

**Report to:** Governance and Audit Committee

**Date:** 12 January 2023

**Subject:** **Internal Audit Draft Plan 23/24**

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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 consider and comment on the draft internal audit plan for 23/24 in Appendix 1.

## 2. Information

### Proposed Audit Plan for 2022/23

#### Background

- 2.1 Internal Audit usually present the draft plan to the March Governance and Audit Committee (GAC) meeting, but are electing to bring an early report to enable consideration and comment from the Committee before the plan (Appendix 1) is discussed in more detail with the Combined Authority Directors. This is primarily due to the ongoing organisational evolution work which will see an interim structure in place from 1 January 2023 and consequently consultation with Directors taking place over the final quarter of the current financial year. The primary sources for informing the plan derive from external horizon scanning from the annual 'Risk in Focus' research published by the Chartered Institute of Internal Auditors (Appendix 2), outcomes from work undertaken in the current plan year and the Corporate Risk Register. An additional document (Appendix 3), drawn from the papers that went to the Combined Authority meeting on the 8 December, has been included with this report as it contains a summary of the business plans for

each directorate area that may help to inform any views the Committee has on the proposed areas for audit in the next year.

#### Key areas to highlight

- 2.2 The plan has once again been developed to keep focus on the management of contracts, projects 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. It is proposed that these central processes will also form the basis for one of the reviews.
- 2.3 There are also proposals for follow up work on the financial controls, systems and processes in the Transport and Property Services directorate along with a number of other areas that have had attention in the current plan year, including Equality, Diversity & Inclusion, Climate Change, Health & Safety, Security of Assets. A major area of assurance continues to be on the Adult Education Budget and the Integrated Corporate System project both of which will see a number of planned reviews for this coming year.
- 2.4 One of the key deliverables for the Combined Authority is the Mass Transit Programme, in agreement with the Director responsible for this, Audit is going to place reliance on the planned series of Gateway Reviews and will offer any additional assurance support if it is needed.

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

- 3.1 There are no climate emergency implications directly arising from this report.

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

- 4.1 There are no inclusive growth implications directly arising from this report.

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

- 5.1 There are no equality and diversity implications directly arising from this report.

### **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 and the Committee 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 note the progress update.

## **11. Background Documents**

11.1 The annual 'Risk in Focus' report from the Chartered Institute of Internal Auditors has been used to inform external horizon scanning and the Mayoral CA Business Planning 2023-24 document highlights planned delivery by the organisation for next year.

## **12. Appendices**

Appendix 1 – Internal Audit Draft Plan 2023/24

Appendix 2 – CIIA Risk in Focus 2023

Appendix 3 - Mayoral CA Business Planning 2023-24