



Chelmsford City Council Audit and Risk Committee

22nd January 2025

Internal Audit Strategy 2025-2027

Report by:

Audit Services Manager

Officer Contact:

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Purpose

This report seeks approval from the Audit & Risk Committee for the Internal Audit Strategy 2025-2027.

Recommendations

Audit and Risk Committee are requested to note the contents of this report and approve the Internal Audit Strategy 2025-2027.

1. Introduction

- 1.1. This document sets out the Internal Audit Strategy for 2025-2027, covering how the service will be delivered and developed and is a key component of our compliance with the new Global Internal Audit Standards. It is supported by the Internal Audit Charter (approved annually by Committee) which outlines the purpose, authority, responsibility and position of the Internal Audit Service within Chelmsford City Council.

2. Conclusion

- 2.1. This document outlines the mission and goals of the Internal Audit service for 2025-2027 and forms part of our compliance with the new Global Internal Audit Standards.

List of appendices:

Appendix 1 - Internal Audit Strategy 2025-2027

Background papers:

None

Corporate Implications

Legal/Constitutional: The Council has a duty to maintain an effective internal provision to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance (Regulation 5 (Part 1) of the Accounts and Audit Regulations 2015).

Financial: None

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: The scope of Internal Audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit & Risk Committee, management and outside parties (e.g. External Audit) on the adequacy and effectiveness of governance, risk management, and control process for Chelmsford City Council.

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees: Management Team January 2025

Relevant Policies and Strategies: None

Internal Audit Strategy

Vision: To be a leading provider of risk-based Internal Audit services, empowering Chelmsford City Council to create a fairer, greener and more connected community.

Mission: We enhance and protect organisational value by providing advice, insight, foresight and risk-based and objective assurance through a planned programme of work based on an annual assessment of the major risks facing the Council.

State in 2024

Strategy

State in 2027

2024 Status	Strategic Internal Audit Objectives	Strategic Internal Audit Initiatives	Priority	Key Performance Indicators
<ul style="list-style-type: none"> - 67% of the Audit Plan was delivered to Draft Report Stage by 31st March and to Final Report Stage by 31st May. - 83% of the Audit Plan directly aligned with organisational Principal Risks 	Deliver an annual Internal Audit Plan which identifies the Council's most significant internal and external risks, remains flexible to respond to new and emerging risks, and which meets stakeholder needs.	<ul style="list-style-type: none"> - Collaborate internally and externally with other internal control, governance and risk management functions to coordinate and align coverage of the Council's risks and governance arrangements. - Deliver timely, effective and useful communications to key stakeholders. 	High	<ul style="list-style-type: none"> • Percentage of audit plan completed: 90% to 31st March (Draft Report issued); 100% to 31st May (Final Report issued) • Days elapsed to issue draft audit report (10 working days from end of fieldwork meeting): 80% • Percentage of audit plan directly aligned with Principal Risks: 80%
<ul style="list-style-type: none"> - 100% of completed surveys resulted in an overall customer satisfaction score of good or very good 	Provide value-added services and proactive strategic advice to services beyond the audit plan	<ul style="list-style-type: none"> - Bring analysis and perspective on root causes of issues identified in audit findings, to help services design/take corrective actions. - Develop a management action tracker to support delivery and reporting. 	High	<ul style="list-style-type: none"> • Percentage of applicable management actions implemented within one year of issue of final report: 90% • Overall customer satisfaction score for the year to meet or exceed acceptable level (i.e. very good or good) for at least 90% of completed surveys • CPD requirements met per auditor including minimum 2 hours ethics training per year.
<ul style="list-style-type: none"> - 2 reviews in 2024 utilised Data Analytics 	Embed technology and analytics into audit for workflows and applicable reviews.	<ul style="list-style-type: none"> - Develop in-house capabilities for utilising data analytics and/or exploring the use of AI in Internal Audit. 	Medium	<ul style="list-style-type: none"> • Innovative audit techniques or tools implemented to enhance decision making by offering insights and foresights.