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**Southern Internal  
Audit Partnership**

Assurance through excellence  
and innovation

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**TANDRIDGE DISTRICT COUNCIL  
INTERNAL AUDIT PLAN 2023-24**

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## Introduction

The role of internal audit is that of an:

*‘Independent, objective assurance and consulting activity 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 risk management, control and governance 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, 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
- risk to the achievement of the Council’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of Internal Audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

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 Directors and Audit Sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with those responsible for the governance of the Council.

## Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Natalie Jerams, Deputy Head of Southern Internal Audit Partnership and supported by Joanne Barrett, Audit Manager.

## Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is 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.'*

## Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

## Council Strategic Plan 2020-21 / 2023-24

The Council have developed a Strategic Plan for 2020-21 to 2023-24 setting out four key priorities:

1. **Building a better Council** - making the Council financially sustainable and providing residents with the best possible services.
2. **Creating the homes, infrastructure and environment we need** – both now and in the future.
3. **Supporting economic recovery in Tandridge** – from lockdown to growth that everyone benefits from.
4. **Becoming a greener, more sustainable District** – tackling climate change.

## Council Risk

The Corporate risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives.

Score	Risk Description
12	CS3 - Lack of monitoring on council owned trees and impact of Ash dieback creates greater risk of tree falls
12	CS5 - Failure of Freedom Leisure Contract
9	P4 - Lack of capacity in planning team negatively impacts performance and delivery of service, such as determining applications in statutory timeframes.
8	P2 - Local plan is found unsound by the Inspector
8	SR1 - Inability of Council to make savings as identified in the Medium Term Financial Strategy and to delivered a balanced outturn for 2022/23 and 2023/24,

\*Corporate Risks as at January 2023

We will monitor the corporate risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

## Developing the internal audit plan 2023/24

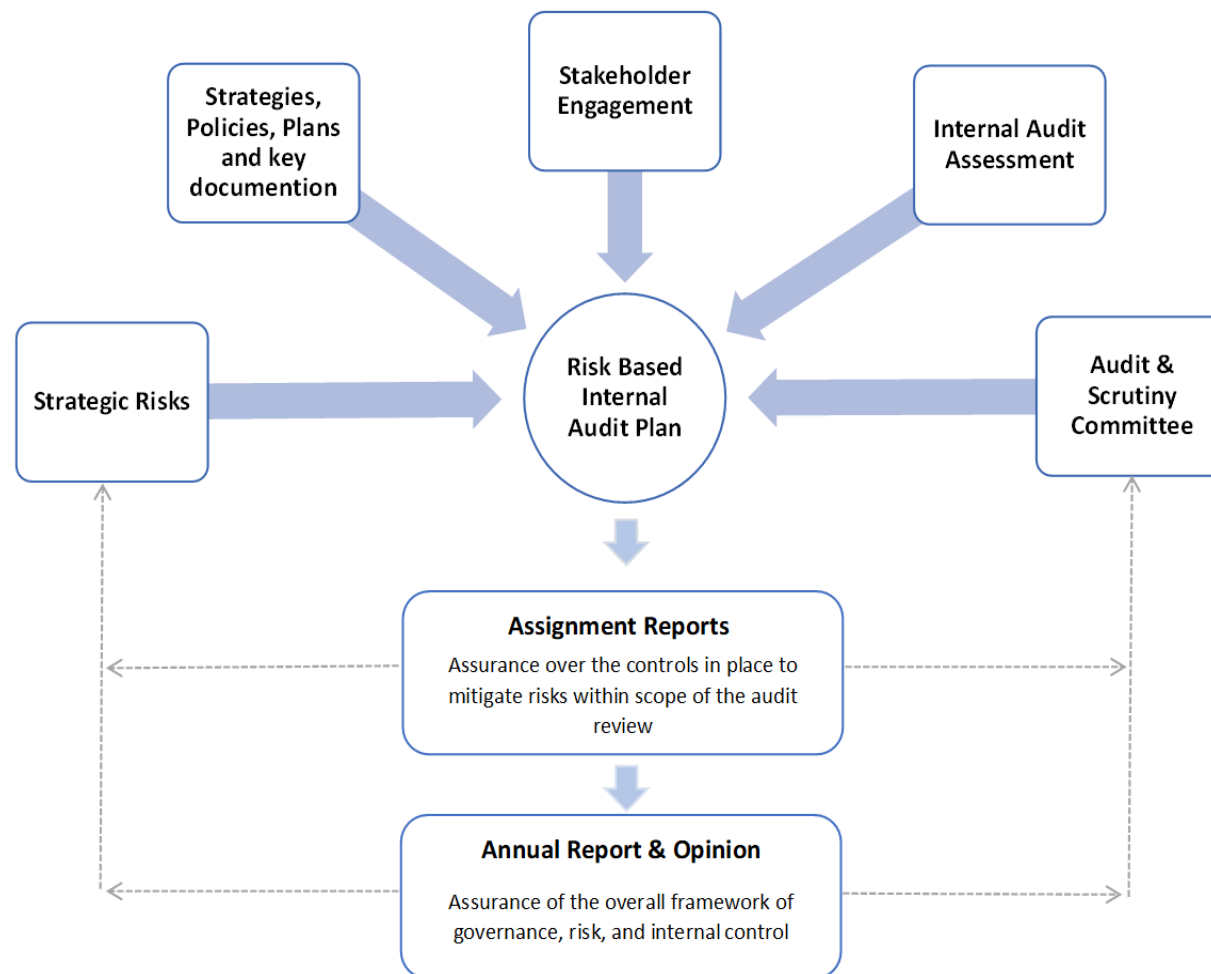
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

Based on conversations with key stakeholders, review of risk registers, key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

Audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

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 Plan 2023-24

Audit	Sponsor	Scope/ Risk	Strategic Risk	Quarter
<b>Corporate</b>				
Savings Realisation	CFO	To assess realisation and delivery of savings target / initiatives.	SR1	Q2
Future Tandridge Programme	CE	Assurance over the governance framework and delivery of the programme. (To exclude any aspects already covered within the Savings Realisation review.)		Q4
Asset Management – Statutory Checks	CFO	Assurance over statutory compliance checks for both HRA and General Fund properties.		Q3
<b>Governance</b>				
Human Resources & Organisational Development	HofT&BS	<p>Weak or ineffective internal control leading to financial loss resulting in damage to the Council’s reputation and adverse publicity. Assurances over the audit cycle:</p> <ul style="list-style-type: none"> <li>• Performance Management</li> <li>• Absence management</li> <li>• Recruitment and induction</li> <li>• Training &amp; Development</li> <li>• Workforce Strategy / Development</li> <li>• Flexible Working</li> <li>• HR policies and procedures</li> <li>• Agency staff, volunteers.</li> <li>• Staff wellbeing &amp; mental health</li> </ul> <p>2023/24 scope to include workforce strategy/development.</p>		Q3

Audit	Sponsor	Scope/ Risk	Strategic Risk	Quarter
Ethical Governance	HofL	Evaluation of the design, implementation and effectiveness of TDC's ethics-related objectives, programmes and activities.		Q1
<b>IT</b>				
IT Disaster Recovery	HofT&BS	Assurance over the new disaster recovery system and procedures to maintain continuity for IT in the event of a disaster.		Q2
Cyber Security	HofT&BS	Assurance over a specific area of cyber security, for example vulnerability management, firewall management. To be confirmed at detailed scoping.		Q4
<b>Core Financial Reviews</b>				
Council Tax	CFO	Cyclical review of core financial systems		Q2
NNDR	CFO			Q1
<b>Service Reviews</b>				
Housing Voids	HofH	Assurance over the management of void properties.		Q4
Operational Services - Tree Inspections	HofO&C	Assurance over the inspection regime and record keeping.	CS3	Q2
Homes for Ukraine	HofH	To review processes in place for the placements and payments made.		Q2
Development Management	CPO	Development Management (planning applications, appeals, enforcement); Planning Policy (local plan, CIL, S106).	P4	Q3
Leisure Centres – Contract Management	HofC&P	Assurance over the contract management arrangements in place across all leisure centres.	CS5	Q4

Audit	Sponsor	Scope/ Risk	Strategic Risk	Quarter
<b>Other</b>				
Follow Up	Various	To follow up on the key observations raised for a number of “limited assurance” reviews to ensure actions have been fully implemented and embedded. Reviews will include: <ul style="list-style-type: none"> <li>• Contract Management</li> <li>• Business Continuity &amp; Emergency Planning</li> <li>• Safeguarding</li> <li>• Fraud Framework.</li> </ul>		Q3
Management		To include annual planning, reporting and attendance at Management Team and Audit & Scrutiny Committee, action tracking, liaison with key stakeholders and annual report and opinion.		Q1-4
Commissioned days				170
Total plan days for 2023/24				160
Plan variation (to take into account additional plan days in 2021/22)				(10)

Audit Sponsor					
CE	Chief Executive	CFO	Chief Finance & S151 Officer	HofLS	Head of Legal & Democratic Services
HofH	Head of Housing	CPO	Chief Planning Officer	HofT&B	Head of Transformation & Business Support
HofP&C	Head of Policy & Communications	HofO&C	Head of Operations & Contracts	HofC&P	Head of Communities & Partnerships