
Internal Audit Plan 2026-2029

Committee considering report:	Audit and Risk Committee
Date of Committee:	23 June 2026
Portfolio Member:	Councillor Iain Cottingham
Date Portfolio Member agreed report:	
Report Author:	Julie Gillhespey (Audit Manager)

1 Purpose of the Report

The Global Internal Audit Standards (GIAS) in the UK Public Sector require the Council's Internal Audit Plan and Audit Charter to be approved by those charged with governance within the Council. The Standards also require the Internal Audit Strategy to be reviewed by the Audit and Risk Committee. The key purpose of this report is to set out a risk-based plan of work for Internal Audit that will provide assurance to senior managers, members and the Audit and Risk Committee of the effectiveness of the Council's governance, risk management and internal control frameworks, which also supports the Committee's review of the Council's Annual Governance Statement.

2 Recommendation(s)

That the Audit and Risk Committee discuss and approve the Proposed Audit Plan and Internal Audit Charter, and review the content of the Internal Audit Strategy.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	None
Human Resource:	None
Legal:	None
Risk Management:	Internal Audit work helps to improve risk management processes by identifying weaknesses in systems and controls and making recommendations to provide mitigation and improve service delivery processes.
Property:	None

Policy:	None			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	Directorate Management Teams and Corporate Board.			

4 Executive Summary

- 4.1 The Global Internal Audit Standards (GIAS) in the UK Public Sector require the Council's Audit Plan and Internal Audit Charter to be approved by the Audit and Risk Committee. There is also a requirement for there to be an Internal Audit Strategy which requires review with senior managers and the Audit and Risk Committee (no formal approval required).
- 4.2 The key purpose of this report is to set out a risk-based plan of work for Internal Audit that will provide assurance to senior management, members and the Audit and Risk Committee of the effectiveness of the Council's governance, risk management and internal control frameworks, and also support the Committee's review of the Council's Annual Governance Statement.
- 4.3 The objectives for Internal Audit are set out in the Council's Internal Audit Charter (Appendix A). This document is reviewed and refreshed each year where appropriate. Only minor changes have been made this year to include a new dotted reporting line to the Monitoring Officer, as good practice requires the Audit function to report to one of the Council's statutory officers.
- 4.4 The GIAS require the Internal Audit Service to have a strategy document, which sets out objectives and a longer-term vision for the Service, together with how the Service plans to meet the current and future needs of the Council. This document is set out as Appendix B.
- 4.5 The Internal Audit Reporting Protocol (Appendix C) sets out how the team will communicate with clients. As set out in the Reporting Protocol we treat the relevant Service Director as the main client.
- 4.6 The proposed work programme for Internal Audit for the period 2026-2029 is attached at Appendix D. The plan analyses the different areas of the Council's activity that Internal Audit have risk assessed as needing to be audited over a three-year timeframe.
- 4.7 The plan over the three-year period shows the level of resource of the Audit Team is in line with the planned level of audit work.
- 4.8 Good practice as stated in CIPFA's Fighting Fraud and Corruption Locally requires an Annual Anti-Fraud Work Plan to be prepared which links to the Audit Plan, a draft plan is attached as Appendix E.
- 4.9 The GIAS require the Audit Manager to assess and identify areas for improvement for the Internal Audit function each year, these are set out in Appendix F.

5 Supporting Information

Introduction

- 5.1 The key purpose of this report is to set out a risk-based plan of work for Internal Audit that will provide assurance to senior management, members and the Audit and Risk Committee on the effectiveness of the Council's governance, risk management and
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internal control frameworks, as well as support the Committee's review of the Annual Governance Statement.

- 5.2 The purpose is also to present the amended Internal Audit Charter for review and approval, and review of the newly created Internal Audit Strategy.

Background

- 5.3 The work of the Council's Internal Audit Service is regulated by the Global Internal Audit Standards (GIAS) in the UK Public Sector. The GIAS set out the following: -

- (a) Purpose of Internal Auditing.
- (b) Code of Ethics.
- (c) Performance standards required to be followed for the professional practice of internal auditing.

- 5.4 The purpose, scope and authority for Internal Audit are set out in the Council's Internal Audit Charter (Appendix A). This document is reviewed and refreshed each year where appropriate, only minor changes have been made this year to reflect the change in reporting line for Internal Audit. The direct reporting line remains with the Service Director for Strategy and Governance, with a new dotted line included to provide reporting to the Monitoring Officer, as good practice requires the Audit function to report to one of the Council's statutory officers.

- 5.5 The professional standards require the Internal Audit Service to have a strategy document, which sets out objectives and a longer-term vision for the Service, together with how the Service plans to meet the current and future needs of the Council. The document also sets out how the audit risk assessment/scheduling of audits is carried out. This document is set out as Appendix B.

- 5.6 The main outcomes from the work of Internal Audit are:

- (a) Audit reports produced at the conclusion of each audit, issued to the relevant Service Director and Executive Director.
- (b) Monitoring reports on progress with implementation of agreed audit recommendations.
- (c) An annual assurance report and interim update reports for Corporate Board, members and the Audit and Risk Committee on the outcomes of Internal Audit work.

These reporting requirements together with who should be included in the circulation are formally set out in the Internal Audit Reporting Protocol (Appendix C). As set out in the Reporting Protocol we treat the relevant Service Director as the main client, and as such we require a response from them as to whether the recommendations are agreed or otherwise before a report is finalised.

- 5.7 The Internal Audit work programme for the period 2026-2029 is attached at Appendix D. The plan analyses the different areas of the Council's activity that Internal Audit have determined need to be audited after carrying out a risk assessment process. The Plan is broken down by Corporate Audits, then by Executive Director, and Service Director. The information for each audit covers: -
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- (a) The key high level risks involved in that area.
- (b) The level of risk associated with the audit area/function, as assessed by Internal Audit.
- (c) The type of audit, setting out any direct links with the Council Strategy and Corporate Risk Register.
- (d) Date last reviewed.
- (e) An initial estimate of the number of days that will be required to complete the audit, and the year in which the audit is planned/last audited.

5.8 The plan over the three-year period shows the level of resource is approximately in line with the number of days in the planned programme of work.

5.9 The Audit Team consists of five staff: the Audit Manager, a Principal Auditor, and three Senior Auditors, one of which currently being recruited for. This level of resource has been used to set out the plan of work over the three-year period.

5.10 The Audit Team has an in-service reportable performance target to achieve at least 80% of the audit plan for the year. In-year updates are provided to senior officers and Committee, with a detailed year end analysis of work undertaken compared with planned which is included in the Internal Audit Annual Report.

5.11 Good practice as stated in CIPFA's Fighting Fraud and Corruption Locally requires an Annual Anti-Fraud Work Plan to be prepared which links to the Audit Plan. A Fraud Plan is attached at Appendix E.

5.12 The GIAS require Internal Audit to have a Quality Assurance and Improvement Programme. An ongoing self-assessment has identified some areas for improvement, which are set out in a Quality and Improvement Programme at Appendix F.

Proposals

5.13 That the Audit and Risk Committee approve the planned work programme for Internal Audit and updated Internal Audit Charter. Also, the Committee review the content of the Audit Strategy.

6 Other options considered

None, the GIAS in the UK Public Sector require the Council's Audit Plan and Internal Audit Charter to be approved by the Audit and Risk Committee.

7 Conclusion

This report sets out the proposed work for Internal Audit over the next three years. In order for an informed decision to be made regarding the work programme, supporting information sets out the role of Internal Audit, and information explaining how the plan of audit work is assessed/compiled.

8 Appendices

Appendix A - Internal Audit Charter;

Appendix B - Internal Audit Strategy;

Appendix C - Internal Audit Reporting Protocol;

Appendix D - Internal Audit Plan 2026 to 2029;

Appendix E - Anti-Fraud Work Plan 2026/27;

Appendix F - Quality and Improvement Programme 2026/27.

Background Papers:

None

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

Wards affected: All

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