

Internal Audit Plan

The internal audit has been approved for 2021/22, this year there has been some changes to the plan approval process which are outlined below:

Audit	Lead	Scope reviewed & agreed by Exec	Scope approved at Audit Committee	Audit date	Draft Report Received	Report responses due	Presented to Audit Committee
GDPR/FOI	LH	05/05/21	13/05/21	21/06/21	09/07/21	19/07/21	12/08/21
HR Systems	LB/AR	30/07/21	12/08/21	06/09/21	24/09/21	04/10/21	11/11/21
Value for Money	FS/LV/CH	30/07/21	12/08/21	06/09/21	24/09/21	04/10/21	11/11/21
ESSH Compliance	VM	30/07/21	12/08/21	08/11/21	26/11/21	06/12/21	10/02/22
Customer Satisfaction	FS/LV/CH	25/10/21	08/11/21	10/01/22	28/01/22	08/02/22	05/22
Asbestos	VM/JD	25/10/21	08/11/21	10/01/22	28/01/22	08/02/22	05/22
Follow Up	LH	01/02/22	10/02/22	04/22	04/22	05/22	05/22

Expectations

- Scope agreed and approved before Audit Committee papers uploaded (7 days before Committee date)
- All documents upload to SharePoint folder 1 week prior to audit
- Lead attends introductory meeting and is available for questions throughout audit
- Director and lead attend closing meeting
- Report response due 10 days of receipt of report

Scope Guidance

The Scope is the document that outlines the purpose of the audit and the key areas which will be audited. This scope must cover all areas within the scheme of the audit. A draft scope will be initially sent by the Internal Auditor for your review and input. It is suggested a discussion takes place with the auditors to gain a full understanding of the scope and agree what is in and out and what other areas should be covered.

The purpose of the scope is to agree before the audit what systems will be audited, the scope should be extensive and cover areas

- Association is compliant with regulatory guidance including FCA, SHR, OSCR etc
- Management systems and controls
- Policies and procedures are in place and compliant
- Communication – to staff and customers
- Staff training and knowledge verification
- Documented plans and action plan available for areas of non-compliance
- Reporting

A list of requested documents will also be included in the scope, please note that additional documents to those requested can be uploaded to the portal as further evidence.

The scope once approved by the Audit Committee will be the basis of the Internal Audit. Any further areas may be audited if it becomes apparent during the audit that it would provide additional assurance to include but no items in the approved scope should be removed.

Grading Structure

Each audit is graded in the following classification

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

Where an audit is classed as weak an improvement plan needs to be developed in advance of the audit being presented to Audit Committee to demonstrate how the weakness will be address and by when.

Recommendations

Each recommendation is assigned a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the Association as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the Association as soon as possible
Low	Low Risk	Minor issue or weakness reported where management may wish to consider our recommendation

All recommendations on the plan will be included in the Internal Audit Action Tracker which is updated regularly and reviewed quarterly at Audit Committee.