



### Internal Audit plan 2019/20

**Committee**            Audit and Standards

**Date of meeting**    22 February 2019

**Date of report**    12 February 2019

### Report by Assistant Chief Executive

#### 1. Object of report

To seek committee approval for the Internal Audit plan 2019/20.

#### 2. Background

##### Public Sector Internal Audit Standards (PSIAS)

The Internal Audit plan for 2019/20 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS).

The Internal Audit plan for 2019/20 has been developed using the assurance framework(s) and a risk-based methodology following consultation with the Strategy Group on the Partnership's objectives and priorities, and in accordance with the Internal Audit Charter.

##### Internal Audit resources

The resource allocation required to achieve the Internal Audit plan 2019/20 will be 350 days.

#### 3. Outline of proposals

##### Internal Audit plan 2019/20

The Internal Audit plan for 2019/20 provides the direction of travel and a framework for audit engagements in the forthcoming year. The plan is aligned to the Partnership's strategic objectives, the (local) code of corporate governance and assurance framework(s), whilst having scope to be responsive to change (see Appendix 1).

The risk-based plan and the scope of each engagement have been informed by:

- assurance framework(s);
- risk registers;
- Strategy Group consultation;
- external factors (i.e. government initiatives, intelligence, and networking).

## Plan objectives

The main objective of the Internal Audit plan is to provide an agile assurance service that assesses the effectiveness and efficiency of the Partnership's systems for internal control. The plan will also include provision for consulting activities and fraud-related work.

Assurance engagements are an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes and to ensure operations are being conducted in accordance with external regulations, legislation, internal policies and procedures (e.g. financial, performance, compliance, system security engagements). Assurance levels are based upon findings and conclusions at an individual engagement level; which when collated on an annual basis, support SPT's view on systems for internal control.

**Note:** The assurance framework is mapped and updated on a regular basis. A discrete assurance framework map for Digital services has been developed in 2018/19.

Consulting activities are advisory in nature and relate to specific requests from senior management. They are intended to add value and improve governance, risk management and control processes without the internal auditor assuming management responsibility.

Fraud prevention initiatives: Managing the risk of fraud and corruption is the responsibility of SPT management. Audit and Assurance will assist management in the effective discharge of this responsibility. The Counter Fraud Strategy (including Anti-Fraud and Corruption Policy, Whistleblowing Policy and Financial Regulations relating to financial irregularity) outlines the Partnership's commitment to prevent, detect, investigate and report fraud. The annual Internal Audit plan includes provision for fraud-related work to support this strategy.

## **4. Conclusions**

The Internal Audit plan 2019/20 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS) and the Internal Audit Charter.

## **5. Committee action**

The committee is asked to approve the Internal Audit plan for 2019/20.

## **6. Consequences**

Policy consequences	<i>In accordance with the Public Sector Internal Audit Standards 2017.</i>
Legal consequences	<i>In accordance with the Local Authority Accounts (Scotland) Regulations 2014.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Social Inclusion consequences	<i>None.</i>
Risk consequences	<i>As detailed in the report.</i>

**Name** Valerie Davidson

**Name** Gordon Maclennan

**Title** **Assistant Chief Executive**

**Title** **Chief Executive**

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