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| <b>Report to:</b> | Governance and Audit Committee       |
| <b>Date:</b>      | 7 March 2024                         |
| <b>Subject:</b>   | <b>Internal Audit Plan 2024/2025</b> |
| <b>Director:</b>  | Alan Reiss, Chief Operating Officer  |
| <b>Author:</b>    | Bron Baker, Head of Internal Audit   |

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|---|---|
| Is this a key decision?   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Is the decision eligible for call-in by Scrutiny?                                       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information or appendices?               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1: |   |
| Are there implications for equality and diversity?                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

## 1. Purpose of this Report

- 1.1 To ask members to approve the internal audit plan for 24/25 in **Appendix 1**.

## 2. Information

### **Proposed Audit Plan for 2024/25**

- 2.1 Internal Audit presented a version of the draft plan to the January meeting of the Governance and Committee for early comments. The plan was developed following consultation with Directors/Executive Directors and views of the Internal Leadership Board have also been sought. The final proposed plan is now submitted for approval by Members.
- 2.2 This plan, whilst ambitious, reflects a balanced approach to work across all the directorates and will ensure sufficient breadth to allow the annual audit opinion to reflect the full range of Combined Authority delivery which has grown significantly over the last year. The format of the plan is set out to reflect this and there will be ongoing further discussions with directorates during the course of the year to ensure that it continues to reflect the most significant risks to those areas of the business.

- 2.3 To be able to deliver the audit plan the audit team have also developed a business case setting out the required level of resource to be able to deliver this plan and this is currently under review.

### **Key Areas To Highlight**

- 2.4 As mentioned previously to the Committee, the plan has been developed to keep focus on the management of contracts, projects/programmes and procurements to ensure that the work being done centrally to develop standards and good practice guidance is adopted and adhered to throughout the business. This will continue to drive improvement in those areas of the business that have seen a number of less favourable reviews over the last two years.
- 2.5 There are a number of rolling programmes of reviews in relation to programmes/projects with particular emphasis on Mass Transit and potentially Bus Reform. This will be subject to a business case for additional resource focused on transport major programmes being agreed. Work is being undertaken to understand some of the lessons learned from other MCAs that are further ahead in these areas to inform the assurance programme.
- 2.6 Significant work will continue on Adult Education Budget but building assurance over Multiplier and Skills Bootcamps as well.
- 2.7 Internal Audit will continue to bring in specialist resource to undertake a number of ICT reviews and given the prominent risk around cyber security will ensure that this remains a key deliverable in 24/25.
- 2.8 The plan for 24/25 will continue to make provision for counter fraud and whistleblowing investigations, but additional resource in the team (subject to the review of the resource business case) will allow focus to include preventative work and better use of data analytics for detection activity.

### **3. Tackling the Climate Emergency Implications**

- 3.1 The Plan includes reviews of activities which may have climate emergency implications.

### **4. Inclusive Growth Implications**

- 4.1 The Plan includes reviews of activities which may have inclusive growth implications.

### **5. Equality and Diversity Implications**

- 5.1 The Plan includes reviews of activities which may have equality and diversity implications.

### **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report.



## **7. Legal Implications**

7.1 There are no legal implications directly arising from this report.

## **8. Staffing Implications**

8.1 If recruitment/resource remains an issue into the next audit plan year, the proposed reviews will need to be reconsidered. The Committee will be asked to endorse any subsequent changes to the plan to accommodate resource constraints.

## **9. External Consultees**

9.1 No external consultations have been undertaken.

## **10. Recommendations**

10.1 That the Committee consider and approved the proposed plan for 2024/25.

## **11. Background Documents**

There are no background documents referenced in this report.

## **12. Appendices**

Appendix 1 – Internal Audit Plan 2024/25