
Southern Internal Audit Partnership

Assurance through excellence
and innovation

SPELTHORNE BOROUGH COUNCIL INTERNAL AUDIT PLAN 2025/26

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 in the UK Public Sector.

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.

Prior to 1 April 2025 conformance was required to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there was a requirement for audit services to have an external quality assessment every five years. In September 2020 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally the IIA were excellently positioned to undertake the external assessment.

In considering all sources of evidence the external assessment team concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Despite the change in the Standards any external quality assessment undertaken under the Public Sector Internal Audit Standards remains valid for the duration of the successive five years (from the date it was undertaken). The Southern Internal Audit Partnership will be commissioning an external quality assessment against the Global Internal Audit Standards in the UK Public Sector during 2025.

Developing the internal audit plan 2025/26

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.

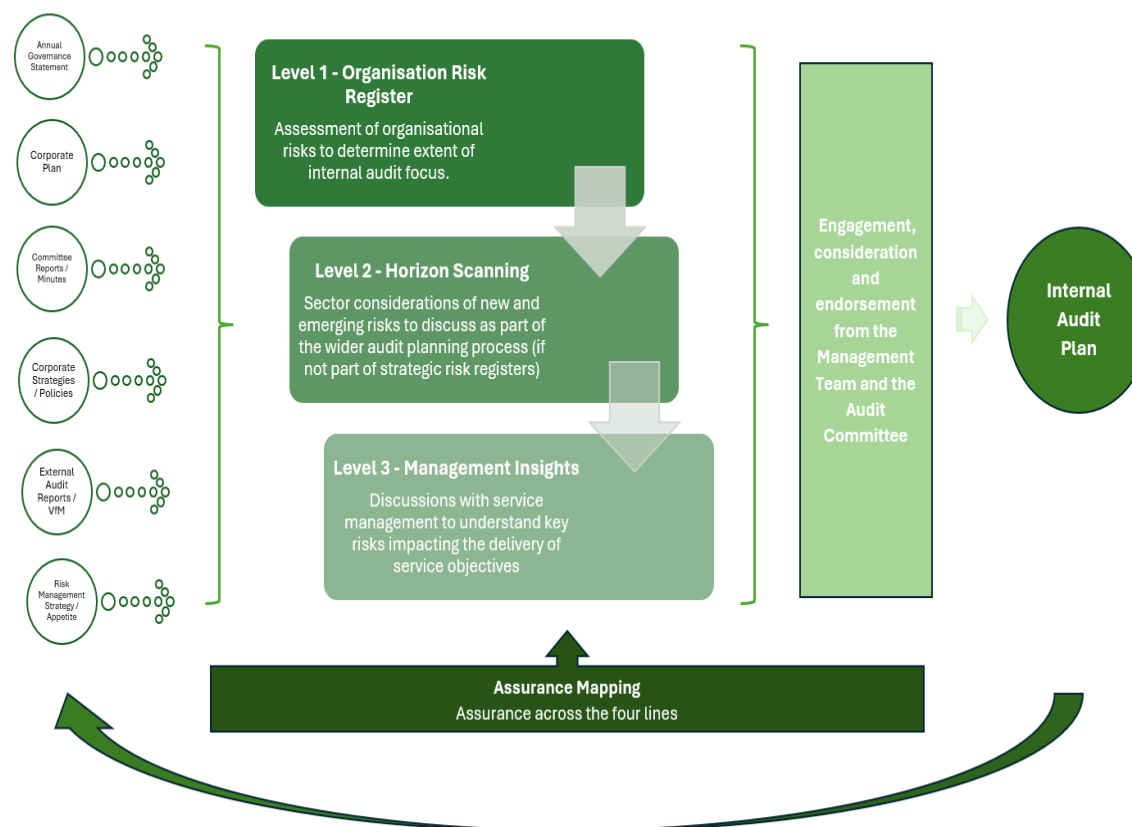
The risk-based internal audit plan is prepared based on a range of inputs (see diagram).

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, the Management Team, and 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 will be identified through the Chief Internal Auditor's continued contact and liaison with those responsible for the governance of the Council and reported and approved by 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.

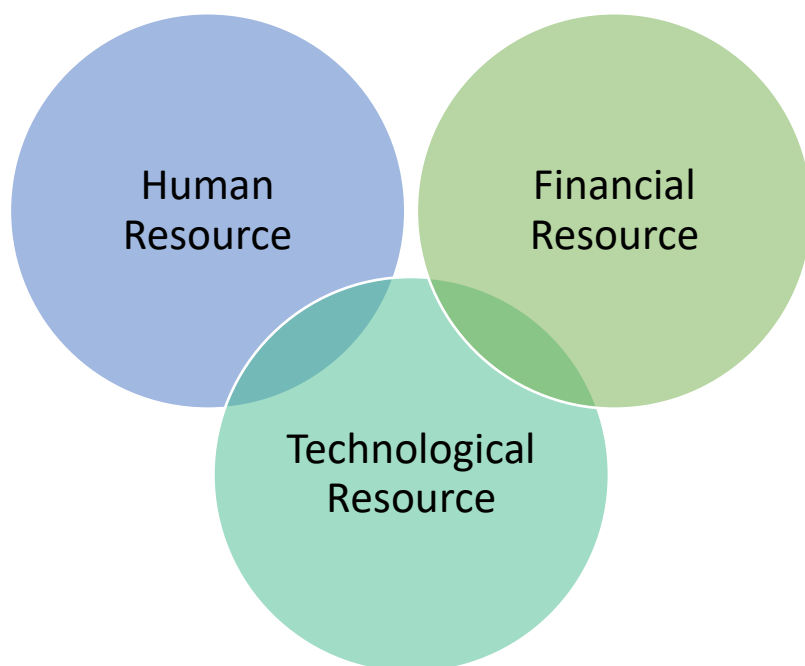
Audit Planning Framework



Internal audit resources

On development of the 2025/26 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 & S151 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.

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.

2025/26 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 their objectives.	270
SIAP 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), supported by Joanne Barrett, Audit Manager.








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 2025-26

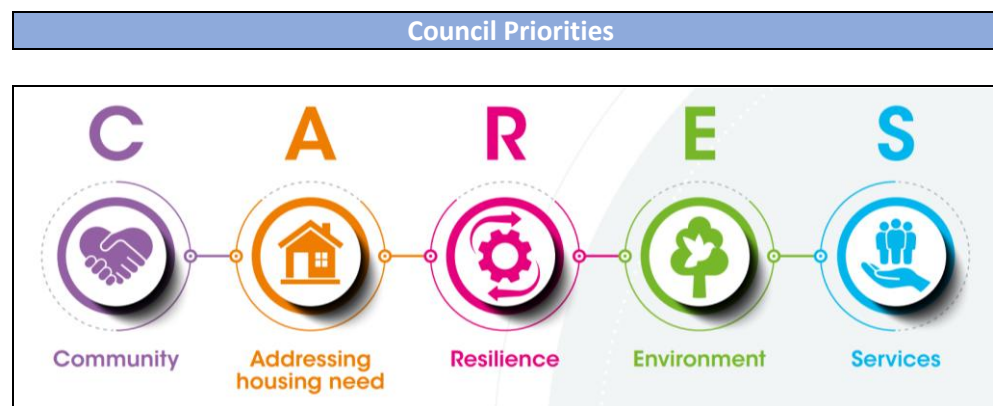
Audit Assignment	Audit Sponsor	Scope	Corporate Priority	Risk Register Reference*	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Governance							
Decision Making & Accountability	DCE/S151	Assurance over the effectiveness and transparency of the decision-making process at officer and Member level. To consider governance, transparency, accuracy and timeliness of information.			Assurance	High	Q4
Corporate Plan	DCE	Assurance over the governance arrangements in place for the review, delivery, and monitoring of the plan.			Assurance	High	Q3
Savings Proposals & Realisation	DCE & DCE/S151	Assurance over the development, governance, and delivery of the Council's savings proposals.			Assurance	High	Q2
Contract Management	DCE/S151	Review of contract management arrangements and compliance across a selection of contracts in place, with a focus on the new Leisure Centre arrangements.			Assurance	High	Q2
Governance of companies – Knowle Green Estates (KGE)	DCE/S151	To review the governance arrangements in place between the Council and KGE.			Assurance	High	Q1
Financial							
Treasury Management	DCE/S151	Cyclical review of core financial system			Assurance	High	Q3

Audit Assignment	Audit Sponsor	Scope	Corporate Priority	Risk Register Reference*	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Main Accounting	DCE/S151	Cyclical review of core financial system			Assurance	High	Q2
NNDR	DCE/S151	Cyclical review of core financial system			Assurance	High	Q2
IT							
Cyber Security Training & Awareness	DCE/S151	Assurance over controls in place to mitigate the likelihood of users causing compromise of data and/or systems through inappropriate actions.			Assurance	High	Q3
Corporate Priorities							
Homelessness	DCE/S151	Preparedness and delivery of the new Housing, Homelessness and Rough Sleeping Strategy, including impact on the cost of emergency placements.			Assurance	High	Q4
Knowle Green Estates	DCE/S151	Assurance over the discharge of KGE responsibilities on behalf of the Council.			Assurance	High	Q3
Commercial Property Management	DCE/S151	Review of the management of the commercial portfolio stock including leases, income collection, management of voids, exit strategies and sinking fund.			Assurance	High	Q1
Asset Management	DCE/S151	Assurance over the arrangements in place for acquisitions, business cases and disposals (to include regeneration sites)			Assurance	High	Q4

Audit Assignment	Audit Sponsor	Scope	Corporate Priority	Risk Register Reference*	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Budget Monitoring	DCE/S151	Assurance over the accuracy, consistency and transparency of budget monitoring.			Assurance	High	Q3
Continuous Improvement	MAT	Review the governance and accountability arrangements in place for the implementation of recommendations from various external reviews including the BVI.			Assurance	High	Q2
Contingency - Local Government Reorganisation	MAT	Time held for any potential work required to support the Local Government Reorganisation agenda.			Advisory	High	TBC
Audit Management		Liaison and reporting to Management Team and the Audit Committee, ongoing monitoring and update of the audit plan, review of the implementation of management actions and ongoing quality review.	-				

* As we have yet to conclude assurance work on the Council's risk management process we have not used the strategic risk register as a primary contributor to our planning process for 2025/26, consequently there is no cross reference detailed within the above table.









Audit Sponsor	
Daniel Mouawad Chief Executive (CE)	
Lee O'Neil Deputy Chief Executive (DCE)	Terry Collier Deputy Chief Executive & S151 Officer (DCE/S151)











It is acknowledged that the internal audit plan 2025/26 does not provide a representative spread of assurance across all the Council's priorities as outlined in the Corporate Plan 2024 – 2028, however, internal audit focus is necessarily risk based.

Contingency Reviews

The table below includes a list of engagements that would have been performed if additional resources were available.

Audit Assignment	Directorate Sponsor	Scope	Corporate Priority	Risk Register Reference	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Programme and Project Management	DCE & DCE/S151	Assurance over the effective management and delivery of key projects, including governance, decision making, delivery etc.			Assurance	High	N/A
Transformation Programme	DCE & DCE/S151	Assurance over the governance and delivery of the programme.			Assurance	High	N/A
Annual Governance Statement	DCE/S151	Assurance over the governance arrangements to compile, contribute and deliver the AGS.			Assurance	High	N/A
Partnership Working	MAT	Assurance over governance arrangements in place for partnership arrangements.			Assurance	High	N/A
Security Information & Event Management	DCE/S151	Assurance over the monitoring, assessment and addressing of security events.			Assurance	High	N/A
Council Tax	DCE/S151	Cyclical review of core financial system			Assurance	High	N/A
Affordable Housing / Housing Delivery Strategy	DCE/S151	Assurance over the strategy and delivery of affordable housing.			Assurance	High	N/A
Climate Change	DCE	Review of the Climate Change Strategy and progress against delivery.			Assurance	High	N/A

Audit Assignment	Directorate Sponsor	Scope	Corporate Priority	Risk Register Reference	Assurance / Advisory	Internal Audit Risk Assessment	Quarter
Use of Agency Staff	DCE	Assurance over the governance and effective use of agency staff across the organisation.			Assurance	High	N/A
Asset Management Statutory Checks	DCE/S151	Assurance over statutory compliance checks for properties.			Assurance	High	N/A
Procurement	DCE/S151	Assurance over compliance with Contract Standing Orders.			Assurance	Medium	N/A
Ethical Governance	DCE/S151	Assurance over the design, implementation and effectiveness of the Council's ethics-related objectives, programmes and activities.			Assurance	Medium	N/A
Capital Programme	DCE/S151	Assurance over the effective and timely delivery of the capital programme.			Assurance	Medium	N/A
CIL Disbursement	DCE	Assurance over the distribution and monitoring of CIL funds.			Assurance	Medium	N/A
DFG	DCE/S151	To provide assurance over the administration and compliance with local / legislative requirements.			Assurance	Medium	N/A
Performance Management Framework	DCE & DCE/S151	Review of the corporate performance management arrangements in place including monitoring and reporting.			Assurance	Medium	N/A

*Included to enable the Audit Committee to assess the adequacy of resources available to the internal audit function