

# Cheltenham Borough Council

## Audit, Compliance and Governance Committee – 17<sup>th</sup> April 2024

### Internal Audit Plan 2024-25

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**Accountable member:**

Councillor Peter Jeffries, Cabinet Member for Finance and Assets

**Accountable officer:**

Paul Jones, Executive Director – Finance, Assets and Regeneration

**Accountable scrutiny committee:**

None

**Ward(s) affected:**

N/A

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**Key/Significant Decision:**

No

**Executive summary:**

The Council must ensure that it has sound systems of internal control which facilitate effective management of all the Council's functions. The work planned by SWAP Internal Audit Services, the Council's Internal Audit service, is one of the control assurance sources to the Audit, Compliance and Governance Committee and Leadership Team and which supports the work of the external auditor. The work is also a key component of the Council's governance framework and as assurance source supporting the Annual Governance Statement, which forms part of the statutory accounting standards.

The Internal Audit Charter is a requirement of the arrangement between Cheltenham Borough Council and SWAP Internal Audit Services (SWAP). The charter ensures compliance with good practice as set out in the International Professional Practices Framework of the Institute of Internal Auditors and the Public Sector Internal Audit Standards (PSIAS).

**Recommendations:**

**The Audit, Compliance and Governance Committee approves the Proposed 2024/25 Internal Audit Plan**

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### Implications

### 1.1. Financial implications

There are no financial implications arising from the report

**Signed off by:** Paul Jones, Executive Director Finance, Assets and Regeneration  
[Paul.Jones@cheltenham.gov.uk](mailto:Paul.Jones@cheltenham.gov.uk)

### 1.2. Legal implications

There are no specific legal implications arising from the report and its recommendation.

**Signed off by:** One Legal, [legal.services@onelegal.org.uk](mailto:legal.services@onelegal.org.uk)

### 1.3. HR implications

There are no specific HR implications arising from the content of the report. The HR Team continue to work closely with CBC and SWAP to ensure that any HR related recommendations from audits are actioned.

**Signed off by:** Clare Jones, HR Business Partner, [Clare.Jones@Cheltenham.gov.uk](mailto:Clare.Jones@Cheltenham.gov.uk)

### 1.4. Environmental and climate change implications

None specific arising from the report agreed actions

**Signed off by:** Gemma Bell, Head of Finance (Deputy Section 151 Officer),  
[Gemma.Bell@cheltenham.gov.uk](mailto:Gemma.Bell@cheltenham.gov.uk)

### 1.5. Property/asset implications

There are no specific Property/Asset implications arising from the content of the report

**Signed off by:** Gemma Bell, Head of Finance (Deputy Section 151 Officer),  
[Gemma.Bell@cheltenham.gov.uk](mailto:Gemma.Bell@cheltenham.gov.uk)

### 1.6. Corporate policy framework implications

The Internal Audit Plan is aligned to our Corporate Priorities and provide assurance against the achievement of corporate policy.

**Signed off by:** Ann Wolstencroft, Head of Performance, Projects and Risk,  
[Ann.Wolstencroft@cheltenham.gov.uk](mailto:Ann.Wolstencroft@cheltenham.gov.uk)

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## 2. Promoting equality and reducing discrimination

No implications arising from the report agreed actions.

## 3. Performance management – monitoring and review

The performance of SWAP Internal Audit Services is monitored by both the Audit, Compliance and Governance Committee and the Audit Partnership Board as detailed in the Internal Audit Charter.

Regular monitoring reports are provided to this Committee and, in the interim period regular meetings are held between Internal Audit and the Executive Director of Finance, Assets and Regeneration. New and emerging risks are discussed, and the impact of the recommendations made by Internal Audit are discussed.

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## 4. Background

### Internal Audit Plan

- 4.1. The primary role of Internal Audit is to provide assurance that the Council's systems provide for a proper administration of its affairs. To this end, Internal Audit carries out a programme of audits that is agreed annually with the Council's Leadership Team and the Audit, Compliance and Governance Committee. The Internal Audit service is provided to the Council by SWAP Internal Audit Services (SWAP).
- 4.2. In order to satisfy the requirements of the Public Sector Internal Audit Standards (PSIAS) and to reflect changes within the Council, SWAP needs to focus upon areas where the organisation now requires assurance. This reinforces the requirement for Internal Audit to follow a more flexible and risk-based plan.

## 5. Reasons for recommendations

### Internal Audit Plan

- 5.1. A summary of the Proposed Internal Audit Plan for 2023/24 is included in Appendix 'A'. This lists the risk-based assurance and consultancy work planned for the year. Counter fraud related audit work has not been included in this audit plan.
- 5.2. The Plan outlines a programme of work for 2023/24 as developed throughout January and February 2023 but due to the pace of change within Local Authorities, it is becoming increasingly difficult to accurately predict longer-term key organisational risks. Our approach to internal audit planning recognises this through a strategic 12 month rolling plan, whereby we have prepared an agile, risk assessed work plan containing key areas of coverage. This approach will ensure we are auditing the right areas, with the correct scope, at the right time.
- 5.3. We will revisit and adjust our programme of work on at least a quarterly basis to ensure alignment with the changing risk profile of the organisation's operations, systems and controls and with regard to sector risks. The regular input of senior management, and the Executive Director of Finance, Assets and Regeneration and review of the Authority's risk register will be considered in this process.
- 5.4. The audit plan contains an element of contingency in order that the plan can remain flexible and respond to new and emerging risks as and when they are identified and may include unannounced activity.

## 6. Alternative options considered

- 6.1. None

## 7. Consultation and feedback

- 7.1. The plan has been developed following consultation with and feedback from Service Managers Team, Leadership Team, the Internal Audit Team and the Audit, Compliance and Governance Committee.

## 8. Key risks

8.1. That potential weaknesses within the control framework are not identified and threaten the Council's objectives to meet its corporate priorities.

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**Report author:**

Lucy Cater, Head of Internal Audit

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**Appendices:**

Appendix A – Proposed Internal Audit Plan 2024/25

