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## Agenda Supplement 2

Dear Councillor

### **AUDIT AND SCRUTINY COMMITTEE - MONDAY, 25TH JULY, 2022**

I am now able to enclose, for consideration on Monday, 25th July, 2022 meeting of the Audit and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

<b>Agenda No</b>	<b>Item</b>
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- |    |  |
|----|--|
| 5. | <b><u>Internal audit plan 2022-23</u> (Pages 3 - 10)</b> |
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Yours sincerely

Chief Executive

Encs

25/07/22



# Agenda Item 5

<b>Committee:</b> Audit and Scrutiny Committee	<b>Date:</b> 25 July 2022
<b>Subject:</b> Internal Audit Plan 2022/23	<b>Wards Affected:</b> all
<b>Report of:</b> Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) & Section 151 Officer	<b>Public</b>
<b>Report Author/s:</b> Name: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) & Section 151 Officer E-mail: jacqueline.vanmellaerts@brentwood.gov.uk	<b>For Decision</b>

## Summary

This report outlines the Internal Audit Summary outline Plan for 2022/23, included in Appendix A.

## Recommendation(s)

**Members are asked to:**

**R1. Approve the Internal Audit Summary Outline Plan 2022/23 attached in Appendix A**

**R2. Delegated authority is given to the Section 151 Officer to amend the plan in year as necessary to deliver the contract.**

## **Introduction and Background**

BDO has been the appointed Internal Auditor for the Council since 1 April 2014.

## **Issue, Options and Analysis of Options**

1. The Internal Audit Plan sets out the proposed work to be undertaken in 2022/23 and is attached as Appendix A to this report.
2. This is not a full plan, as the appointment for this year contract was only confirmed w/c 18th July 2022. A full plan, including a risk assessment, audit charter and 3 year programme will be presented to the September Audit and Scrutiny meeting.

3. It is recommended that delegated authority is given to the Section 151 Officer, should the plan need to be amended in year, to align itself with current resources and service requirements.

### **Reasons for Recommendation**

3. To approve the work programme for the Internal Audit Plan 2022/23.

### **Consultation**

4. Not applicable.

### **References to Corporate Plan**

5. Good financial management, risk management and internal control underpin all priorities within the Corporate Plan.

### **Implications**

#### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) & Section 151 Officer**

**Tel/Email: 01277 312500/[jacqueline.vanmellaerts@brentwood.gov.uk](mailto:jacqueline.vanmellaerts@brentwood.gov.uk)**

6. Internal Audit supplier for 2022/23 have been procured using the appropriate procurement framework. Internal resources will be required to deliver the internal audit plan.

#### **Legal Implications**

**Name & Title: Amanda Julian, Corporate Director (Law & Governance) & Monitoring Officer**

**Tel & Email: 01277 312500/[amanda.julian@brentwood.gov.uk](mailto:amanda.julian@brentwood.gov.uk)**

7. There are no legal implications arising from this report.

#### **Economic Implications**

**Name/Title: Phil Drane, Corporate Director (Planning & Economy)**

**Tel/Email: 01277 312500/[philip.drane@brentwood.gov.uk](mailto:philip.drane@brentwood.gov.uk)**

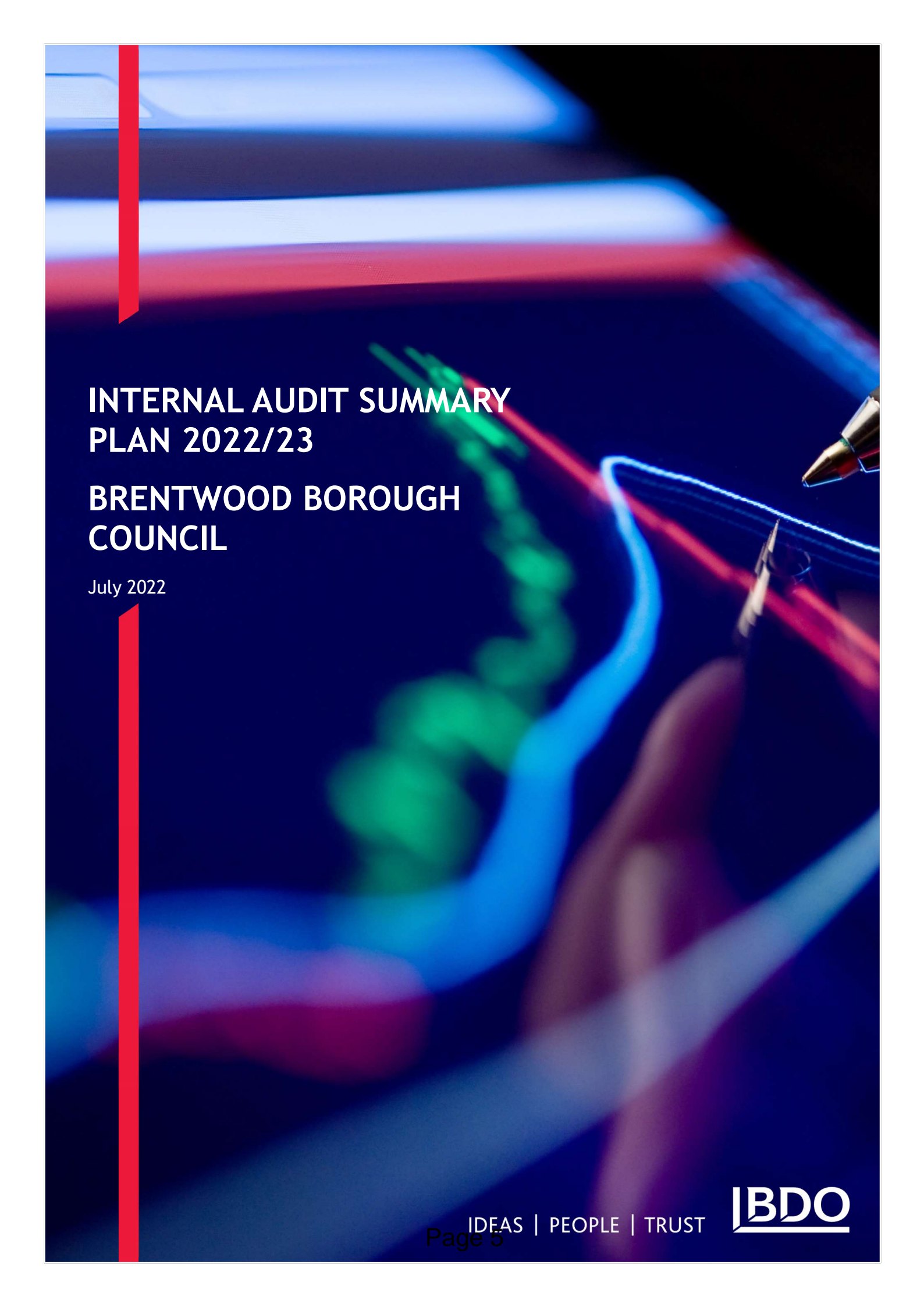
8. There are no economic implications arising from this report.

### **Background Papers**

9. None

### **Appendices to this report**

10. Appendix A – Internal Audit Summary Outline Plan 2022/23



**INTERNAL AUDIT SUMMARY  
PLAN 2022/23**

**BRENTWOOD BOROUGH  
COUNCIL**

July 2022

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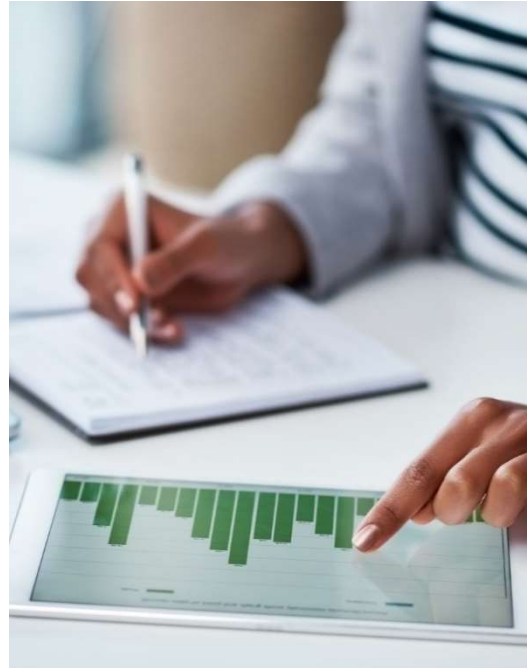
## PLAN PROCESS

Our risk based approach to Internal Audit uses the Council's own risk management process and risk register as a starting point for audit planning as this represents the client's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the Council's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects Brentwood Borough Council's current risk profile.

### Planned approach to internal audit 2022/23

The indicative Internal Audit programme for 2022/23 is shown on page 3. This is not a full plan, as our appointment for this year was only confirmed w/c 18<sup>th</sup> July 2022. A full plan, including a risk assessment, audit charter and 3 year programme will be presented to the September Audit and Scrutiny meeting. In producing this outline plan we have taken account of discussion with the Director of Corporate Resources, who has sought feedback from other Executive Directors. We will keep the programme under continuous review during the year and will introduce to the plan any significant areas of risk identified by management during that period.



The plan is set within the context of a multi-year approach to internal audit planning, such that all areas of key risks would be looked at over a three year audit cycle. In setting the number of days in the plan we have assumed that the control environment within the Council will improve as we work with you to address the issues you have.

### Individual audits

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within the Council. Where revisions are required we will obtain approval from the appropriate Executive Director prior to commencing fieldwork.

In determining the timing of our individual audits we will seek to agree a date which is convenient to the Council and which ensures availability of key management and staff.

### Variations to the Plan

We review the strategic plan each year to ensure we remain aware of your ongoing risks and opportunities.

## OUTLINE PLAN JULY 2022

AUDIT	QUARTER	AUDIT DAYS	COMMENT
Main Financial Systems	Q4	40	Done each year, will include Housing Benefits
Commercialisation and cost savings	Q4	15	Area of focus for the Council
Payroll shared service	Q3	20	Cyclical review
Partnership with Rochford	Q3	15	Area of focus for the Council
Policy review	Q2	10	Cyclical review
Data protection regulations	Q3	15	Cyclical review
Cyber security	Q2	20	Risk area, greater focus due to Ukraine
Housing management information	Q3	10	Area of focus for the Council
Environment - street cleaning and enforcement	Q2	15	Potential risk area
Climate change	Q3	20	New area of risk for Councils
Leisure services	Q3	15	Area of focus for the Council
Licensing	Q2	15	Cyclical review
Democratic services	Q2	15	Carried forward from 21/22
Counter fraud	N/A	10	Ongoing work and support
Follow up	N/A	10	Regular process
Audit management	N/A	20	Regular process
Contingency	N/A	10	Available for additional risks
TOTAL	N/A	275	In line with previous years





**FOR MORE INFORMATION:**

**GREG RUBINS**

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