector on 1<sup>st</sup> April 2025 and forms the key part of the broader IIA International Professional Practices Framework (IPPF) alongside the new Topical Requirements<sup>1</sup>.
13. The GIAS builds upon the previous International Standards and the associated UK Public Sector Internal Audit Standards. For the UK public sector, the GIAS are also supplemented by the Global Internal Audit Standards in the UK Public Sector Application Note (Application Note).
14. The Chartered IIA state that the GIAS, “guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function. At the heart of the Standards are fifteen guiding principles that enable effective internal auditing. Each principle is supported by standards that contain requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements help internal auditors achieve the principles and fulfill the Purpose of Internal Auditing”. The GIAS comprises five Domains, 15 Principles and 52 Standards, with some additional public sector nuances introduced through the Application Note.
15. In local government, the CIPFA Code of Practice for the Governance Internal Audit in UK Local Government (CIPFA Code) also applies to address the ‘essential conditions’ for the governance of internal audit set out in Domain III of the GIAS. The Code concerns the roles of senior management and the audit committee regarding internal audit. EQAs must also consider the governance of internal audit, which for local government is set out in this CIPFA Code.
16. Where internal audit providers have more than one local government client, like SIAP, the governance arrangements for internal audit should be separately considered so that there can be a conclusion for each client. This does not mean that a separate EQA is required for each authority, only that the EQA must be able to conclude individually for each principal local authority client. I have undertaken this in this EQA.

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<sup>1</sup> The IIA states that the Topical Requirements “enhance the consistency and quality of internal audit services, increasing the professionalism of internal auditors’ performance. They help strengthen the relevance of internal auditing to address pervasive and evolving risks.” The first Topical Requirement on Cybersecurity becomes properly effective on February 5, 2026. As a result, Topical Requirements were not applicable at the time of this EQA.

17. Where the internal audit function applies a common approach to its working practices for all its clients (e.g. engagement planning and conduct of audits), again like SIAP, then the EQA assessor may sample across the client base to verify those aspects of the standards. Where the internal audit provider has a large client base, this may mean the conduct of internal audit engagements at an authority may not be selected for sample testing. If the EQA assessor is satisfied that the provider adopts a common approach across the clients, then the authority can still be satisfied with the assessor's conclusion. This is the approach that I have also undertaken in this EQA exercise.
18. The SIAP team comprises 61 internal audit, IT audit and counter fraud professionals. SIAP seeks to bring together the professional discipline of internal audit across partnering organisations, pooling expertise and enabling a flexible, responsive and resilient service to its partner and client portfolio. SIAP currently delivers internal audit services to 20 local authorities, including Hampshire and West Sussex County Councils, five blue light clients and six other smaller clients. The SIAP partner and client base has continued to grow since the 2020 EQA exercise and delivers nearly 10000 days' chargeable work.
19. The Head of Partnership, supported by the Assistant Head and four Deputy Heads fulfil the Chief Internal Auditor (CIA) roles for their respective portfolios. They report functionally to Audit Committees in the partner and client organisations. In addition, the Head of Partnership reports strategically to the Strategic and Key Stakeholder Boards.
20. SIAP last had an EQA in 2020, undertaken by the Chartered Institute of Internal Auditors (Chartered IIA). The GIAS mandate these EQAs at least once every five years.
21. Like many internal audit teams, SIAP has reviewed its governance, management and operational practices because of the update and implementation of the GIAS. The IIA are keen that the GIAS help 'raise the bar' for internal audit services across the world. As a result, SIAP undertook a thorough gap analysis and embarked upon identifying and implementing changes and enhancements to better align with the new GIAS, the associated Application Note and the expectations of the Code.
22. This EQA included examining SIAP's overall approach, methodology, processes, remote document review and analysis, interviews with the team and stakeholders, a targeted review of a selection of their recent internal audit assurance engagement files, evaluation and the drafting and communication of this report. I have included a list of stakeholder interviewees at appendix one, SIAP team members interviewed at appendix two, and a sample of the feedback at appendix three.

23. The EQA primarily involved comparison of working practices against the GIAS. The tried and tested process I followed involved:

- Examining and reflecting upon the requirements of the Purpose of Internal Auditing, the five Domains, the 15 Principles and the 52 Standards. I have also employed the 'Considerations for Implementation' and the 'Examples of Evidence of Conformance'.
- Assessing the key criteria needed to demonstrate appropriate compliance.
- Recording the necessary evidence to demonstrate SIAP's conformance status with each Standard. I have undertaken this through documentation review, thorough consideration of SIAP's latest (and comprehensive) self-assessment, a targeted examination of working papers, with evidence drawn from across the whole client base, discussions with team members and selected interviews (et al), as noted above. I have recorded the sample SIAP engagements I reviewed in detail in appendix four, but I examined aspects of work SIAP have undertaken with each client.
- Comparing the evidence to the key conformance criteria and assessing the degree of conformance. I have employed the standard IIA definitions for this and have provided these in appendix five.

## Conformance opinion

24. As noted above, I undertook this EQA review to provide an independent, objective, examination of SIAP against the GIAS, the Application Note, and the expectations within the CIPFA Code, as well as considering the function's effectiveness and delivery compared with other internal audit functions, current and emerging good practice(s).

25. The GIAS comprises five Domains, 15 Principles and 52 Standards. For each Standard, there are Requirements, Considerations for Implementation and Examples of Evidence of Conformance to achieve.

26. **SIAP has achieved an excellent result of 'generally achieves' in this EQA** in relation to the GIAS and Application Note. The IIA use the term 'general achievement' or 'general conformance' to indicate that "internal audit activities were performed in general conformance with the Global Standards."

27. I include a summary of SIAP's conformance to the GIAS, below. Overall, I believe that the team has achieved an excellent performance given its size, together with the breadth and depth of the benchmark established by the new GIAS.

28. I am delighted to confirm that SIAP fully achieves 46 of the 52 Standards and generally achieves the remaining six Standards. There are no partial conformances, or areas where the team do not conform with any Standards.

29. I have undertaken ten reviews of diverse internal audit functions using the (new) GIAS to date and this result puts SIAP firmly within the top quartile and represents the highest level of achievement and conformance with the new GIAS that I have seen to date.

Summary of IIA Conformance	Standards	Does not Conform	Partially Conforms/Achieves	Generally Conforms/Achieves	Fully Conforms/Achieves	Total
Purpose of Internal Auditing	N/A					N/A
Ethics and Professionalism	13				13	13
Governing the Internal Audit Function	9			3	6	9
Managing the Internal Audit Function	16			1	15	16
Performing Internal Audit Services	14			2	12	14
	52	0	0	6	46	52

30. Given these results, you may ask why does SIAP not fully achieve/conform, overall, given this level of attainment? The reason is that the IIA have set an incredibly high, and some may say excessively high, benchmark for the ‘fully achieves’ level of attainment. To fully achieve or conform, the IIA state that “The internal audit function is fully achieving all 15 principles and the Purpose of Internal Auditing.” To fully achieve each of the 15 Principles, an internal audit function must fully conform with each of the 52 Standards.

31. Given that the GIAS remains ‘comply or explain’ in nature, an internal audit function can reasonably decide that some elements are not necessary to fully adopt, given the team’s nature, size, sector, cost/benefit, value for money considerations, or target maturity level. Not everything must be platinum-plated, and a level of common sense, judgement and proportionality is important.

32. I summarise the results further using a red, amber, light and dark green (RAGG) colour-coding covering each of the 15 Principles as shown below:

Principles	
1	Demonstrate Integrity
2	Maintain Objectivity
3	Demonstrate Competence
4	Exercise Due Professional Care
5	Maintain Confidentiality
6	Authorized by the Board
7	Positioned Independently
8	Overseen by the Board
9	Plan Strategically
10	Manage Resources
11	Communicate Effectively
12	Enhance Quality
13	Plan Engagements Effectively
14	Conduct Engagement Work
15	Communicate Engagement Conclusions and Monitor Action Plans

33. For SIAP's conformance with the 52 Standards, the results are:

Standards						
1.1		6.1		9.5		13.2
1.2		6.2		10.1		13.3
1.3		6.3	Support	10.2		13.4
2.1		7.1		10.3		13.5
2.2		7.2		11.1		13.6
2.3		8.1	Board	11.2		14.1
3.1		8.2		11.3		14.2
3.2		8.3		11.4		14.3
4.1		8.4		11.5		14.4
4.2		9.1		12.1		14.5
4.3		9.2	Strategy	12.2		14.6
5.1		9.3		12.3	Oversee	15.1
5.2		9.4	Plan	13.1		15.2
						E. Resource

## Deliverables

34. In addition to this report, I have provided the Head of Partnership and the Internal Audit Service with a briefly annotated version of their own Internal Quality Assessment (IQA) which I have validated through this EQA. This evidences my view of the team's own IQA.
35. I make several small suggestions to help promote ongoing development and continuous improvement. I have included these suggestions on pages 11-14 below.

## Key achievements

36. I believe that SIAP performs very effectively in its own governance, risk management and internal audit practices. I was particularly impressed with the following:
  - SIAP delivers a very effective, efficient, independent, and objective assurance and advisory service across its partners and clients, covering their diverse and complex activities.
  - SIAP's own governance framework is mature, with strategic oversight through a well-established Key Stakeholder Board, as well as partner and client Audit Committee (or equivalent) and senior management engagement, oversight, reporting and regular communications.
  - SIAP's revised Internal Audit Charter fully aligns to the good practice detailed in the GIAS. It clearly details the team's mandate, purpose, authority, and accountability.
  - A very experienced Head of Partnership leads SIAP, supported by an Assistant Head, four deputies and a knowledgeable professional team with diverse knowledge, backgrounds and capabilities. The Learning and Development Plan 2024-26 represents good practice, covering SIAP's overall approach to induction, vocational training, performance management, and learning and development.
  - Team members have considerable practical and professional experience and undertake an appropriate range of Continuing Professional Development (CPD) activities to maintain and enhance knowledge, skills, and experience. Less experienced colleagues are supported through a very well-received, effective induction programme. SIAP maintains a useful log of the team's collective Knowledge, Qualifications, Skills and Experience.

- Partners and clients highly value the team's specialisms and capabilities in IT audit and counter fraud expertise, together with the resilience and capacity that SIAP bring.
- SIAP has established an Internal Audit Strategy for 2025-2028. This is clear and well presented, with valid relevant objectives and priorities for the team to aim for and deliver. This has been developed with partner and client involvement and indicates how SIAP aims to continue to enhance the assurance and advisory services it delivers to help them enhance their own governance, risk management and control practices, and thereby deliver their own objectives.
- SIAP agree flexible internal audit plans with their partners and clients. These include future engagements based upon key risks, client priorities, other sources of assurance and SIAP views and judgement. The client Audit Committee (or equivalent), senior management and other assurance providers are closely involved in, or contribute to, the SIAP planning process.
- SIAP have sought to develop effective working relationships with other partner and client functions in the second and fourth lines of assurance, most obviously with risk management and external audit. Some reliance is placed on the work of other teams, when appropriate, such as transformation or quality assurance, and SIAP have developed a methodology for this
- Delivery of the Internal Audit Strategy 2025-2028 and internal audit plans are supported by an updated, effective Quality Assurance and Improvement Programme, with associated improvement priorities and a suite of Internal Audit Performance Measures.
- In recent years, SIAP has enhanced its use of technology, invested in K10 audit management software, data analytics tools and expertise and is continuing to explore how generative artificial intelligence (Copilot) can further enhance efficiency and effectiveness. This technology focus outpaces many comparable functions. The team has achieved clear benefits and efficiencies from their use of technology to date but also recognise that there is more to be achieved in each area.
- SIAP have also updated their own methodologies, procedures and templates in line with the GIAS. In particular, the team's refreshed report template is particularly user-friendly, and the embedding of root cause analysis, together with the benefits this should bring SIAP, its partners, and clients, continues.

- It is clear from the EQA that SIAP are trusted, respected and valued by key stakeholders. Feedback was very positive about the service and its delivery, both in the interviews undertaken for this review and through the team's own surveys and related feedback mechanisms.

37. In conclusion, SIAP have invested time and effort in reviewing, updating, communicating and aligning their own governance, planning, quality and delivery methodologies to the GIAS. This has clearly paid off with an approach that clearly mirrors good global practice.

## Areas for improvement

38. I believe that the Head of Partnership and SIAP have clearly embedded a culture of continuous improvement in their approach and ethos. And like most internal audit functions everywhere, they continue their journey embedding the new GIAS and ensuring their services are future-proof, lean, efficient and effective.

39. I include a small number of observations and suggestions for the Head of Partnership and SIAP to consider below, linking them to relevant elements of GIAS. Some are general points to consider, but I also mention the rationale for each of the six 'generally achieves' results below.

40. I will repeat again, however, that these areas still appropriately meet the expectations of the GIAS, and me as the EQA assessor. They **do not** represent shortcomings or failures in respect of conformance with the GIAS. These observations and suggestions do not require a formal response.

- SIAP fully achieves Standard 1.1 Honesty and Professional Courage and Standard 1.2 Organisation's Ethical Expectations.

Going forward within the planned training on these areas and Domain II in general, detailed in the Learning and Development Plan 2024-2026, the Head of Partnership could usefully consider including practical ethical dilemmas, ethics scenarios or case studies, common challenges and how to deal with them, in future learning coverage.

- SIAP fully achieves Standard 3.1, Competency.

While many of the team are highly skilled, knowledgeable and experienced, other team members continue to gain competence and confidence. SIAP actively supports team members as they gain experience. SIAP have certainly also put effort and resources into growing their specialist teams, primarily IT audit and counter fraud, and developing the skills sets within these teams.

SIAP leadership and their stakeholders recognise that additional emphasis on advisory, rather than assurance engagements, will be needed over the medium term as Local Government Reorganisation and Devolution proceeds. Additional advisory skills and learning may be necessary to add value, insight and foresight across SIAP.

The team does not always have deep, specialist expertise in everything they may be asked to deliver assurance over, such as AI as a topical example, and staying up to date with IT and cyber security changes and associated developments are a real challenge for any internal audit function. This is normal for any internal audit function.

A clear related risk is that of succession and service continuity, whether in respect of the potential loss of more experienced team members, or specialists within the IT audit or counter fraud teams. SIAP has clearly recognised these challenges and has boosted both capacity and capability.

Continuing to manage these risks will be key to SIAP's future resilience at a time of change.

- SIAP generally achieves Standard 6.3, Board and Senior Management Support, and 8.1, Board Interaction.

The Head of Partnership and SIAP have undertaken everything I would expect of them under these Standards, the related Application Note and CIPFA Code.

Where SIAP do not have a direct influence, I am satisfied that the team have engaged with each partner and client highlighting the importance of Domain III, the Application Note and Code and developing an action plan to encourage compliance, highlighting its importance and their ability as an organisation to confirm in the 2025/26 Annual Governance Statement that they are conforming with the GIAS in the UK Public Sector. Some partners and clients are fully compliant, while others still have some actions to progress, resulting in a general, rather than full, level of achievement for SIAP against these Standards.

- SIAP fully achieves Standard 8.3, Quality. The team revised their Quality Assurance and Improvement Programme in June 2025. The result is excellent. SIAP will need to continue to focus on embedding and implementing the various actions and priorities contained within this document to progress the five identified areas for improvement. I support these next steps and the periodic reporting of progress to partner and client Audit Committees (or equivalent) and senior management, as well as to other key stakeholders.

- SIAP generally achieves Standard 9.2, Internal Audit Strategy.

SIAP has established an Internal Audit Strategy for 2025-2028. This is clear and well presented, with valid relevant objectives and priorities for the team to aim for and deliver. This has been developed with partner and client involvement, but given the number of partners and clients, it is not practical for this to be aligned to each separate organisation's key objectives and priorities.

The Head of Partnership and SIAP have consciously chosen not to seek to implement every aspect of this Standard, where it makes little practical sense to do so, given the size and nature of their function. In my opinion, this makes perfect sense, as there is little value in conformance for the sake of conformance, but it does result in this generally (rather than fully) achieves assessment here.

- SIAP generally achieves Standard 9.4, Internal Audit Plan.

Going forward, SIAP should add additional detail – ideally bespoke for each partner or client – on the rationale for not including an assurance engagement in a high-risk area or activity in its flexible internal audit plans. SIAP currently includes a short standard statement, but this would benefit from being more tailored to the individual partner or client if a 'fully achieved' rating is considered necessary.

- SIAP fully achieves Standard 11.1, Building Relationships and Communicating with Stakeholders, and 11.3, Communicating Results.

At interview, and in the April 2025 SIAP survey responses, some stakeholders commented whether there was more that could be done in terms of sharing cross-client themes, issues, results, root causes and insights. This is an obvious benefit of the partnership model and AI may enable the development of additional insights that could be efficiently created and add value.

- SIAP generally achieves both Standard 12.3, Oversee and Improve Engagement Performance, and 13.5 Engagement Resources.

SIAP has set a strategic objective to innovate to explore a more agile approach to the audit process, building efficiencies and producing more timely feedback to the organisation. Some stakeholders at interview, through the April 2025 SIAP survey, and my own sample of engagements, commented that occasionally there were delays in the completion of engagements.

While there can be varied reasons for these delays, this may require closer monitoring and earlier supportive intervention from engagement managers if delivery is affected and the allocation of additional resources, where necessary, to help ensure any particularly critical milestones or deadlines are achieved.

I support the planned actions detailed in the Internal Audit Strategy 2025-2028 for investigating and addressing these concerns.

- SIAP fully achieves Standard 13.3, Engagement Objectives and Scope, 13.4, Evaluation Criteria, and 14.3 Evaluation of Findings

SIAP will need to consider how best to incorporate the IIA's Topical Requirements into their methodology, particularly when it comes to engagement scope and objectives. At the time of this EQA, two Topical Requirements have been finalised to date, two have been released in draft, and others are in the production pipeline. The first on Cybersecurity comes into effect in February 2026.

Additional thinking, guidance and review on what constitutes the 'criteria' against which performance is assessed could also prove beneficial, as this is a key change included within the GIAS.

Finally, the use of root cause analysis has commenced within the team, and the initial results are promising from both a SIAP and stakeholder perspective. There will be further opportunity to deliver insights on common root cause categories and themes across the partner and client base.

- The obvious opportunities and challenges associated with Local Government Reorganisation were highlighted by several SIAP team members and stakeholders during this EQA.

In times of change and transformation, there is likely to be a far greater demand for SIAP to support its partners and clients through advisory and/or 'real time' assurance engagements. To date, the majority of SIAP work has been of an assurance nature, given stakeholder resourcing constraints and priorities.

Ensuring that the team can meet partner and client diverse assurance and advisory needs in this volatile time of change will be key to maintaining effective relations, supporting and helping clients through added value, insights and foresight when stakeholder capacity for internal audit activity may be stretched.

## Appendix One - Stakeholder Interviewees

Interviewee	Position
Peter Appleton	Section 151 Officer, Surrey/Sussex Police Force
Cllr Ian Booth	Chair, Audit and Scrutiny Committee, Tandridge District Council
Jo Cassar	Monitoring Officer, Eastleigh Borough Council
Cllr Nigel Dennis	Chair, Regulation, Audit and Accounts Committee, West Sussex County Council
Ian Duke	Chief Executive, Crawley Borough Council
David Ford	Chief Executive, Tandridge District Council
Caroline Martlew	S151 Officer, Crawley Borough Council
Cllr Steve Holes	Chair, Audit and Resources Committee, Eastleigh Borough Council
Cllr Kiran Khan	Chair, Audit Committee, Crawley Borough Council
Sarah King	S151 Officer, Eastleigh Borough Council
Cllr Derek Mellor	Chair, Audit Committee, Hampshire County Council
Kelvin Menon	S151 Officer, Surrey Office of the Police and Crime Commissioner
Patrick Molineux	Chair, Surrey Joint Audit Committee
James Strachan	Chief Executive, Eastleigh Borough Council
Mike Suarez	S151 Officer, West Sussex County Council
John Ward	Chief Operating Officer and S151, Chichester District Council
Andy Lowe	Director of Corporate Operations (S151), Hampshire County Council
Gary Westbrook	Chief Executive, Hampshire County Council
Leigh Whitehouse	Chief Executive, West Sussex County Council

## Appendix Two - SIAP Interviewees

Interviewee	Position
Vanessa Anthony	Audit Manager
Nick Barrett	Audit Manager
Donna Bone	Auditor
Amanda Fahy	Auditor
Liz Foster	Audit Manager
Emma Fullerton	Senior Auditor
Laura Hutchison	Auditor
Dorota Kruczynska	Senior Auditor
Lisa Lowe	Auditor
Neil Pitman	Head of SIAP
Hayley Potheccary	Auditor
Laura Scull	Auditor
James Short	IT Audit Manager
Lisa Smy	Audit Manager
Nigel Spriggs	Senior Auditor
Sophie Taylor-D'Arcy	Auditor
Sun Wong	Senior Auditor

## Appendix Three - Selected Interview Feedback

"I'm very pleased with the SIAP service – it is very professional and very prepared. They know what they are doing and involve the right stakeholders."

"We really value internal audit's conclusions and advice – even though we have had a run of limited assurances recently."

"They have had some staffing issues last year and this caused some delays in delivery of the plan, but these have been resolved now."

"SIAP are flexible, responsive and adapt the plan when we request it so that the focus is on higher priority areas. We get sufficient assurance from them because of their risk-based approach."

"Communications with the Audit Committee are good, clear and professional. We really value the quality of their reports."

"We have seen a stepped improvement since bringing SIAP in, leading to an elevated profile for internal audit and their work is taken far more seriously by management."

"The development of the internal audit plan is participative and iterative, resulting in good engagement and a very good plan that looks at the right areas at the right time."

"Because SIAP generally work remotely, interactions feel slightly more distant and a step removed from us. This has some disadvantages, and I wonder whether they can effectively pick up on the things an embedded service would pick up on."

"I particularly value the IT audit expertise that SIAP bring."

"SIAP resources are my only concern. They have been upfront about the challenges, and they are managing these. They do a good job on prioritizing their work on the most important areas."

"They are definitely a trusted partner to us and where there have been the occasional issues, they get it right."

"The specialist fraud team is really useful and a big benefit of having SIAP."

"I'm very happy with the Partnership and their continued growth speaks volumes about their quality, effectiveness and delivery."

"SIAP are very collaborative, and they are challenging when they need to be."

"Some of the SIAP reports are a little confusing, lengthy and too detailed."

“They have faced some challenges with resourcing, vacancies and churn, but we have not seen an impact on the internal audit programme, on delivery or on quality.”

“The SIAP induction process was excellent. I had a good mentor and the whole process was supportive and informative. It has given me confidence in the new role.” (SIAP)

“LGR is an obvious challenge for us and for SIAP. How we come up with an internal audit workplan that adds value in the time of LGR may be difficult, especially when combined with the capacity of the organisation to accept internal audit work and reviews.”

“SIAP are approachable and flexible, but firm when they need to be.”

“I like the quality of the internal audit reports – they are well-structured, readable and not too long. The actions are appropriate and address the issues.”

“SIAP’s presentations at Audit Committee are good, professional, and clear. They deal with the Committee’s questions confidently and effectively.”

“I have nothing bad to say about the service we get from SIAP. Their communications are good, they are approachable and they involve us appropriately in developing the internal audit plan and in the delivery of individual engagements.”

“They have briefed the Audit Committee on the new Standards. I have found the team to be helpful, and they deliver the assurance we need.”

“Some audits have taken longer than expected, but on balance it is beneficial having a bigger partnership and I’m pretty happy with the service we have received.”

“I feel very well engaged, supported and assured by the SIAP team. I have regular dialogue and ongoing interaction with them. This has led to a mature and trusted relationship.”

“We have had some benefits from SIAP consultancy services and not just their assurance work. In respect of LGR, we need to make sure we use internal audit in this process.”

“Future proofing will be important – not just because of LGR, but because of developments in digital, AI, the general technology space and data governance.”

“We are wanting to see more in the way of best practice from others so we can learn from SIAP’s wider client base. No onsite presence does also mean less visibility of internal audit.”

“Overall, we are getting the assurance we need. They are engaging, receptive and professional in their approach and work.”

## Appendix Four - List of Reviewed 'Deep Dive' Internal Audit Engagements<sup>2</sup>

Engagement
Chichester District Council, Safeguarding, 2025/26
Crawley Borough Council, Food Safety 2025/26
Eastleigh Borough Council, Treasury Management, 2025/26
Epsom and Ewell Borough Council, Tree Preservation Orders 2024/25
Hampshire County Council - Information Governance 2025/26 (in progress at review)
Hampshire and the Isle of Wight Fire and Rescue Service, Risk Management 2025/26
Runnymede Borough Council, Emergency Planning and Business Continuity 2024/2025
Spelthorne Borough Council, Main Accounting 2025/26
Tandridge District Council, Climate Change Strategy 2025/26
West Sussex County Council, Pool Cars 2025/26 (in progress at review)

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<sup>2</sup> As noted earlier, I also briefly reviewed governance and engagement documentation for each client.

## Appendix Five - External Quality Assessment Ratings

Quality Rating	Total Opinion	Principle Opinion	Standard Opinion
<b>Full achievement</b> The HIA can state that all internal audit activities were performed in full conformance with the Global Standards.	The internal audit function is fully achieving all 15 principles and the Purpose of Internal Auditing.	The internal audit function is fully achieving all the Standards related to the Principle and the Principle's intent.	The internal audit function is fully conforming with all requirements of the Standard and the Standard's intent.
<b>General achievement</b> The HIA can state that internal audit activities were performed in general conformance with the Global Standards.	The internal audit function is achieving the Purpose of Internal Auditing however it is not fully achieving at least one Principle or aspect of Domain I.	The internal audit function is achieving the Principle's intent. However, it is not fully achieving at least one Standard.	The internal audit function is achieving the intent of the Standard but not fully conforming with at least one requirement of the Standard.
<b>Partial achievement</b> The HOIA may not state that all internal audit activities were performed in conformance with the Standards but may be able to depending on the activity.	The internal audit function achieves some Principles. However, it is not fully achieving at least one Principle and one aspect of Domain I and the impact is significant enough to rate the function's overall achievement as partially achieving.	The internal audit function achieves some Standards. However, it is not fully conforming with at least one Standard, and the impact is significant enough to rate the function as Partially achieving the principle.	The internal audit function achieves some requirements of the Standard. However, it is not fully conforming with at least one requirement, and the impact is significant enough to rate conformance with the Standard as partially conforming.
<b>Nonachievement</b> The HIA may not state that internal audit activities were performed in conformance with the Standards.	The internal audit function fully achieves some Principles; however it is not fully achieving more than one aspect of Domain I and the impact is significant enough to rate the function's overall achievement as not achieving.	The internal audit function is not fully conforming with more than one Standard, and the impact is significant enough to rate the function as not achieving the Principle's intent.	The internal audit function is not fully conforming with more than one requirement, and the impact is significant enough to rate conformance with the standard as not achieving the Standard's intent.

**External Quality Assessment December 2025 - Action Plan**

Standard	Detail	Action Owner	Target Date	Action
<b>Non – Compliance with the Global Internal Audit Standards in the UK Public Sector; Application Note; and Code Governance</b>				
N/A	N/A	N/A	N/A	N/A
<b>Suggested areas of improvement</b>				
1.1 & 1.2	<p>SIAP <b>fully achieves</b> Standard 1.1 Honesty and Professional Courage and Standard 1.2 Organisations Ethical Expectations</p> <p>Going forward within the planned training on these areas and Domain II in general, detailed in the Learning and Development Plan 2024-2026, the Head of Partnership could usefully consider including practical ethical dilemmas, ethics scenarios or case studies, common challenges and how to deal with them, in future learning coverage</p>	Deputy Head of Partnership (IB)	March 2026	To include including practical ethical dilemmas, ethics scenarios or case studies, common challenges and how to deal with them, in future learning coverage
3.1	<p>SIAP <b>fully achieves</b> Standard 3.1, Competency.</p> <p>SIAP leadership and their stakeholders recognise that additional emphasis on advisory, rather than assurance engagements, will be needed over the medium term as Local Government Reorganisation and Devolution proceeds. Additional advisory skills and learning may be necessary to add value, insight and foresight across SIAP.</p> <p>Staying up to date with IT and cyber security changes and associated developments are a real challenge for any internal audit function. This is normal for any internal audit function.</p>	Head of Partnership	July 2026	<p>Arrange training and support to develop advisory skills to compliment future client needs (particularly in light of LGR &amp; Devolution).</p> <p>Review IT staff CPD and ongoing training needs to support the evolving technical landscape (particular focus on AI and cyber)</p>

Standard	Detail	Action Owner	Target Date	Action
6.3 & 8.1	<p>SIAP <b>generally achieves</b> Standard 6.3, Board and Senior Management Support, and 8.1, Board Interaction.</p> <p>The Head of Partnership and SIAP have undertaken everything I would expect of them under these Standards, the related Application Note and CIPFA Code.</p> <p>Where SIAP do not have a direct influence, I am satisfied that the team have engaged with each partner and client highlighting the importance of Domain III, the Application Note and Code and developing an action plan to encourage compliance, highlighting its importance and their ability as an organisation to confirm in the 2025/26 Annual Governance Statement that they are conforming with the GIAS in the UK Public Sector. Some partners and clients are fully compliant, while others still have some actions to progress, resulting in a general, rather than full, level of achievement for SIAP against these Standards.</p>	SMT	February 2026	Discuss and implement action plans developed as part of partner organisations compliance with the Code of Practice for the Governance of Internal Audit in UK Local Government.
8.3	<p>SIAP <b>fully achieves</b> Standard 8.3, Quality.</p> <p>The team revised their Quality Assurance and Improvement Programme in June 2025. The result is excellent. SIAP will need to continue to focus on embedding and implementing the various actions and priorities contained within this document to progress the five identified areas for improvement. I support these next steps and the periodic reporting of progress to partner and client Audit Committees (or equivalent) and senior management, as well as to other key stakeholders.</p>	Head of Partnership	December 2026	<p>Ongoing implementation of actions within the QAIP.</p> <ul style="list-style-type: none"> <li>• Continue to develop K10 to optimise SIAP efficiencies and effectiveness</li> <li>• Review and update the Partnership website</li> <li>• Explore the opportunities presented from the use of AI in the audit process</li> </ul> <p><small>*Actions in relation to Code of Governance &amp; Topical Requirement covered elsewhere in this action plan</small></p>

Standard	Detail	Action Owner	Target Date	Action
9.2	<p>SIAP <b>generally achieves</b> Standard 9.2, Internal Audit Strategy.</p> <p>SIAP has established an Internal Audit Strategy for 2025-2028. This is clear and well presented, with valid relevant objectives and priorities for the team to aim for and deliver. This has been developed with partner and client involvement, but given the number of partners and clients, it is not practical for this to be aligned to each separate organisation's key objectives and priorities.</p> <p>The Head of Partnership and SIAP have consciously chosen not to seek to implement every aspect of this Standard, where it makes little practical sense to do so, given the size and nature of their function. In my opinion, this makes perfect sense, as there is little value in conformance for the sake of conformance, but it does result in this generally (rather than fully) achieves assessment here.</p>	N/A	N/A	<p>No action – accepting of the fact that due to SIAPs multi-client provider status we will never fully achieve this standard.</p>
9.4	<p>SIAP <b>generally achieves</b> Standard 9.4, Internal Audit Plan.</p> <p>Going forward, SIAP should add additional detail – ideally bespoke for each partner or client – on the rationale for not including an assurance engagement in a high-risk area or activity in its flexible internal audit plans. SIAP currently includes a short standard statement, but this would benefit from being more tailored to the individual partner or client if a 'fully achieved' rating is considered necessary.</p>	SMT	March 2027	<p>To incorporate an additional annex in the audit plan report listing all areas assessed as high priority that are not covered in the plan along with a reason for their omission.</p>

Standard	Detail	Action Owner	Target Date	Action
11.1 & 11.3	<p>SIAP <b>fully achieves</b> Standard 11.1, Building Relationships and Communicating with Stakeholders, and 11.3, Communicating Results.</p> <p>At interview, and in the April 2025 SIAP survey responses, some stakeholders commented whether there was more that could be done in terms of sharing cross-client themes, issues, results, root causes and insights. This is an obvious benefit of the partnership model and AI may enable the development of additional insights that could be efficiently created and add value.</p>	Head of Partnership	April 2026	Head of Partnership to engage with Key Stakeholders to determine the ask. From there to develop a process and means of correspondence to meet stakeholder expectations.
12.3 & 13.5	<p>SIAP <b>generally achieves</b> both Standard 12.3, Oversee and Improve Engagement Performance, and 13.5 Engagement Resources.</p> <p>SIAP has set a strategic objective to innovate to explore a more agile approach to the audit process, building efficiencies and producing more timely feedback to the organisation. Some stakeholders at interview, through the April 2025 SIAP survey, and my own sample of engagements, commented that occasionally there were delays in the completion of engagements. While there can be varied reasons for these delays, this may require closer monitoring and earlier supportive intervention from engagement managers if delivery is affected and the allocation of additional resources, where necessary, to help ensure any particularly critical milestones or deadlines are achieved.</p> <p>I support the planned actions detailed in the Internal Audit Strategy 2025-2028 for investigating and addressing these concerns.</p>	SMT	As per Strategy December 2025/27	<p>To complete objectives within the internal audit strategy 'Innovate to explore a more agile approach to the audit process, building efficiencies and producing more timely feedback to the organisation'</p> <p>KPIs have been put in place to help identify process bottlenecks.</p>

Standard	Detail	Action Owner	Target Date	Action
13.3, 13.4, &14.3	<p>SIAP <b>fully achieves</b> Standard 13.3, Engagement Objectives and Scope, 13.4, Evaluation Criteria, and 14.3 Evaluation of Findings</p> <p>SIAP will need to consider how best to incorporate the IIA's Topical Requirements into their methodology, particularly when it comes to engagement scope and objectives. At the time of this EQA, two Topical Requirements have been finalised to date, two have been released in draft, and others are in the production pipeline. The first on Cybersecurity comes into effect in February 2026.</p> <p>Additional thinking, guidance and review on what constitutes the 'criteria' against which performance is assessed could also prove beneficial, as this is a key change included within the GIAS.</p> <p>Finally, the use of root cause analysis has commenced within the team, and the initial results are promising from both a SIAP and stakeholder perspective. There will be further opportunity to deliver insights on common root cause categories and themes across the partner and client base.</p>	Head of Partnership	<p>March 2026</p> <p>July 2026</p>	<p>To update audit Practice Notes to incorporate consideration of Topical Requirements</p> <p>Ensure root cause is appropriately captured at year end to inform themes to be incorporated within the Annual Conclusion(s)</p>

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## Spelthorne Borough Council Services Committees Forward Plan and Key Decisions

This Forward Plan sets out the decisions which the Service Committees expect to take over the forthcoming months, and identifies those which are **Key Decisions**.

A **Key Decision** is a decision to be taken by the Service Committee, which is either likely to result in significant expenditure or savings or to have significant effects on those living or working in an area comprising two or more wards in the Borough.

Please direct any enquiries about this Plan to [CommitteeServices@spelthorne.gov.uk](mailto:CommitteeServices@spelthorne.gov.uk).

## Spelthorne Borough Council

### Service Committees Forward Plan and Key Decisions for 1 March 2026 to 31 December 2026

Anticipated earliest (or next) date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Audit Committee 26 03 2026	External Quality Assessment Results (Internal Audit)	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 26 03 2026	Internal Audit Charter and Annual Audit Plan 2026-27	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 26 03 2026	Internal Audit Progress Report	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 16 06 2026	Monitoring of Revised Improvement and Recovery Plan	Key Decision	Public	Kirsty Hunt, IRP Programme Assistant
Audit Committee 23 07 2026	Annual Internal Audit Conclusion 2025/26	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 23 07 2026	External Audit Plan for 25/26	Key Decision	Public	Joanne Brown, Audit Partner, Grant Thornton
Audit Committee 23 07 2026	Improvement and Recovery Plan Progress Updates	Key Decision	Public	Terry Collier, Deputy Chief Executive, Councillor Jon Button, Leader of Labour Group

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Audit Committee 23 07 2026  Council 22 10 2026	Report from Committee Chair on Work of the Audit Committee	Key Decision	Public	Councillor Jon Button, Leader of Labour Group
Audit Committee 24 09 2026	Internal Audit Progress Report	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 26 11 2026	Internal Audit Progress Report	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership
Audit Committee 04 03 2027	Internal Audit Annual Conclusion 2026/2027	Key Decision	Public	Iona Bond, Deputy Head of Southern Internal Audit Partnership

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