



<b>Report to:</b>	Governance and Audit Committee
<b>Date:</b>	12 January 2023
<b>Subject:</b>	<b>Internal Audit Draft Plan 24/25</b>
<b>Director:</b>	Alan Reiss, Chief Operating Officer
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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 24/25 in Appendix 1.

## 2. Information

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

- 2.1 As part of the forward plan for the Governance and Audit Committee (GAC), Internal Audit have once again brought the draft plan for the next financial year to the January committee meeting. This plan has been informed by consultation with Directors/Executive Directors and once comments are received from GAC, will go to the Internal Leadership Board for their views before returning as a final proposal to the March 2024 GAC. 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 audit work undertaken in previous years, reviews of business plans for 24/25 along with consideration of corporate performance reporting in the 23/24 plan year (which includes assessment of risks to delivery) and finally the Corporate Risk Register.



- 2.2 Internal Audit also conducted a review of previous coverage of assurance work across the Combined Authority and this draft plan reflects a balanced approach to work across all the directorates. This will ensure sufficient breadth built in 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 draft plan is set out to reflect this and there will be ongoing 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 The audit team have also developed a business case for consideration of the right level of resource to be able to deliver this proposed plan which is currently under review.

### **Key areas to highlight**

- 2.4 The plan has once again 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 Bus Reform. 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 Multiply 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.
- 2.9 The plan for 24/25 will also need to include any reviews deferred from the current plan year which are currently at risk and will be included in the final version of the plan that will be on the agenda for the March GAC meeting.

### **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 comment on the proposed plan for 2024/25.

## **11. Background Documents**

The annual 'Risk in Focus' report from the Chartered Institute of Internal Auditors has been used to inform external horizon scanning.

## **12. Appendices**

Appendix 1 – Internal Audit Draft Plan 2024/25

Appendix 2 – [CIIA Risk in Focus 2024](#)