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# **Southern Internal Audit Partnership**

Assurance through excellence  
and innovation

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## **WINCHESTER CITY COUNCIL INTERNAL AUDIT PLAN 2025-26**

**Prepared by: Antony Harvey, Deputy Head of Southern Internal Audit Partnership**

**June 2025**

## Introduction

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

*'5. (1) 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.'*

The scope of internal audit includes both assurance and advisory services covering the entire breadth of Winchester City Council ('the Council'), including all activities, assets, and personnel of the organisation.

The role of internal audit is that of an:

*'Independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes'.*

The Council 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 Council that these arrangements are in place and operating effectively.

The Council'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, the Executive Leadership Board and the Audit and Governance Committee, in relation to the business activities; systems and 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 Council's objectives are identified, assessed and managed to a defined acceptable level.

## Conformance with internal auditing standards

From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards, Application Note: Global Internal Audit Standards in the UK Public Sector 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 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.

Prior to 1 April 2025 conformance was required to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there was a requirement for audit services to have an external quality assessment every five years. In September 2020 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 selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally the IIA were excellently positioned to undertake the external assessment.

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

*'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'*

*'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'*

Despite the change in the Standards any external quality assessment undertaken under the Public Sector Internal Audit Standards remains valid for the duration of the successive five years (from the date it was undertaken). The Southern Internal Audit Partnership will be commissioning an external quality assessment against the Global Internal Audit Standards in the UK Public Sector during 2025.

## Developing the internal audit plan 2025/26

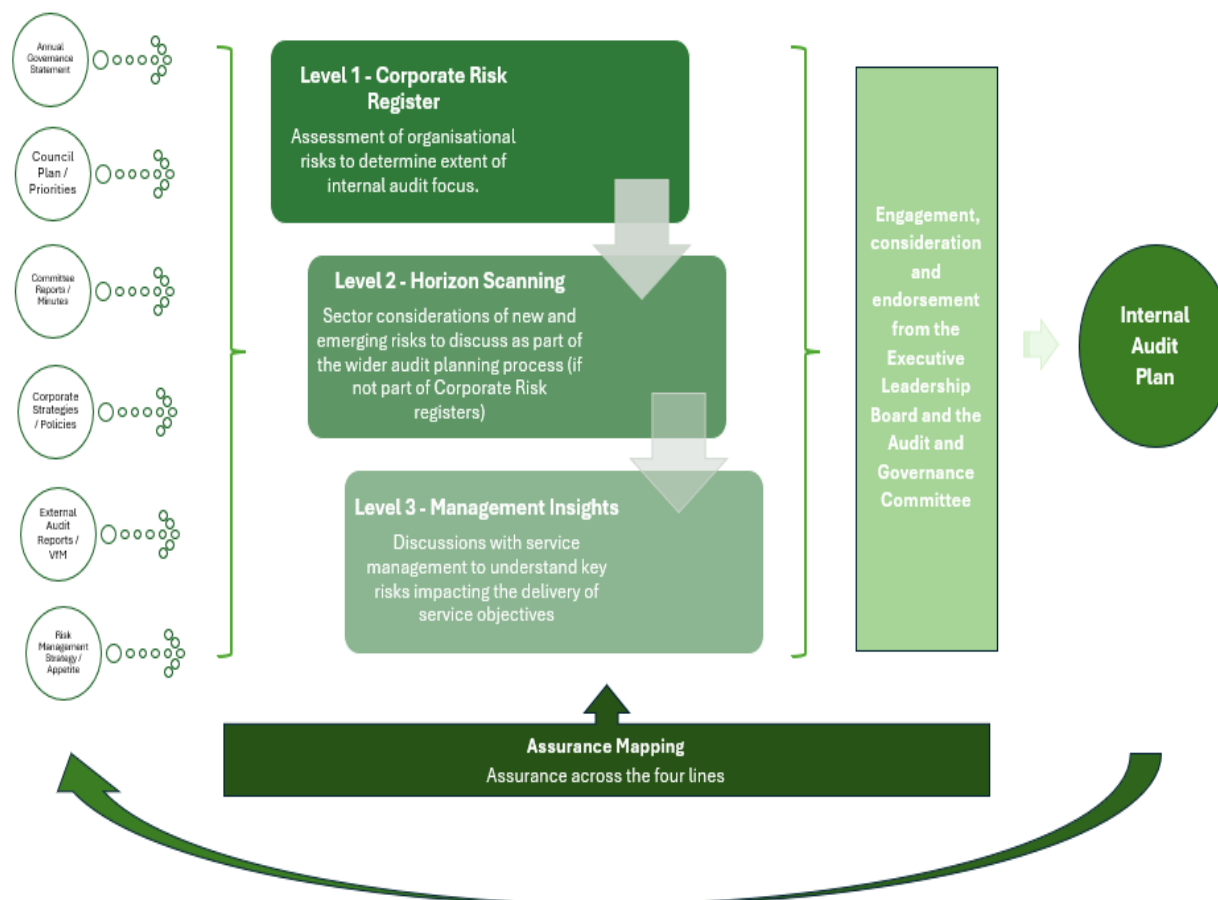
In accordance with the Global Internal Audit Standards in the UK Public Sector there is a requirement that internal audit must create a risk-based internal audit plan that supports the achievement of the organisation's objectives. The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to fulfil the audit mandate and delivery of the internal audit strategy.

The risk-based internal audit plan is prepared based on a range of inputs (see diagram).

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 audit sponsors, the Executive Leadership Board, and Audit and Governance Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Council.

Amendments to the plan will be identified through the Chief Internal Auditor's continued contact and liaison with those responsible for the governance of the Council and reported and approved by the Executive Leadership Board, and Audit and Governance Committee, through regular progress reports.

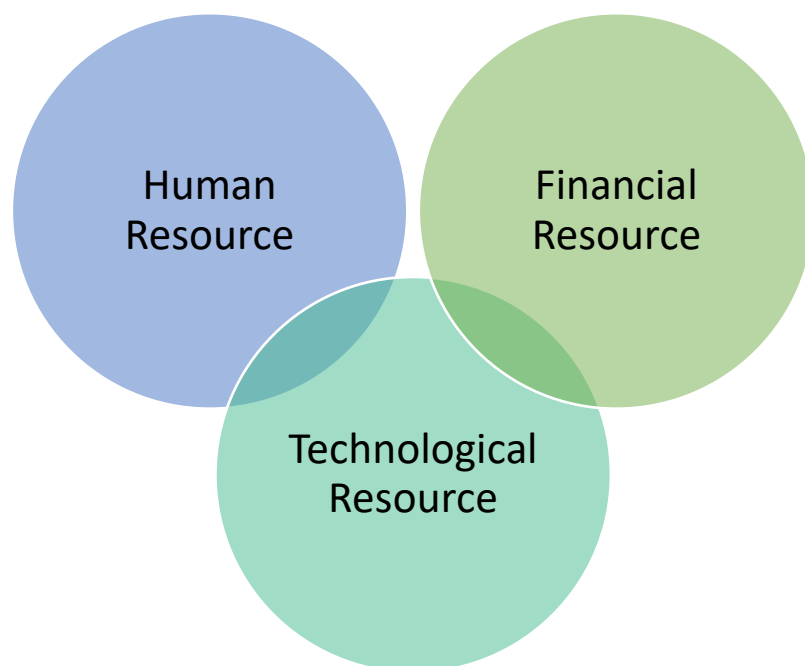
The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation. We will however continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained.



## Internal audit resources

On development of the 2025/26 internal audit plan as Chief Internal Auditor, I am of the opinion that there is a sufficient level of resource available, supported by an appropriate range of knowledge, skills, qualifications and experience to deliver the internal audit plan in the fulfilment of the audit mandate and delivery of the internal audit strategy.

The Head of the Southern Internal Audit Partnership has a resource strategy in place to optimise internal audit resources to efficiently and effectively deliver the internal audit plan.



**Human Resource** - the internal audit service has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and operational risk-based audit plan.

If the Chief Internal Auditor, Executive Leadership Board or the Audit and Governance Committee consider that the scope or coverage of internal audit is limited in any way, or the ability of internal audit to deliver a service consistent with the Global Internal Audit Standards in the UK Public Sector is prejudiced, they will advise the Chief Finance Officer accordingly.

**Financial Resource** - the Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit mandate and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.

**Technological Resource** - the internal audit function has the technology to support the internal audit process and regularly evaluates technological resources in pursuit of opportunities to improve effectiveness and efficiency.

## Resourcing the internal audit plan

The Global Internal Audit Standards in the UK Public Sector require a clear analysis of the resources and hours available for internal audit engagements compared to other administrative and non-audit related activities or initiatives focused on improving the internal audit function.

| Activity                   |   |  | Days |
|----------------------------|---|--|------|
| Risk-Based Audit /Advisory | - | Delivery of risk-based internal audit assignments designed to fulfil the audit mandate, delivery of the internal audit strategy and in support of the Council in the achievement of their objectives.                                    | 265  |
| Audit Management           | - | Time allocated for the liaison and reporting to the Executive Leadership Board and the Audit and Governance Committee, ongoing monitoring and update of the audit plan, implementation of management actions and ongoing quality review. | 30   |
| Total Audit Days           | - | Total resource allocation for the delivery of the internal audit plan  | 295  |

\*100% of the commissioned audit days are dedicated to fulfilling the audit mandate, and delivery of the internal audit strategy. Internal audit services are provided through the Southern Internal audit Partnership who undertake all administrative and non-audit related activities outside of the commissioned audit days.

A range of internal audit services are provided to deliver the internal audit plan (see Internal Audit Charter). The approach is determined by the Chief Internal Auditor and will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

## Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Antony Harvey, Deputy Head of Southern Internal Audit Partnership (Chief Internal Auditor), supported by Mark Norton, Audit Manager.

## Independence

The Chief Internal Auditor will ensure that the internal audit function remains free from all conditions that threaten the ability of auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The Chief Internal Auditor is not aware of any relationships that may affect the independence and objectivity of the internal audit team.

The internal audit team retains no roles or responsibilities that have the potential to impair the internal audit functions independence, either in fact or appearance. Should such circumstance arise, the Chief Internal Auditor will advise the Audit and Governance Committee of the safeguards put in place to manage actual, potential or perceived impairments.

## Internal Audit Plan 2025-26

| Audit Assignment  | Directorate Sponsor | Scope  | Council Plan Priority | Corporate Risk Register Reference | Assurance / Advisory | Internal Audit Risk Assessment | Quarter |
|---|---------------------|--|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|
| Governance / Corporate Reviews                          |                     |  |                       |                                   |                      |                                |         |
| Strategic/Service Planning and Performance              | CX                  | To assess how Strategic Priorities inform Service Plans and associated performance measures.   | All                   | CR001                             | Assurance            | High                           | 1       |
| Financial Stability – Budget Monitoring and Forecasting | CFO                 | To assess the effectiveness of in year Budget Monitoring, outturn forecasting and if required, compensatory action taken to manage overspends. | EE4                   | CR007                             | Assurance            | High                           | 2       |
| Health and Safety                                       | SDP                 | Review of the governance framework for Health and Safety including corporate oversight and embeddedness within Service Areas.                  | All                   | SRRs                              | Assurance            | High                           | 3       |
| Emergency Planning                                      | SDP                 | To assess the framework for planning and responding to adverse incidents, for example due to climate change.                                   | GF4                   | CR011                             | Assurance            | High                           | 4       |
| Procurement   | CFO                 | Audit of the governance framework to ensure compliance with the requirements of the new Procurement Act.                                       | All                   | SRRs                              | Assurance            | High                           | 4       |
| Human Resources – Use of Agency Staff and Consultants   | DL                  | To assess the governance framework for utilising agency staff and consultants.   | All                   | CR001                             | Assurance            | High                           | 4       |

| Audit Assignment                               | Directorate Sponsor | Scope   | Council Plan Priority | Corporate Risk Register Reference | Assurance / Advisory | Internal Audit Risk Assessment | Quarter |
|--|---------------------|---|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|
| Fraud Framework - NFI                          | CFO                 | Facilitation of the Council's participation with the National Fraud Initiative.   | All                   | -                                 | -                    | Medium                         | 1-4     |
| Core Financial Systems                         |                     |   |                       |                                   |                      |                                |         |
| Accounts Payable                               | CFO                 | Regular assessment of core financial systems and processes.   | EE4                   | SSRs                              | Assurance            | Medium                         | 1       |
| Payroll  | CFO                 | Regular assessment of core financial systems and processes.   | EE4                   | SSRs                              | Assurance            | Medium                         | 3       |
| Council Tax                                    | CFO                 | Regular assessment of core financial systems and processes.   | EE4                   | SSRs                              | Assurance            | Medium                         | 3       |
| ICT  |                     |   |                       |                                   |                      |                                |         |
| Cyber-Security - User Training and Awareness   | CFO                 | Assurance over controls in place to mitigate the likelihood of users causing compromise of data and/or systems through inappropriate actions.   | EE3                   | CR009                             | Assurance            | High                           | 4       |
| Cyber Security – Thrive Actions Implementation | CFO                 | The Council commissioned Thrive to 'to assess their current security program and determine the state of organizational security posture' with the report outlining 'both tactical and strategic recommendations to address gaps and identify improvement opportunities. The audit to assess how the recommendations | EE3                   | CR009                             | Assurance            | High                           | 1       |



| Audit Assignment  | Directorate Sponsor | Scope  | Council Plan Priority | Corporate Risk Register Reference | Assurance / Advisory | Internal Audit Risk Assessment | Quarter |
|---|---------------------|--|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|
| have been prioritised and the progress with implementation. |                     |  |                       |                                   |                      |                                |         |
| Cyber Security – Data Back-up and Ransomware Protection     | CFO                 | Assurance over the policies, procedures and controls in place to ensure Council data is backed up and protected from ransomware threats.   | EE3                   | CR009                             | Assurance            | High                           | 3       |
| Service Reviews   |                     |  |                       |                                   |                      |                                |         |
| Housing   | SDP                 | Provision of days for Housing review(s) to assess how issues identified are being addressed and mitigated. The exact scope of the reviews will be determined, taking account of the on-going work with the Regulator for Social Housing. | GH4, EE1, LL3         | SRRs                              | Assurance            | High                           | 3-4     |
| Clean Streets Enforcement                                   | SDP                 | Assurance over the framework for clean streets enforcement including littering, dog-fouling and the investigation and prosecution of fly-tipping.  | TP4 & 5, HC4, EE1     | SRRs                              | Assurance            | High                           | 1       |
| Homelessness  | SDS                 | Assurance over the arrangements to prevent or respond to homelessness.   | GH2                   | CR008                             | Assurance            | High                           | 2       |
| Housing Management – Leaseholder Arrangements               | SDS                 | Assess the processes and controls to manage leaseholder arrangements including the setting and collection of service charges   | EE1 & 2, LL3          | CR008                             | Assurance            | Medium                         | 3       |

| Audit Assignment             | Directorate Sponsor | Scope  | Council Plan Priority | Corporate Risk Register Reference | Assurance / Advisory | Internal Audit Risk Assessment | Quarter |
|------------------------------|---------------------|--|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|
| Building Control             | SDP                 | Review of the processes for Building Control to ensure compliance with regulatory requirements ahead of an assessment by the Building Safety Regulator.            | EE1 & 2               | SRRs                              | Assurance            | High                           | 1       |
| Licencing                    | SDP                 | Assurance over the application process and awarding of licences in line with regulatory requirements with a focus on Taxi Licencing and Traffic Regulation Orders. | EE1 & 2               | SRRs                              | Assurance            | High                           | 4       |
| Play Areas / Tree Management | SDP                 | To assess the framework for inspecting and maintaining play areas. Follow-up of Tree Management (following a Limited Assurance assessment in 23-24).               | TP4 & 6, HC4          | SRRs                              | Assurance            | High                           | 4       |
| Markets                      | SDP                 | Assurance over the management of markets including income collection & banking, following the introduction of the new contract arrangements.                       | TP1 & 3               | SRRs                              | Assurance            | High                           | 4       |
| Bus Services Operator Grant  | CFO                 | Required certification work.   | -                     | -                                 | -                    | Low                            | 2       |
| Mayor's Charity Account      | CFO                 | Required certification work.   | -                     | -                                 | -                    | Low                            | 2       |

| Directorate Sponsor |                               |     |                                     |
|---------------------|-------------------------------|-----|-------------------------------------|
| CX                  | Chief Executive               | DL  | Director Legal (Monitoring Officer) |
| SDS                 | Strategic Director - Services | CFO | Chief Finance Officer (S151)        |
| SDP                 | Strategic Director - Place    |     |                                     |

| Council Plan Priorities |   |
|-------------------------|---|
|                         | <b>Greener, Faster</b>  |
| GF1                     | The Winchester district to be carbon neutral by 2030  |
| GF2                     | Reduced waste and increased recycling, exceeding national targets   |
| GF3                     | Cleaner air than national targets   |
| GF4                     | Better protection against extreme climate events  |
| GF5                     | Increased proportion of journeys by public transport, foot or bike  |
| GF6                     | Reversing the long-term decline in nature and biodiversity  |
|                         | <b>Thriving Places</b>  |
| TP1                     | Strong, sustainable business growth   |
| TP2                     | More young people living and working in the district  |
| TP3                     | Strong footfall in all our centres with lower than regional vacancy rates   |
| TP4                     | Attractive, clean public spaces and facilities  |
| TP5                     | Less fly-tipping and graffiti   |
| TP6                     | Improved facilities within 20 minutes of people's homes   |
| TP7                     | Increased investment in our district  |
| TP8                     | Full gigabit broadband and mobile coverage by 2030  |
|                         | <b>Healthy Communities</b>  |
| HC1                     | Support for those most affected by the increased cost of living   |
| HC2                     | Improved health and wellbeing in our most deprived communities  |
| HC3                     | Increased participation in physical activity for all ages and abilities, including active travel                                |
| HC4                     | Access to attractive and well-maintained public facilities, green and natural spaces with space to play and gather for all ages |
| HC5                     | Strong health and community infrastructure across the district  |

|     |  |
|-----|--|
| HC6 | Thriving local voluntary, and community sector – tackling isolation, building community cohesion and supporting those in need                                |
|     | <b>Good Homes for All</b>  |
| GH1 | Continue to increase the number of affordable homes across the district, including our 2023 commitment to deliver 1,000 more council homes by 2032.          |
| GH2 | Every homeless person to secure a permanent home   |
| GH3 | Policy-led planning to deliver NPPF objectives without ‘planning by appeal’, ensuring the right mix of homes for all, including young people and key workers |
| GH4 | Ensure all council homes are decent, safe, energy efficient and resilient to the effects of climate change   |
| GH5 | Decarbonisation of district homes, consistent with our net zero goal   |
|     | <b>Efficient and Effective</b>   |
| EE1 | Improved satisfaction for our services   |
| EE2 | Good value compared to other similar authorities   |
| EE3 | High accessibility and usage of our services – with a strong shift to digital for those who prefer it  |
| EE4 | A balanced budget and stable council finances  |
|     | <b>Listening and Learning</b>  |
| LL1 | Improved Residents’ Survey results for involvement, contact and response   |
| LL2 | Improved engagement with under-represented groups  |
| LL3 | Above average Tenant Satisfaction Measures (TSMs)  |

**Annexe 1****Contingency Reviews**

The table below includes a list of engagements that would have been performed if additional resources were available.

| Audit Assignment | Directorate Sponsor | Scope | Council Plan Priority | Corporate Risk Register Reference | Assurance / Advisory | Internal Audit Risk Assessment | Quarter |
|------------------|---------------------|-------|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|
|------------------|---------------------|-------|-----------------------|-----------------------------------|----------------------|--------------------------------|---------|

Not Applicable. All reviews have been incorporated into the plan.

Included to enable the Audit and Governance Committee to assess the adequacy of resources available to the internal audit function.