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# **Southern Internal Audit Partnership**

Assurance through excellence  
and innovation

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## **Internal Audit Progress Report**

### **New Forest National Park Authority – October 2025**

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## 1. Internal Audit Mandate

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.*

*(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—*

*(a) make available such documents and records; and*

*(b) supply such information and explanations*

*as are considered necessary by those conducting the internal audit.'*

The role of internal audit is best summarised through its definition within the Standards, as an:

*'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 Authority 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 Authority that these arrangements are in place and operating effectively.

The Authority'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.

## 2. Internal Audit Standards

With effect from 1 April 2025, the 'Standards' against which internal audit within the public sector must conform 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 are referred to as the Global Internal Audit Standards in the UK Public Sector.

### 3. Purpose of Report

In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to Senior Management and the Resources, Audit and Performance Committee, summarising:

- The monitoring of 'live' internal audit reports
- an update on progress against the annual audit plan and any subsequent revisions
- acknowledgement of any actual or perceived impairments to internal audit independence
- internal audit performance, planning and resourcing issues
- results of audit assignments and insights.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of controls in place focusing on those designed to mitigate risks to the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

<b>Substantial</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

#### 4. Resourcing

As Chief Internal Auditor I maintain responsibility for ensuring 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 (2025-26) and in the fulfilment of the audit mandate and delivery of the internal audit strategy.

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

The Southern Internal Audit Partnership have experienced a higher than average level of attrition earlier in the year resulting in vacancies at auditor, senior auditor and audit manager level.

Positively, all posts at auditor and senior auditor level have now been filled with additional resource also being added to our specialist IT and data analytic teams. The advert for internal audit manager is currently live with interviews scheduled for November.

It will inevitably take a period of time to fully onboard and induct new staff. The Southern internal Audit Partnership have enacted contingency arrangements for additional support through the appointment of short-term agency staff to manage this period of onboarding.

Whilst there will be no financial impact to Havant Borough Council, there may be some minor slippage in delivery of quarter 2 / 3 reviews.

I remain confident as your chief internal auditor that the 2025/26 internal audit plan will be sufficiently delivered enabling me to provide a timely Annual Conclusion.

## 5. Independence

As your chief internal auditor, I retain no roles or responsibilities that have the potential to impair my independence, either in fact or appearance. Internal auditors engaged in the delivery of the 2025-26 internal audit plan have had no direct operational responsibility or authority over any of the activities reviewed. I can confirm there has been no interference encountered relating to the scope, performance, or communication of internal audit work during the year to date in the delivery of the internal audit plan or the fulfilment of the internal audit mandate.

## 6. Impairments

There have been no impairments to internal audit activity during the year. The internal audit function has remained free from all conditions that threaten our ability to carry out responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The internal audit team have maintained an unbiased mental attitude allowing them to perform engagements objectively enabling them to believe in their work product, with no compromise to quality, and no subordination to their judgment on audit matters, either in fact or appearance.

## 7. Rolling Work Programme

The internal audit plan for 2025-26 was originally presented to Senior Management and approved by the Resources, Audit and Performance Committee in March 2025. The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Authority. Progress against the plan is detailed below.

Audit Review	Sponsor	Scoping Held	ToR Issued	Fieldwork Start	Draft Report	Final Report	Assurance Opinion	Comment
Corporate Governance Framework	MO	15.10.25						
Procurement/Contract Management	CFO	15.07.25	06.10.25					
General Ledger including Budgetary Control and Bank Reconciliations	CFO							Q4

## 8. Adjustment to the Internal Audit Plan 2025-26

Internal Audit focus continues to be proportionate and appropriately aligned. The plan remains fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, Senior Management, and the Resources, Audit and Performance Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Authority.

Such amendments to the 2025-26 internal audit plan are detailed below with explanations for the proposed amendments.

Additions	Audit Review	Reason for inclusion in the plan
	None	Not Applicable
Withdrawals	Audit Review	Reason for removal from the plan
	None	Not Applicable

## 9. Acceptance of Risk

Internal audit reporting protocols are in place to ensure that the scope of work and findings for all assignments are reported appropriately and that agreed management actions are approved by senior management.

Every effort will be made to resolve disagreements that may arise during the audit process. However, if, unresolved issues are considered by internal audit to fall outside of the Authority's risk tolerance, these will be escalated to Senior Management and the Resources, Audit and Performance Committee as deemed necessary.

There are no such instances to report from our delivery of the 2025–26 internal audit plan to date.

## 10. Executive Summaries of reports published concluding a 'Limited' or 'No' assurance opinion

To date, there have been no 2025-26 audits which have concluded with a 'limited' or 'no' assurance opinion.

## 11. Analysis of 'Live Audit Reviews'

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions											
				Agreed			Pending			Complete			Overdue		
				L	M	H	L	M	H	L	M	H	L	M	H
Income Collection and Banking	10.05.21	CFO	Reasonable	-	1	-	-	-	-	-	-	-	-	1	-
ICT Policies and Procedures	08.02.23	CFO	Limited	3	8	1	-	-	-	3	3	1	-	5	-
Information Governance – Records Management and Information Requests	24.05.23	CFO	Reasonable	-	3	-	-	-	-	-	2	-	-	1	-
Grants Awarded	05.02.25	CFO	Substantial	1	-	-	-	-	-	-	-	-	1	-	-
IT Disaster Recovery, Business Continuity and Cyber Response Plans	28.05.25	CFO	Reasonable	4	4	-	4	4	-	-	-	-	-	-	-
<b>Total</b>				<b>8</b>	<b>16</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>0</b>

## Annexe 1

## Overdue 'High Priority' Management Action

There are no high priority overdue management actions.

## Annexe 2

## Overdue 'Low &amp; Medium Priority' Management Actions

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
			Low	Medium		
Income Collection and Banking		Reasonable		1	30.09.21	29.04.22 28.04.23 30.09.24 31.03.25 29.09.25
ICT Policies and Procedures	08.02.23	Limited		1	04.09.23	02.09.24 03.11.25
				4	Various 03/23-12/23	Following 03.11.25
Information Governance – Records Management and Information Requests	24.05.23	Reasonable		1	31.03.25	Autumn 25
Grants Awarded	05.02.25	Substantial	1		30.09.25	31.12.25
Total			1	7		

## Annexe 3

## Southern Internal Audit Partnership - Performance Measures

Performance Measure	Regularity	Target	Actual 25-26	Status	Direction of Travel
<b>1. Percentage of the agreed audit plan completed (issue of draft / final report)</b>	Ongoing	90%	0%		n/a
<b>2. Audits delivered within agreed timescales (% year to date)</b>					
○ To issue of draft report	Ongoing	80%	0%		n/a
○ To issue of final report	Ongoing	80%	0%		n/a
<b>3. Conformance with the Global Internal Audit Standards in the UK Public Sector</b>	Annual	Conforms	Conforms*		
<b>4. Audits conducted optimising the effective use of data analytics (% year to date)</b>	Ongoing	60%	0%		n/a
<b>5. Stakeholder satisfaction (annual survey)</b>					
○ Resources, Audit and Performance Committee	Annual	90%	100%		
○ Senior Management		90%	100%		
○ Key Contacts		90%	100%		
<b>6. Internal audit effectively communicates with key stakeholders</b>					
○ Resources, Audit and Performance Committee	Annual	90%	100%		n/a
○ Senior Management		90%	100%		n/a
○ Key Contacts		90%	100%		n/a
<b>7. Sufficiency of input to and discussion of the internal audit plan</b>					
○ Resources, Audit and Performance Committee	Annual	90%	100%		n/a
○ Senior Management		90%	100%		n/a
<b>8. Appropriate focus on key risks</b>					
○ Resources, Audit and Performance Committee	Annual	90%	100%		n/a
○ Senior Management		90%	100%		n/a
○ Key Contacts		90%	100%		n/a

\* 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.