

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 24th JANUARY 2024

CORPORATE ASSURANCE PLANNING CONSULTATION PAPER FOR 2024/25

1. Purpose of this report

- 1.1 The purpose of this paper is to set out the annual corporate assurance planning process and to consult with the Audit and Governance Committee with regard to potential projects for inclusion in the draft Corporate Assurance Plan for 2024/25.

2. Recommendations

2.1 It is recommended that:

- **Members note the report and consider potential projects for consideration in the Corporate Assurance Annual Plan for 2024/25.**
- **Members should pass nominations for the 2024/25 Corporate Assurance Plan through the Chair for notification to the Head of Corporate Assurance.**
- **Members consider the proposed planning process and be satisfied that it is sufficiently robust that it will determine a value-adding assurance plan, informed by risk and through consultation with appropriate senior management.**
- **Members acknowledge the professional responsibility of the Head of Corporate Assurance (Head of Internal Audit) to ultimately determine the plan of assurance work.**

3. Background Information

- 3.1 The Annual Corporate Assurance Planning Process for 2024/25 has commenced. The following actions will be undertaken during this process:-

- Consideration of the strategic risk, concerns and issues registers including the recorded assurance actions / mitigation controls;
- Consideration of the Council's strategies and policies, that underpin and support the Barnsley 2030 and Council Plans;
- Consideration of historical and topical issues as well as horizon scanning to identify any major issues that might affect the controls, risk or governance of the Council;
- Consideration of issues to provide assurances to the statutory Section 151 Officer in meeting his statutory responsibilities;
- Consultation with the Senior Management Team and each Directorate Management Team responsible for the delivery of services, with reference to their business plans;
- Consultation with the Audit and Governance Committee with responsibility for overseeing delivery of the work of the Corporate Assurance Team.

- 3.2 The consideration of the areas of work to be included in the Corporate Assurance Plan will have cognisance of risk/concerns and strategic significance. Professional internal audit standards require assurance work to be risk based and therefore it is important that in the process of planning, risks and concerns within the area under consideration have been identified by management.
- 3.3 The review of financial systems is completed on a 3-year cyclical basis, unless there is evidence of significant change in the risk profile which may warrant more frequent and detailed coverage. This approach was agreed as part of the annual planning process for 2023/24 with the Director of Finance and will be reviewed again for 2024/25.
- 3.4 A key part of the assurance planning process is to ensure sufficient overall coverage is provided across the Council to enable the Head of Corporate Assurance (Head of Internal Audit) to give an annual opinion on the effectiveness of the Council's control, risk and governance arrangements. In addition, and where possible, capacity will be provided for advisory support to management.
- 3.5 Irrespective of any resource limitations it is important that the assurance planning process identifies all areas of work that Corporate Assurance and management are concerned about and are therefore seeking assurance on. As in previous years, it is likely that the areas requiring assurance extend beyond the resources (and sometimes the capability) of Corporate Assurance. The Audit and Governance Committee and management need to be satisfied that alternative sources of assurance are identified and resourced. Through further consultation the process of allocating indicative review days is applied to produce a draft assurance plan.
- 3.6 The Audit and Governance Committee is therefore requested to consider key risk and areas of concern where they feel Corporate Assurance coverage may be appropriate. In view of the timetable for meetings and eventual agreement of the Annual Plan members are asked to provide the Chair with suggestions for collation and notification to the Head of Corporate Assurance by **9th February 2024**.
- 3.7 The planning process, whilst focussed during January and February particularly, is a continual process. Reviews of the Plan are undertaken regularly throughout the year to ensure Corporate Assurance resources are directed at the most relevant priority areas. As such an indicative Plan will be prepared for consideration by the Committee at the March meeting with any revisions and changes to the Plan being incorporated into the quarterly Progress reports.
- 3.8 The ability to set a plan for a 12 month period has always been difficult due to the extent of change that the Council has and continues to go through and also other external factors. The Committee should be assured however that because of the liaison arrangements in place with all Directorates and SMT, the Plan will be kept relevant throughout the year. The engagement with senior management continues to be very good and demonstrates a culture of openness, acceptance of challenge and commitment to improve.

4 Local Area Implications

- 4.1 There are no Local Area Implications arising from this report.

5 Consultations

5.1 The Senior Management Team and all Directorate Management Teams are consulted during the plan consultation process.

5.2 No specific consultation has been necessary in the preparation of this report.

6 Compatibility with European Convention on Human Rights

6.1 In the conduct of assurance work and investigations particularly, the Corporate Assurance Team operates under the provisions of the Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

7 Reduction of Crime and Disorder

7.1 An inherent aspect of assurance work is to prevent, detect and investigate incidents of fraud, theft and corruption. The control issues arising from investigations have been considered to ensure improvements in overall controls are made. Additionally, the Corporate Assurance Team ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

8 Risk Management Considerations

8.1 The underlying purpose of the work of the Corporate Assurance Team is to address and advise on key risks facing management.

8.2 The Service's own operational risk register includes the following risks which are relevant to this report:

- Sustainability and security of external contracts and clients;
- Need to ensure ongoing compliance with public sector audit standards;
- Capacity issues – keeping up with the pace of change.

8.3 All of these risks have been assessed and remain within the tolerance of the Service.

8.4 An essential element of the control (and continuous) management of these risks is the provision of update reports to the Audit and Governance Committee and the information and assurance this provides.

9 Employee Implications

9.1 There are no employee implications arising from this report.

10 Financial Implications

10.1 There are no financial implications arising directly from this report. The costs of the Corporate Assurance Team are included within the Authority's base budget.

11 **Background Papers**

11.1 Plan consultation papers.

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