

# INTERNAL AUDIT ANNUAL PLAN AND THREE-YEAR STRATEGIC PLAN - FINAL

SOUTH KESTEVEN DISTRICT COUNCIL

2025/26



IDEAS | PEOPLE | TRUST

A woman with dark hair, wearing a tan trench coat, is smiling and looking up at a modern building with a grid of windows. She is holding a red umbrella. The background is a blurred image of the building's exterior.

## CONTENTS

1. AUDIT RISK ASSESSMENT	2
2. NEXT GEN INTERNAL AUDIT APPROACH	3
3. MAPPING YOUR STRATEGIC RISKS	4
4. MAPPING YOUR SRR TO YOUR THREE-YEAR STRATEGIC PLAN	6
5. INTERNAL AUDIT OPERATIONAL PLAN 2025/26	8
6. APPENDIX I: INTERNAL AUDIT CHARTER	16

# AUDIT RISK ASSESSMENT



## BACKGROUND

Our risk-based approach to internal audit uses South Kesteven District Council's own risk management process and risk register as a starting point for audit planning as this represents your own assessment of the risks to achieving your strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the Council's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects the Council's current risk profile.



## PLANNED APPROACH TO INTERNAL AUDIT 2025/26

The indicative Internal Audit programme for 2025/26 is set out on pages 8 to 14. We met with the Corporate Management Team on 27 November 2024 in order to bring together a full draft plan to be presented to the Governance and Audit Committee meeting for formal review and approval. We will keep the programme under continuous review during the year and will introduce to the plan any significant areas of risk identified by management during that period.

The plan is set within the context of a multi-year approach to internal audit planning, such that all areas of key risks would be looked at over a three-year audit cycle. We have suggested future areas of focus as part of the three-year strategic internal audit plan, set out on pages 6 and 7.



## INDIVIDUAL AUDITS

When we scope each review, we will reconsider the anticipated coverage to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within the Council. Where revisions are required, we will obtain approval from the appropriate Director prior to commencing fieldwork.

In determining the timing of our individual audits, we will seek to agree a date which is convenient to the Council, and which ensures availability of key management and staff and takes account of any operational pressures being experienced.



## VARIATIONS TO THE PLAN

We review the three-year strategic plan each year to ensure we remain aware of your ongoing risks and opportunities. Over the coming pages we have mapped your key risks along with the audit work we propose to undertake, demonstrating we are focussing on your most important issues.

As such, our strategic audit programme follows the risks identified during our planning processes and confirmed via discussions with the Directors. If these were to change, or emerging risks were to develop during this period, we would take stock and evaluate our coverage accordingly.

## OUR NEXT GEN INTERNAL AUDIT APPROACH

Our innovative Next Gen approach to internal audit ensures you maximise the potential added value from BDO as your internal audit provider and the expertise we bring from our dedicated Public Sector Internal Audit team and wider BDO specialist teams.

The Next Gen approach has allowed us to move away from the traditional approach of compliance auditing, transitioning in to delivering a healthy mix of assurance that is forward looking, flexible and responsive and undertaken in partnership with yourselves. The key components to this approach are outlined below and underpin our proposed plan coverage:

### Core assurance

Reviews of fundamental finance and operational systems to provide assurance that core controls and procedures are operating as intended.

### Soft controls

Reviews seek to understand the true purpose behind control deficiencies and provide a route map to enhance their effectiveness.

### Future focused assurance

Rather than wait for implementation and then comment on identified weaknesses, we will work with you in an upfront / real time way.

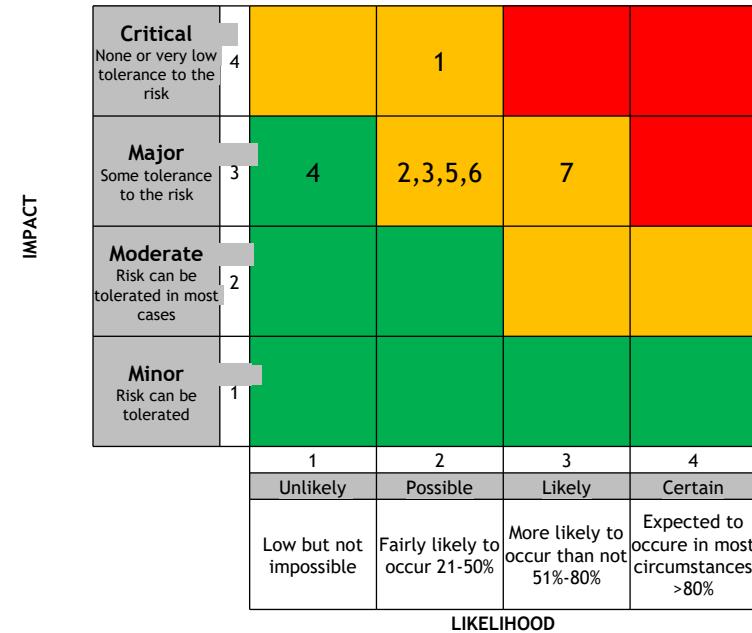
### Flexible audit resource

Undertake proactive work across the Council, perhaps in preparation for regulatory reviews or change management programmes.



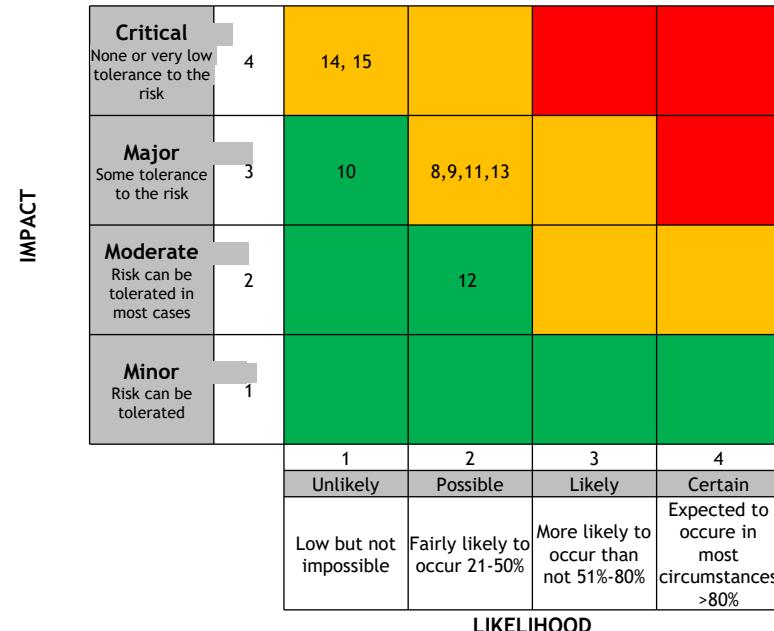
## MAPPING YOUR STRATEGIC RISKS (1/2)

Ref	Strategic Risks from your Strategic Risk Register (SRR)	Score
1	Successful/serious cyber security attack on the Council	13
2	Serious safeguarding failure by the Council	9
3	Serious health, safety, and well-being failure by the Council	9
4	Ineffective financial management	6
5	Unable to maintain and build quality and consistency in service provision by the Council	9
6	Unable to maintain and build sufficient staffing capacity and capability	9
7	Failure to explore digital transformation of Council Services	12



## MAPPING YOUR STRATEGIC RISKS (2/2)

Ref	Strategic Risks from your SRR (continued)	Score
8	Not maintaining and developing fruitful partnerships and collaborations	9
9	#TeamSK values/culture are not lived	9
10	Unable to meet requirements of new regulations and legislations affecting the Council	6
11	Not sufficiently engaging with and responding to climate change	9
12	Not effectively engaging with our key external stakeholders	5
13	Governance failure	9
14	Significant fraud/theft successfully committed against the Council	10
15	Unable to effectively respond to political priorities	10



## MAPPING YOUR SRR TO THE STRATEGIC PLAN (1/2)

Ref	Strategic Risks from your SRR	2025/26	2026/27	2027/28
1	Successful/serious cyber security attack on the Council	• N/A	• Cyber Security	• Data Protection, FOI, EIR and Subject Access Request • Cyber Security
2	Serious safeguarding failure by the Council	• Voids Management	• N/A	• Safeguarding
3	Serious health, safety, and well-being failure by the Council	• Market Services • Voids Management • Building Control • Accounts Payable • Payroll • Treasury Management • Main Financial Systems	• N/A	• Corporate Health and Safety
4	Ineffective financial management		• Fixed Asset Register • Housing Revenue Account	• Main Financial Systems • Council Tax and NNDR • Income generation
5	Unable to maintain and build quality and consistency in service provision by the Council	• Building Control • Voids Management	• Planning Service Review Action Plan • Parking	• Homelessness • Business Continuity and Disaster Recovery
6	Unable to maintain and build sufficient staffing capacity and capability	• Payroll	• Sickness and Absence management	• Recruitment and Retention
7	Failure to explore digital transformation of Council Services	• IT Strategy	• N/A	• Cyber Security • IT Strategy

## MAPPING YOUR SRR TO THE STRATEGIC PLAN (2/2)

Ref	Strategic Risks from your SRR	2025/26	2026/27	2027/28
8	Not maintaining and developing fruitful partnerships and collaborations	• Building Control	• N/A	• N/A
9	#TeamSK values/culture are not lived	• N/A	• Equality Diversity and Inclusion	• N/A
10	Unable to meet requirements of new regulations and legislations affecting the Council	• N/A	• N/A	• Housing Benefit • Housing Repairs
11	Not sufficiently engaging with and responding to climate change	• Climate Plan	• Social Housing Decarbonisation Fund (Wave 3)	• Commercial Waste Services, Bins, Street Care and Recycling
12	Not effectively engaging with our key external stakeholders	• N/A	• N/A	• N/A
13	Governance failure	• Performance Management	• N/A	• N/A
14	Significant fraud/theft successfully committed against the Council	• Payroll • Treasury Management	• N/A	• Main Financial Systems • Housing Benefit
15	Unable to effectively respond to political priorities	• Performance Management	• N/A	• N/A



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (1/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Core Assurance</b>					
<b>Voids Management</b>	2,3	20	Q1	<p>To review the Council's void property management process to assess efficiency and effectiveness of procedures for returning empty properties back to use. This will include:</p> <ul style="list-style-type: none"> <li>• Property inspection and void classifications</li> <li>• Contractor scheduling and work scheduling</li> <li>• Quality assurance processes for completed works</li> </ul>	<p>Void properties represent a significant loss of rental income for the Council and impact availability of social housing for those in need. Effective void management is crucial for minimising rental income loss. A previous audit by our predecessors provided Limited assurance over the effectiveness of controls particularly around the ineffective management of voids, with properties left empty for extended periods.</p>
<b>Payroll</b>	4,14	20	Q1	<p>To evaluate the effectiveness of payroll controls and system access management by examining:</p> <ul style="list-style-type: none"> <li>• User access rights and permissions mapping</li> <li>• Segregation of duties in system roles</li> <li>• Super user access monitoring</li> <li>• Interface access controls between HR/Payroll systems</li> <li>• Audit trail monitoring and review</li> </ul>	<p>The payroll system contains sensitive personal and financial data and represents significant expenditure for the Council. Therefore, robust controls are needed to limit system access, fraud prevention and maintaining the accuracy of payments to staff.</p>
<b>Treasury Management</b>	4,14	20	Q3	<p>To evaluate the controls over treasury management activities by examining:</p> <ul style="list-style-type: none"> <li>• Investment decisions and authorisation processes</li> <li>• Counterparty risk assessment and monitoring</li> <li>• Monitor compliance with investment strategy</li> <li>• Accuracy and timeliness of Management reporting</li> <li>• Segregation of duties in investment operations</li> </ul>	<p>The Council manages an investment portfolio of c£83M requiring robust controls to protect public funds and ensure compliance with regulatory requirements, especially seeing the increased risks around investment decisions and counterparty exposures due to current economic volatility and interest rate environment.</p>



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (2/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Core Assurance</b>					
Climate Plan	11	20	Q1	A review of the Climate Reserve to determine how £300,000 allocated was specifically spent and provide assurance over whether this is adequate to meet the councils target of a 30% reduction in carbon emissions by 2030. The review will provide assurance over the progress the Council have made in implementing its Climate Action Plan.	Climate plan and reduction of emissions is a key objective of the Council. The Council declared a climate emergency in September 2019 and has committed to reducing the carbon emissions generated by its operations by at least 30% by 2030. A more ambitious target to be a Net Zero District by 2041. To provide the Governance and Audit Committee with assurance over its progress against these ambitions, we will assess the governance and operational delivery of the Climate Action Plan
Market Services	3	20	Q4	We will review the progress of the Operational Action Plan to improve the Market Service and assess whether sufficient action has been taken against the issues raised. Specifically, we will assess whether appropriate processes have been implemented for fee collections and correct fees and charges are collected for market stalls, the status of the 17 actions that are either not started or in progress as well as operational efficiency of market services	A report on the operational practice of Markets was presented to the Governance and Audit Committee in June 2023, which identified a significant number of issues resulting from inadequate management. These includes; inconsistent fee collection and cash-only payments creating avoidable risks, heavy reliance on casual staff, aged equipment with inadequate maintenance, unauthorised access to Council stores by former employees, health and safety concerns around outdated risk assessments, poor welfare facilities for staff. The report resulted in the production of an action plan to improve procedures.



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (3/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Core Assurance</b>					
Accounts Payable	14,4	20	Q3	<p>Assess the arrangements to input, amend, record and report accounts payable data including whether the software/procurement methods in place is effective. We will also review a sample of purchases to ensure POs were approved, paid in a timely manner and whether opportunities for efficiencies have been identified.</p>	<p>This is a standard review we include in our annual plan to provide us with assurance required for support our annual opinion.</p>
Building Control	3,5,8	15	Q2	<p>To examine Council's participation and oversight of services delivered through the East Midland Building Consultancy (EMBC) partnership arrangement focusing on:</p> <ul style="list-style-type: none"> <li>• Partnership governance and performance monitoring</li> <li>• Financial arrangements including fee sharing and cost allocation</li> <li>• Oversight of service quality and customer satisfaction procedures.</li> </ul>	<p>Although the Service is delivered through a partnership, the Council retains statutory responsibilities for providing building control services. This review will assess the service delivery and quality, and that local building safety responsibilities are met through our sample testing. There is also growing competition from private approved inspectors which could affect the partnership's viability going forward.</p>



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (4/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Core Assurance</b>					
<b>Main Financial Systems</b>	4	20	Q3	<p>Local authorities are required to maintain sufficient Assurance of main financial systems is critical to support our effective controls over their main financial systems Annual Opinion.</p> <p>to support effective management of resources.</p> <p>Financial controls play an important role in ensuring the accuracy of reporting, eliminating fraud, and protecting the organisation's resources, both physical and intangible. These internal control procedures processes at will be assessed through:</p> <p>A review of the Council's main financial systems covering budget setting and accounting to ensure the controls are set out and operating effectively.</p> <p>Looking at key risks like:</p> <ul style="list-style-type: none"> <li>• Inadequate segregation of duties within the main financial systems, leading to an increased risk of fraud, error, or unauthorised transactions.</li> <li>• Weak access controls to financial systems, resulting in unauthorised access, data breaches, or manipulation of financial data.</li> <li>• Ineffective budget management and setting processes, resulting in overspending, underfunding, or misallocation of resources.</li> </ul>	

## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (4/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
Soft Controls					
Performance Management	13	20	Q2	<p>Assess the development, agreement and review of Key Performance Indicators (KPIs) to determine alignment with the Council's strategic objectives</p> <p>Assess whether the KPIs are SMART, monitored and progress reported regularly through appropriate scrutiny committees, as well as how the performance information are used for decision-making.</p>	<p>Managing performance is a key part in delivering the ambitions and actions of the Council's Corporate Plan for 2024-27. The Council intends to support the plan through monitoring KPIs and strategic socio-economic indicators.</p>



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (5/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Future Focussed Assurance</b>					
<b>IT Strategy</b>	1,7	15	Q4	<p>Assess the implementation of the key principles of the Council's IT Strategy:</p> <ul style="list-style-type: none"> <li>• The ICT platform - this principle aims to ensure that end-to-end interactions are as simple and streamlined as possible as this will create an improved customer experience.</li> <li>• A digital workforce - this principle focuses on enabling our employees to have access to the right tools to do their job and be confident in maximising the use and benefits of technology in daily work.</li> </ul>	Seeing the IT Strategy is fundamental to the Council's digital plan, its important to obtain assurance over its delivery, more so it is a core review we include in our annual plan to provide us with assurance required to support our annual opinion.



## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (6/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Flexible Live Assurance - To be allocated during the year as required</b>					
Contingency/ Flexible resource	N/A	10	All	Contingency days left to allocate to flexible work.	We have built in an allocation of flexible days into our plan to support the Council on emerging risks or projects during the year.

## INTERNAL AUDIT OPERATIONAL PLAN 2025/26 (7/7)

Area	SRR	Days	Timing	Description of the Review	Reason for Inclusion
<b>Contract Management</b>					
Planning / liaison / management	N/A	8	Q1 - Q4	Creation of audit plan, meeting with Executive Directors	Effective contract management
Recommendation follow up	N/A	7	Q2 and Q4	Assessment and reporting of status of implementation of recommendations raised	Assurance for Council Management Team and Governance and Audit Committee
Governance and Audit Committee	N/A	5	Q1 - Q4	Attendance at Governance and Audit Committee meetings, pre-meets and Governance and Audit Committee Chair liaison	Effective contract management
<b>Summary</b>					
Core assurance	Various	155			
Soft controls	Various	20			
Future focused	Various	15			
Flexible resource		10			
Contract management		20			
<b>Total days</b>		<b>220</b>			

# APPENDIX I (1/5)

## Internal Audit Charter - Role and Scope of Internal Audit

### PURPOSE OF THIS CHARTER

This charter is a requirement of Public Sector Internal Audit Standards (PSIAS).

The charter formally defines internal audit's mission, purpose, authority and responsibility. It establishes internal audit's position within South Kesteven District Council (the Council) and defines the scope of internal audit activities.

Final approval resides with the Full Council (the Board), in practice the charter shall be reviewed and approved annually by management and by the Governance and Audit Committee on behalf of the Board of the Council.

### INTERNAL AUDIT'S MISSION

Internal audit's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

### STANDARDS OF INTERNAL AUDIT PRACTICE

To fulfil its mission, internal audit will perform its work in accordance with PSIAS, which encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF): Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing.

### INTERNAL AUDIT DEFINITION AND ROLE

Internal auditing is an independent, objective assurance and consulting activity 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 risk management, control and governance processes.

Internal audit acts primarily to provide the Governance and Audit Committee with information necessary for it to fulfil its own responsibilities and duties. Implicit in internal audit's role is that it supports management to fulfil its own risk, control and compliance responsibilities. The range of work performed by internal audit is set out in PSIAS and not repeated here.

### INTERNAL AUDIT'S SCOPE

The scope of internal audit activities includes all activities conducted by the Council. The Internal Audit Plan sets out those activities that have been identified as the subject of specific internal audit engagements.

The provision of assurance services is the primary role for internal audit in the UK public sector. This role requires the chief audit executive to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control.

Assurance engagements involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are determined by internal audit.

Consulting engagements are advisory in nature and are generally performed at the specific request of management, with the aim of improving governance, risk management and control and contributing to the overall opinion. The nature and scope of consulting engagement are subject to agreement with management. When performing consulting services, internal audit should maintain objectivity and not assume management responsibility.

### EFFECTIVE INTERNAL AUDIT

Our internal audit function is effective when:

- It achieves the purpose and responsibility included in the internal audit charter
- It conforms with the Standards
- Its individual members conform with the Code of Ethics and the Standards
- It considers trends and emerging issues that could impact the organisation.

## APPENDIX I (2/5)

### Internal Audit Charter - Role and Scope of Internal Audit

The internal audit activity adds value to the Council (and its stakeholders) when it considers strategies, objectives and risks, strives to offer ways to enhance governance, risk management and control processes and objectively provides relevant assurance.

We will agree with you an audit plan for a total number of days activity. Once agreed, we will turn this into a cash budget which we will work to, in order to ensure that you have certainty around the fees you will pay us.

#### INDEPENDENCE AND INTERNAL AUDIT'S POSITION WITHIN SOUTH KESTEVEN DISTRICT COUNCIL

To provide for internal audit's independence, its personnel and external partners report to the Head of Internal Audit, who reports functionally to the Governance and Audit Committee. The Head of Internal Audit has free and full access to the Chair of the Governance and Audit Committee. The Head of Internal Audit reports administratively to the Section 151 Officer who provides day-to-day oversight.

The appointment or removal of the Head of Internal Audit will be performed in accordance with established procedures and subject to the approval of the Chair of the Governance and Audit Committee.

The internal audit service will have an impartial, unbiased attitude and will avoid conflicts of interest. The internal audit service is not ordinarily authorised to perform any operational duties for the Council.

In the event that internal audit undertakes non-audit activities, safeguards will be agreed to ensure that independence or objectivity of the internal audit activity are not impaired. This might include a separate partner review of the work or a different team undertaking the work. Approval of the arrangements for such engagements will be sought from the Governance and Audit Committee prior to commencement.

In the event that internal audit provides assurance services where it had previously performed consulting services, an assessment will be undertaken to confirm that the nature of the consulting activity did not impair objectivity and safeguards will be put in place to manage individual objectivity when assigning resources to the engagement. Such safeguards will be communicated to the Governance and Audit Committee.

Internal audit must be free from interference in determining the scope of internal auditing, performing work and communicating results. Should any interference take place, internal audit will disclose this to the Governance and Audit Committee to discuss the implications.

#### INTERNAL AUDIT'S ROLE IN COUNTERING FRAUD, BRIBERY AND CORRUPTION

Management, not internal auditors are responsible for the prevention and detection of fraud, bribery and corruption. Auditors will, however, be alert in all their work to risks and exposures that could allow fraud or corruption as well as seeking to identify indications that fraud and corruption may have been occurring. Audit procedures alone, even when performed with due professional care, cannot guarantee that fraud and corruption will be detected. In the event that internal audit suspects a fraud, this will be referred to appropriate management in the first instance and then the Governance and Audit Committee.

#### ACCESS TO RECORDS AND CONFIDENTIALITY

There are no limitations to internal audit's right of access to the Council's officers, records, information, premises, or meetings which it considers necessary to fulfil its responsibilities.

When the auditors receive confidential information about your affairs it shall at all times be kept confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable. All information will be maintained in line with appropriate regulations, for example the Data Protection Act 2018.

# APPENDIX I (3/5)

## Internal Audit Charter - Role and Scope of Internal Audit

### COORDINATION AND RELIANCE WITH OTHER ASSURANCE PROVIDERS

In co-ordinating activities internal audit may rely on the work of other assurance and consulting service providers.

A consistent approach is adopted for the basis of reliance and internal audit will consider the competency, objectivity, and due professional care of the assurance and consulting service providers. Due regard will be given to understanding of the scope, objectives and results of the work performed by other providers of assurance and consulting services.

Where reliance is placed upon the work of others, internal audit is still accountable and responsible for ensuring adequate support for conclusions and opinions reached by the internal audit activity.

### INTERNAL AUDIT'S COMMITMENTS TO THE COUNCIL

Internal audit commits to the following:

- Working with management to improve risk management, controls and governance within the organisation
- Performing work in accordance with PSIAS

- Complying with the ethical requirements of PSIAS
- Dealing in a professional manner with the Council's staff, recognising their other commitments and pressures
- Raising issues as they are identified, so there are no surprises and providing practical recommendations
- Liaising with external audit and other regulators to maximise the assurance provided to the Council.
- Reporting honestly on performance against targets to the Governance and Audit Committee.

### INTERNAL AUDIT PERFORMANCE MEASURES AND INDICATORS

The tables on the following pages contain some of the performance measures and indicators that are considered to have the most value in assessing the efficiency and effectiveness of internal audit.

The Governance and Audit Committee should approve the measures which will be reported to each meeting and / or annually as appropriate. In addition to those listed here we also report on additional measures as agreed with management and included in our Progress Report.

### QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME

As required by PSIAS, an external assessment of the service will be performed at least every five years. BDO also has an internal quality assurance review process in place, which takes place annually. This is performed by a separate team independent to the internal audit team.

The results of internal and external assessments will be communicated to the Governance and Audit Committee as part of the internal audit annual report, along with corrective action plans.

# APPENDIX I (4/5)

## Internal Audit Charter - Role and Scope of Internal Audit

### TABLE ONE: PERFORMANCE MEASURES FOR INTERNAL AUDIT

Measure / Indicator
<b>Audit Coverage</b> Annual Audit Plan delivered in line with timetable. Actual days are in accordance with Annual Audit Plan.
<b>Relationships and customer satisfaction</b> Customer satisfaction reports - overall score at average at least 3.5 / 5 for surveys issued at the end of each audit. Annual survey to Governance and Audit Committee to achieve score of at least 70%. External audit can rely on the work undertaken by internal audit (where planned).
<b>Staffing and Training</b> At least 60% input from qualified staff.
<b>Audit Reporting</b> Issuance of draft report within 3 weeks of fieldwork 'closing' meeting. Finalise internal audit report 1 week after management responses to report are received. 90% recommendations to be accepted by management. Information is presented in the format requested by the customer.
<b>Audit Quality</b> High quality documents produced by the auditor that are clear and concise and contain all the information requested. Positive result from any external review.

### MANAGEMENT AND STAFF COMMITMENTS TO INTERNAL AUDIT

The management and staff of South Kesteven District Council commit to the following:

- Providing unrestricted access to all of the Council's records, property, and personnel relevant to the performance of engagements
- Responding to internal audit requests and reports within the agreed timeframe and in a professional manner
- Implementing agreed recommendations within the agreed timeframe
- Being open to internal audit about risks and issues within the organisation
- Not requesting any service from internal audit that would impair its independence or objectivity
- Providing honest and constructive feedback on the performance of internal audit.

### MANAGEMENT AND STAFF PERFORMANCE MEASURES AND INDICATORS

The three indicators on the following page are considered good practice performance measures but we go beyond this and report on a suite of measures as included in each Governance and Audit Committee Progress Report.

## APPENDIX I (5/5)

### Internal Audit Charter - Role and Scope of Internal Audit

#### TABLE TWO: PERFORMANCE MEASURES FOR MANAGEMENT AND STAFF

Measure / Indicator
<b>Response to Reports</b> Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt.
<b>Implementation of recommendations</b> Audit sponsor to implement all audit recommendations within the agreed timeframe.
<b>Co-operation with internal audit</b> Internal audit to confirm to each meeting of the Governance and Audit Committee whether appropriate co-operation has been provided by management and staff.

#### BDO CONTACTS

Name	Grade	Email
Gurpreet Dulay	Partner	Gurpreet.Dulay@bdo.co.uk
Paul Akanbi	Assistant Manager	Paul.Akanbi@bdo.co.uk

## FOR MORE INFORMATION:

**Gurpreet Dulay**

[Gurpreet.Dulay@bdo.co.uk](mailto:Gurpreet.Dulay@bdo.co.uk)

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