

RAPC 555/25

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 3 MARCH 2025

INTERNAL AUDIT CHARTER AND PLAN 2025/26

Report by: Antony Harvey, Deputy Head of the Southern Internal Audit Partnership and Chief Internal Auditor to the Authority

1 Introduction

- 1.1 The purpose of this report is to provide the Resources, Audit and Performance Committee with the Internal Audit Charter and Internal Audit Plan 2025/26 for the New Forest National Park Authority.

2 Contextual Information

- 2.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

‘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 From 1 April 2025, the ‘standards or guidance’ in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements shall be referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).
- 2.3 The Southern Internal Audit Partnership have made all necessary adaptations to its processes, procedures and practices to ensure it is best placed to conform with these requirements with effect from 1 April 2025.
- 2.4 The Standards (6.2) require all internal audit providers to implement and maintain an ‘Internal Audit Charter’. The internal audit charter is defined as ‘a formal document that includes the internal audit function’s mandate, organisational position, reporting relationships, scope of work, types of service, and other specifications’.

- 2.5 Standard 11.3 (Communicating Results) references the possibility that a Chief Internal Auditor may be required to make a conclusion at the level of the organisation about the effectiveness of governance, risk management and/or control. Section 10B of the Application Note makes it a mandatory requirement in the UK public sector, for the Chief Internal Auditor to prepare such an overall conclusion at least annually in support of wider governance reporting. This overall conclusion must encompass governance, risk management and control. The requirement for an overall conclusion must also inform planning carried out under GIAS Standard 9.4 (Internal Audit Plan).
- 2.6 In accordance with the Standards (9.4) there is a requirement that internal audit must create a risk-based internal audit plan that supports the achievement of the organisation's objectives. The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to fulfil the audit mandate and delivery of the internal audit strategy.
- 2.7 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
 - Risks to the achievement of the Authority's objectives are identified, assessed and managed to a defined acceptable level.

Internal Audit Charter 2025/26

- 2.8 The internal audit charter is reported to the Resources, Audit and Performance Committee annually for review and approval and it has been updated to reflect the requirements of the new Standards. A copy is attached as **Appendix A**.

Internal Audit Plan 2025-26

- 2.9 The proposed internal audit plan for 2025/26 is attached at **Appendix B**.
- 2.10 The audit plan will remain fluid to ensure internal audit's ability to react to the changing needs of the Authority. Any additions to the plan must be able to clearly demonstrate a contribution to the audit conclusion on risk management, control and governance.

- 2.11 Any changes to the plan will be transparently reported to the Executive Leadership Team and the Resources, Audit and Performance Committee during the course of the year for approval as part of our Progress Reports.
- 2.12 The Internal Audit Charter ensures the Chief Internal Auditor has sufficient resource necessary to fulfil the requirements and expectations to deliver an internal audit conclusion.
- 2.13 Significant matters that jeopardise the delivery of the plan, or require changes to the plan will be identified, addressed and reported to the Resources, Audit and Performance Committee, through our Progress Reports.

3 Additional Information

- 3.1 Provision for the delivery of Internal Audit is included within the Authority's Service Level Agreement with New Forest District Council.

4 Recommendation

The Resources, Audit and Performance Committee are invited to provide input to, and approve, the Internal Audit Charter and Internal Audit Plan for 2025/26.

Appendices:

Appendix A – Internal Audit Charter 2025-26

Appendix B – Internal Audit Plan 2025-26

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