

Internal Audit Plan

2018-19

New Forest National Park Authority



**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

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Introduction

The role of internal audit is that of an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Authority is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Authority that these arrangements are in place and operating effectively.

The Authority’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business, activities, systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the Authority’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant stakeholders, to ensure it continues to reflect the needs of the Authority. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with those responsible for the governance of the Authority.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Neil Pitman, Head of Southern Internal Audit Partnership, supported by Antony Harvey, Strategic Lead and an appointed Audit Manager.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In September 2015 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In considering all sources of evidence the external assessment team concluded:

*'It is our view that the Southern Internal Audit Partnership (SIAP) service generally conforms to **all** of these principles. **This performance is within the top decile of EQA reviews we have performed.** This is a notable achievement given the breadth of these Standards and the operational environment faced by SIAP.'*

*There are **no instances** across these standards where we determined a standard below "generally conforms", and 4 instances where the standard is assessed as "not applicable" due to the nature of SIAP's remit.'*

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

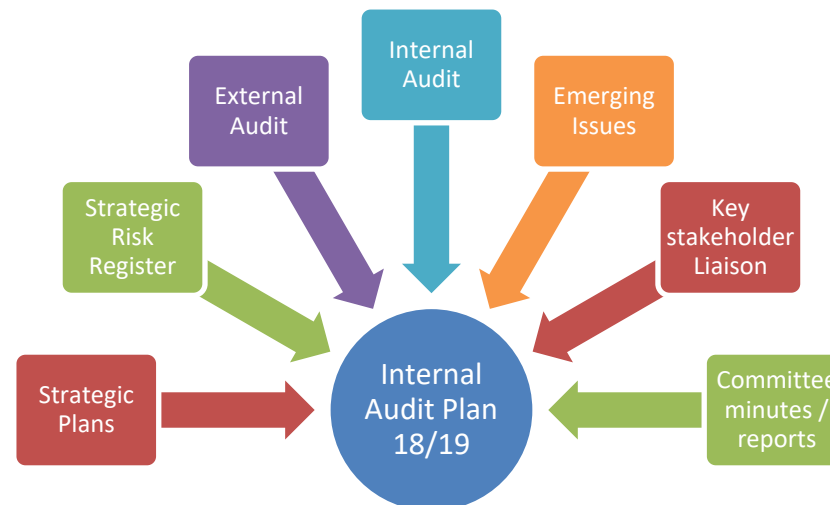
Developing the internal audit plan 2018/19

Based on our review of current key corporate documents and our understanding of the organisation the Southern Internal Audit Partnership have developed an indicative audit plan for the coming year (18/19).

It would be our intention that the 18/19 plan and future coverage is further discussed with key stakeholders including Senior Management and Members, and is reassessed against new or revised key corporate documents when available, to ensure it fully captures the assurance needs of the organisation.

The Authority is reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers to ensure that duplication is minimised and a suitable breadth of assurance is obtained.



Internal Audit Plan 2018-19

Audit	Risk / Scope considerations	2018-19
Core Financial Systems and Business Processes		
General Ledger and Reconciliations (including Budgetary Control)	Audit of the main accounting system, financial processes and reconciliations with other 'feeder' systems. Coverage to complement external audit / regulatory requirements and management concerns.	✓
Accounts Payable	Assurance over the accounts payable system and associated processes including procurement.	✓
Treasury Management	Coverage of treasury management activity and compliance with the approved strategy and associated limits. The review to include the Markets in Financial Instruments Directive II (MiFID II) and corresponding regulation (MiFIR) changes that came into force on 03 January 2018.	✓
Income Collection and Cash Management (including Planning Income)	To review the main income collection systems and processes, including compliance with the Payment Card Industry Data Security Standards (PCI DSS).	✓
Payroll	Assurance over the Payroll system and associated processes. NB review undertaken as part of the SLA with New Forrest District Council at no extra cost to the Authority.	✓

Audit	Risk / Scope considerations	2018-19
Governance		
Fraud & Irregularities	Advisory role to support the development of Anti-Fraud, Bribery and Corruption Strategy/Policy and other related policies and procedures.	✓
Information and Communication Technology		
ICT Controls (including cyber security)	Assurance mapping against key ICT controls including assurance against the defence of physical / information assets which could be compromised using information technology.	✓
Audit Management		
Follow-up of previous recommendations		✓
Annual Internal Report and Opinion		✓
Plan preparation, monitoring and progress reporting		✓
Total Days		18