



Internal Audit plan 2020/21

Committee Audit and Standards

Date of meeting 14 February 2020

Date of report 4 February 2020

Report by Assistant Chief Executive

1. Object of report

To seek committee approval for the Internal Audit plan 2020/21.

2. Background

Public Sector Internal Audit Standards (PSIAS)

The Internal Audit plan for 2020/21 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS).

The Internal Audit plan for 2020/21 has been developed using the assurance framework(s) and a risk-based methodology following consultation with the Strategy Group on the Partnership's objectives and priorities, and in accordance with the Internal Audit Charter.

Internal Audit resources

The resource allocation available for the Internal Audit plan 2020/21 is 350 days.

3. Outline of proposals

Internal Audit plan 2020/21

The Internal Audit plan for 2020/21 provides the direction of travel and a framework for audit engagements in the forthcoming year. The plan is aligned to the Partnership's strategic objectives, the (local) code of corporate governance and assurance framework(s), whilst having scope to be responsive to change (see Appendix 1).

The risk-based plan and the scope of each engagement have been informed by:

- assurance framework(s);
- risk registers;
- Strategy Group consultation;
- external factors (i.e. government initiatives, intelligence, and networking).

Plan objectives

The main objective of the Internal Audit plan is to provide an agile assurance service that assesses the effectiveness and efficiency of the Partnership's systems for internal control. The plan will also include provision for consulting activities and fraud-related work.

Assurance engagements are an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes and to ensure operations are being conducted in accordance with external regulations, legislation, internal policies and procedures (e.g. financial, performance, compliance, system security engagements). Assurance levels are based upon findings and conclusions at an individual engagement level; which when collated on an annual basis, support SPT's view on systems for internal control.

Note: The assurance framework is mapped and updated on a regular basis.

Consulting activities are advisory in nature and relate to specific requests from senior management. They are intended to add value and improve governance, risk management and control processes without the internal auditor assuming management responsibility.

Fraud prevention initiatives: Managing the risk of fraud and corruption is the responsibility of SPT management. Audit and Assurance will assist management in the effective discharge of this responsibility. The Counter Fraud Strategy (including Anti-Fraud and Corruption Policy, Whistleblowing Policy and Financial Regulations relating to financial irregularity) outlines the Partnership's commitment to prevent, detect, investigate and report fraud. The annual Internal Audit plan includes provision for fraud-related work to support this strategy.

4. Conclusions

The Internal Audit plan 2020/21 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS) and the Internal Audit Charter.

5. Committee action

The committee is asked to approve the Internal Audit plan for 2020/21.

6. Consequences

Policy consequences	<i>In accordance with the Public Sector Internal Audit Standards 2017.</i>
Legal consequences	<i>In accordance with the Local Authority Accounts (Scotland) Regulations 2014.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>As detailed in the report.</i>

Name Valerie Davidson

Name Gordon MacLennan

Title **Assistant Chief Executive**

Title **Chief Executive**

For further information, please contact Iain McNicol, Audit and Assurance Manager on 0141 333 3195.



**Strathclyde Partnership for Transport
Audit and Assurance
Internal Audit plan 2020/21**

Appendix 1

	<u>Days allocated</u>	<u>Sub-total days</u>	<u>Total plan days</u>
<u>Assurance engagements</u>			
Contract Audit – Digital service provider	20		
Contract Audit – Subway Modernisation	20		
Core Financial Systems review of budgetary control	15		
Data Analytics – Subway station offices	15		
Digital Controls – Cyber resilience framework	20		
Digital Controls – Recruitment administration	10		
Regularity Audit – Administration of smartcards	10		
Regularity Audit – Bus compliance and inspection	10		
Regularity Audit – Bus infrastructure outcomes	10		
Regularity Audit – Equalities reporting	10		
Systems review of asset management arrangements	20		
Systems review of capital programme delivery	20		
Contingency allocation	70		
Follow-up reviews	20	270 (80%)	
<u>Consulting activities</u>			
Audit Scotland reports	5		
Assurance framework	10		
Local code of corporate governance	10		
Risk management	10	35 (10%)	
<u>Fraud prevention and investigation</u>			
Fraud awareness and prevention initiatives	20	20 (5%)	
PSIAS compliance	15	15 (5%)	
Summary			350 (100%)