



Report to **Policy & Resources Committee**  
Date **27 June 2024**  
By **Mark Winton, Chief Internal Auditor**  
Title of Report **Update on Internal Audit Progress and Implementation of Actions**  
**Decision**

**Recommendation: The Committee is recommended to:**

- 1. Note progress against the Internal Audit Strategy and Annual Plan (2023/24)**
- 2. Approve the suggested amendment to the 2024/25 Annual Internal Audit Plan.**

**1. Introduction**

- 1.1 This report details progress against the Internal Audit Strategy and Annual Plan 2023/24, including reports that have been issued and the implementation of actions.
- 1.2 The delivery and monitoring of this work plan is core to providing a systematic and risk-based approach to the internal audit of the Authority’s systems and services.
- 1.3 Tracking of actions ensures that agreed control improvements are implemented within agreed timescales.

**2. Policy Context**

- 2.1 The Accounts and Audit Regulations require that a “*relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance*”.
- 2.2 The Internal Audit Strategy and Plan, which is approved annually by Policy & Resources Committee provides a key mechanism for providing assurance that the Authority’s internal control, risk management and governance arrangements are effective.
- 2.3 Consultations on the Internal Audit Plan 2023/24 continue with the Chief Finance Officer and the Chief Executive, there has been no deviation from the approved Internal Audit Plan approved by Members at the February 2023 Policy & Resources Committee.

**3. Issues for consideration**

Progress against 2023/24 Audit Plan

- 3.1 The following audit reports have been issued since the last progress report to this committee.

<b>Audit Title</b>	<b>Status</b>	<b>Assurance Level <sup>1</sup></b>
Capital Accounting	Final	Substantial
Seven Sisters Country Park – Operational Activities	Final	Partial

<sup>1</sup> Assurance levels are defined in **Appendix I**.

3.2 Where reports have been finalised in the period, a copy of the Executive Summary for the audits are attached at **Appendix 2**.

3.3 A summary of the position for any audits not yet completed can be found in the following table:

Audit Title	Position
N/A	

EU grant certification work

3.4 As previously reported, in addition to the planned audit work, we are on occasion commissioned by SDNPA to undertake EU grant certification work.

3.5 No additional claims have been certified in this reporting period.

Action Tracking

3.6 **Appendix 3** provides a list of those (High & Medium) agreed management actions from previous audit reports. Details of actions which it is considered should not be published can be found in Exempt **Appendix 4**.

3.7 Three medium priority actions and one high priority action relating to the Seven Sisters Country Park audit have been implemented. One high and one medium priority action relating to the Seven Sisters Country Park audit have not yet been implemented. The high priority action is reported in Appendix 4 as it is exempt.

3.8 Actions relating to a further audit are reported under Appendix 4 the details of which are exempt.

**4. Amendment to the 2024/25 Internal Audit Plan**

4.1 When the 2024/25 Internal Annual Strategy and Plan was presented to the Policy and Resources Committee in February 2024 it was queried whether the 2024/25 financial year was the right time to undertake the Strategic Objectives Review.

4.2 Following discussions and agreement with the Chief Executive, Chief Finance Officer and Head of Finance and Corporate Services, it is proposed to replace the Strategic Objectives Review audit with an Asset Management audit. The outline scope for this audit can be found below:

Audit Title	Outline Scope
Asset Management	This audit will evaluate the effectiveness of the controls in place to manage additions and disposals to the Authority’s assets, ensuring that assets are recorded in line with organisational policies and that this information is used to effectively manage the asset register. The scope of the audit will include buildings, property, IT equipment etc, but will not cover Seven Sisters Country Park activities

**5. Other implications**

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	No. The Internal Audit plan should be delivered within the agreed audit fee.

<b>Implication</b>	<b>Yes*/No</b>
How does the proposal represent Value for Money?	The Internal Audit Service is provided through a contract with Brighton & Hove City Council which forms part of a wider procurement of financial services.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	All PMP outcomes and Corporate plan objectives are considered as part of the annual audit planning process.
Links to other projects or partner organisations	Audit clients identified as appropriate.
How does this decision contribute to the Authority's climate change objectives	This report doesn't directly contribute to the Authority's climate change objectives.
Are there any Social Value implications arising from the proposal?	No
Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes – there are no equalities issues arising from this update report. Equalities considerations are also taken into individual audit reviews as appropriate.
Are there any Human Rights implications arising from the proposal?	No
Are there any Crime & Disorder implications arising from the proposal?	No, but the service includes the provision of advice and investigation of frauds and irregularities when required.
Are there any Health & Safety implications arising from the proposal?	No, but individual audits consider health and safety risks where appropriate.
Are there any Data Protection implications?	No, but individual audits consider GDPR issues where appropriate.

## **6. Risks Associated with the Proposed Decision**

- 6.1 Internal Audit has an important role to play in relation to effective risk management for the organisation. The SDNPA risk register is considered when developing the Internal Audit Strategy and Plan and the planning of individual audit reviews. Audit reviews and testing of controls are orientated towards these risks plus the operational controls within individual systems and services.

**Mark Winton**

**CHIEF INTERNAL AUDITOR**

**South Downs National Park Authority**

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Appendices

1. Assurance Opinions – Definitions
2. Executive Summary extract reports
3. Summary of high and medium priority actions.
4. Summary of high and medium priority actions – Exempt

Appendix 4 is not for publication as it contains exempt information within paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, being information relating to the financial and business affairs of a particular person including the Authority and that in all the circumstances of the case, the public interest in maintaining the exempt information outweighs the public interest in disclosing the information

SDNPA Consultees

Interim Chief Executive; Director of Countryside Policy and Management; Interim Director of Planning; Chief Finance Officer; Monitoring Officer; Legal Services, Head of Governance; Head of Finance and Corporate Services

External Consultees

None

Background Documents

Internal Audit Strategy and Plan 2023/24

Individual audit reports

Internal Audit Strategy and Plan 2024/25