

Report to **Policy & Resources Committee**
Date **18 September 2025**
By **Mark Winton, Chief Internal Auditor**
Title of Report **Global Internal Audit Standards (GIAS) Self-Assessment and Quality Assurance and Improvement Plan (QAIP)**

Decision

Recommendation: The Committee is recommended to:

- 1) Note the results of the self-assessment, as set out at paragraphs 2.3 and 2.4 against the new Global Internal Audit Standards (GIAS) and the resulting Quality Assurance and Improvement Programme (QAIP); and**
- 2) Approve the updated Internal Audit Charter as set out in Appendix 3.**

1. Introduction

1.1 All local authorities must make proper provision for internal audit in line with the Local Government Act 1972 (S151) and the Accounts and Audit Regulations 2015. The latter states that authorities ‘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.’ From 1 April 2025, the previous Public Sector Internal Audit Standards (PSIAS) were replaced with new GIAS, supported by the CIPFA ‘Application Note – Global Internal Audit Standards in the UK Public Sector’.

2. Issues for consideration

2.1 Whilst there are some changes required for Internal Audit as a result of the new Standards, it is generally recognised that an internal audit service that conforms with the previous PSIAS will have most of the required practices already in place, especially in terms of undertaking audit assignments. The primary changes therefore relate to minor amendments and updates to key documentation, in particular, the Internal Audit Charter.

2.2 In order to provide senior management and the Policy and Resources Committee with assurance in respect of conformance with GIAS, a comprehensive self-assessment has been conducted, which has included the identification of any actions arising, all of which will be incorporated into the service’s ongoing improvement plan. Given the size and detailed nature of the GIAS (120 pages) and the associated self-assessment (144 pages), these have not been shared in full as part of this report. A full list of the GIAS content, showing all of the areas covered is, however, attached as Appendix I, and a full copy is available upon request or by following this link to [the Complete Global Internal Audit Standards](#).

- 2.3 Overall, the self-assessment found extremely high levels of conformance, with none of the identified actions being considered significant. Furthermore, immediate progress has been made in the implementation of these, with many already addressed at the time of writing this report. Attached as Appendix 2 is a summary of all of the actions included within the service’s improvement plan, which incorporates those arising from the self-assessment as well as general service development activities.
- 2.4 In total, of the 26 actions identified, 24 have either been fully implemented or are in progress at the time of writing. The remaining actions are either ongoing, or will be addressed over the remainder of the year on a priority basis, recognising that some of these relate to general service development rather than professional compliance. Further updates on this activity will be provided over the course of the year and reflected within the Annual Internal Audit Report and Opinion for 2025/26.
- 2.5 Finally, attached as Appendix 3 is an updated Internal Audit Charter, which has been reviewed to ensure that it correctly reflects and references the new GIAS. None of the amendments are material, with the main changes relating to:
- Referencing the GIAS and Local Government Application Note, to replace PSIAS throughout;
 - Section 2 ‘Internal Audit Purpose’ has been updated to include specific references to the GIAS;
 - Section 4 heading has been updated to ‘Internal Audit Mandate’ in order to make it consistent with the language in GIAS;
 - Section 7 ‘Reporting’ has slightly more detail included on administrative reporting and functional reporting; and
 - Section 11 ‘Due Professional Care’ updated to reference the GIAS’ Ethics and Professionalism domain.
- 2.6 In conclusion, the results of the Internal Audit Service’s self-assessment against the new GIAS demonstrate a high level of conformance with only a small number of relatively minor actions arising. One such action relates to the updating of the Internal Audit Charter to reflect the new Standards which has now been completed and is attached to this report for approval.

3. Other implications

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	No. The Internal Audit plan should be delivered within the agreed audit fee.
How does the proposal represent Value for Money?	The Internal Audit Service is provided through a contract with Brighton & Hove City Council which forms part of a wider procurement of financial services.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	All PMP outcomes and Corporate plan objectives are considered as part of the annual audit planning process.

Implication	Yes*/No
Links to other projects or partner organisations	Audit clients identified as appropriate.
How does this decision contribute to the Authority's climate change objectives	This report doesn't directly contribute to the Authority's climate change objectives.
Are there any Social Value implications arising from the proposal?	No
Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes – there are no equalities issues arising from this update report. Equalities considerations are also taken into individual audit reviews as appropriate.
Are there any Human Rights implications arising from the proposal?	No
Are there any Crime & Disorder implications arising from the proposal?	No, but the service includes the provision of advice and investigation of frauds and irregularities when required.
Are there any Health & Safety implications arising from the proposal?	No, but individual audits consider health and safety risks where appropriate.
Are there any Data Protection implications?	No, but individual audits consider GDPR issues where appropriate.

4. Risks Associated with the Proposed Decision

4.1 Internal Audit has an important role to play in relation to effective risk management for the organisation. The SDNPA risk register is considered when developing the Internal Audit Strategy and Plan and the planning of individual audit reviews. Audit reviews and testing of controls are orientated towards these risks plus the operational controls within individual systems and services.

Mark Winton

CHIEF INTERNAL AUDITOR

South Downs National Park Authority

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Appendices: I. Global Internal Audit Standards – Content List

2. Internal Audit Quality Assurance and Improvement Plan

3. Internal Audit Charter (Revised)

SDNPA Consultees:

Chief Executive; Director of Landscape and Strategy; Director of Planning; Chief Finance Officer; Head of Governance and Monitoring Officer; Legal Services; Head of Finance and Corporate Services.

External Consultees:

None

Background Documents:

Global Internal Audit Standards (GIAS)

Global Internal Audit Standards – Content List

- **Domain I: Purpose of Internal Auditing**
- **Domain II: Ethics and Professionalism**
 - **Principle 1 Demonstrate Integrity**
 - Standard 1.1 Honesty and Professional Courage
 - Standard 1.2 Organization’s Ethical Expectations
 - Standard 1.3 Legal and Ethical Behavior
 - **Principle 2 Maintain Objectivity**
 - Standard 2.1 Individual Objectivity
 - Standard 2.2 Safeguarding Objectivity
 - Standard 2.3 Disclosing Impairments to Objectivity
 - **Principle 3 Demonstrate Competency**
 - Standard 3.1 Competency
 - Standard 3.2 Continuing Professional Development
 - **Principle 4 Exercise Due Professional Care**
 - Standard 4.1 Conformance with the Global Internal Audit Standards
 - Standard 4.2 Due Professional Care
 - Standard 4.3 Professional Skepticism
 - **Principle 5 Maintain Confidentiality**
 - Standard 5.1 Use of Information
 - Standard 5.2 Protection of Information
- **Domain III: Governing the Internal Audit Function**
 - **Principle 6 Authorized by the Board**
 - Standard 6.1 Internal Audit Mandate
 - Standard 6.2 Internal Audit Charter
 - Standard 6.3 Board and Senior Management Support
 - **Principle 7 Positioned Independently**
 - Standard 7.1 Organizational Independence
 - Standard 7.2 Chief Audit Executive Qualifications
 - **Principle 8 Overseen by the Board**
 - Standard 8.1 Board Interaction
 - Standard 8.2 Resources
 - Standard 8.3 Quality
 - Standard 8.4 External Quality Assessment
- **Domain IV: Managing the Internal Audit Function**
 - **Principle 9 Plan Strategically**
 - Standard 9.1 Understanding Governance, Risk Management, and Control Processes
 - Standard 9.2 Internal Audit Strategy
 - Standard 9.3 Methodologies
 - Standard 9.4 Internal Audit Plan
 - Standard 9.5 Coordination and Reliance
 - **Principle 10 Manage Resources**
 - Standard 10.1 Financial Resource Management
 - Standard 10.2 Human Resources Management
 - Standard 10.3 Technological Resources
 - **Principle 11 Communicate Effectively**
 - Standard 11.1 Building Relationships and Communicating with Stakeholders
 - Standard 11.2 Effective Communication

- Standard 11.3 Communicating Results
- Standard 11.4 Errors and Omissions
- Standard 11.5 Communicating the Acceptance of Risks
- **Principle 12 Enhance Quality**
 - Standard 12.1 Internal Quality Assessment
 - Standard 12.2 Performance Measurement
 - Standard 12.3 Oversee and Improve Engagement Performance
- **Domain V: Performing Internal Audit Services**
 - **Principle 13 Plan Engagements Effectively**
 - Standard 13.1 Engagement Communication
 - Standard 13.2 Engagement Risk Assessment
 - Standard 13.3 Engagement Objectives and Scope
 - Standard 13.4 Evaluation Criteria
 - Standard 13.5 Engagement Resources
 - Standard 13.6 Work Program
 - **Principle 14 Conduct Engagement Work**
 - Standard 14.1 Gathering Information for Analyses and Evaluation
 - Standard 14.2 Analyses and Potential Engagement Findings
 - Standard 14.3 Evaluation of Findings
 - Standard 14.4 Recommendations and Action Plans
 - Standard 14.5 Engagement Conclusions
 - Standard 14.6 Engagement Documentation
 - **Principle 15 Communicate Engagement Results and Monitor Action Plans**
 - Standard 15.1 Final Engagement Communication
 - Standard 15.2 Confirming the Implementation of Recommendations or Action Plans

Internal Audit Quality Assurance and Improvement Plan

Ref	Improvement Activity	RAG Status of Activity	Target Date
1.	Complete full self-assessment against GIAS and LG Application Note and incorporate into QAIP. (Compliance with GIAS)	Complete	
2.	Review Orbis IA Charter and update for new GIAS and Application Note. (Compliance with GIAS)	Complete	
3.	Obtain approval for updated Charter from all partner and client audit committees. (Compliance with GIAS)	Complete	
4.	Share new GIAS with all Orbis IA staff and obtain a formal declaration from each confirming understanding of their responsibilities. In particular, direct staff to Domain V 'Performing Internal Audit Services'. (Compliance with GIAS)	Complete	
5.	Review training and development documentation and other procedure/guidance documents to ensure sufficient coverage and references to GIAS and ethics related aspects. (Compliance with GIAS)	Ongoing	October 2025
6.	Schedule and deliver awayday/training and development day for Orbis IA staff focussed on new GIAS, including ethics related aspects/responsibilities and CPD requirements. (Compliance with GIAS)	Complete – Ongoing Activity	
7.	Confirm that client liaison guidance and activity includes obtaining feedback on service quality etc. (Improvement Activity)	Complete	
8.	Issue reminder to all Orbis IA staff regarding their responsibilities to log training and maintain CPD logs as required. (Improvement Activity)	Complete	
9.	Review all key Orbis IA guidance and procedure documentation to ensure consistent with new GIAS. (Compliance with GIAS)	In Progress	December 2025
10.	Clarify reporting arrangements to senior management and audit committees in relation to GIAS self-assessment and QAIP progress. (Compliance with GIAS, to report to committee and senior management)	Complete	
11.	Refresh and update the Orbis IA Service Objectives document and ensure all staff have in place underpinning personal objectives. (Improvement Activity)	Outstanding	December 2025
12.	Review 2026/27 audit planning arrangements to cover requirements of the GIAS, specifically in terms of potential requirement to maintain a separate formal IA risk assessment. (Compliance with GIAS)	In Progress	March 2026

Ref	Improvement Activity	RAG Status of Activity	Target Date
13.	Confirm that all audit plans include details of the engagements that were not included in the plan but could be added if capacity becomes available. (Improvement Activity)	Complete	
14.	Review assurance mapping arrangements, including how we assess the adequacy of other sources of assurance that we chose to rely on. (Improvement Activity)	In Progress	March 2026
15.	Following re-organisation and all appointments made, review statutory officer liaison arrangements. (Improvement Activity)	Complete	
16.	Progress arrangements to develop and publish internal audit and counter fraud bulletin for all partners and clients. (Improvement Activity)	In Progress	March 2026
17.	Review audit reporting guidance and protocols to confirm sufficiently clear reference to risk acceptance and escalation arrangements. (Improvement Activity)	Complete	
18.	Review Orbis IA KPIs in light of previous EQA and potential to include something about relationship between IA coverage and organisation's strategic risks. Adequacy/extent of IA coverage. Also, possible new KPI around % of follow up audits generating improved audit opinions. (Improvement Activity)	Complete	
19.	Ensure service training and development programme includes root cause identification and evaluation. (Improvement Activity)	In Progress	October 2025
20.	Introduce additional narrative in standard report template that the audit work has been conducted in conformance with GIAS and LG Application Note. (Compliance with GIAS)	Complete	
21.	Work through completed GIAS to ensure that all areas of evidence can be located, are up to date and are clearly linked with self-assessment. (Improvement Activity)	In Progress	October 2025
22.	Liaise with management to ensure that 2025/26 AGS includes specific reference to organisational compliance with Code of Practice for the Governance of Internal Audit in UK Local Government. (Improvement Activity)	In Progress	March 2026
23.	Confirm that each authority's financial regulations or equivalent confirm Internal Audit's mandate as set out in Accounts and Audit Regulations. (Improvement Activity)	Complete	
24.	Update the Internal Audit Charter to specifically include administrative reporting arrangements for internal audit and the Chief Internal Auditor. (Compliance with GIAS)	Complete	
25.	Liaise with management to consider whether, and how, audit committee chairs should provide direct input to the CIA's performance evaluation. (Compliance with GIAS)	Outstanding	March 2026

Ref	Improvement Activity	RAG Status of Activity	Target Date
26.	Clarify arrangements within each partner council for undertaking an audit committee effectiveness review based on CIPFA guidance. (Improvement Activity)	Complete	

South Downs National Park Authority

Audit Charter

1. Introduction

This Charter describes for the South Downs National Park Authority (SDNPA) the purpose, authority, and responsibilities of the Internal Audit function in accordance with the Global Internal Audit Standards and the Local Government Application Note.

The GIAS require that the Charter must be reviewed periodically and presented to “the board” for approval. In addition, senior management have a key role in providing input to the board and the Chief Internal Auditor. For the purposes of this charter “senior management” will be the SDNPA Senior Leadership Team (SLT) and the board will be the SDNPA Policy & Resources Committee (described generically in this Charter as the Audit Committee).

The Charter shall be reviewed annually and approved by SLT and the Audit Committee. The Chief Internal Auditor is responsible for applying this Charter and keeping it up to date.

2. Internal Audit Purpose

The mission of Internal Audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight.

The purpose statement included in the GIAS states “Internal auditing strengthens the organisation’s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal auditing enhances the organisation’s:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Internal auditing is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.”

Internal Audit supports the whole Authority to deliver economic, efficient and effective services and achieve the Authorities vision, priorities and values.

3. Statutory Requirement

Internal Audit is a statutory service in the context of the Accounts and Audit Regulations 2015, which require every local authority to maintain an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes taking into account GIAS or guidance.

These regulations require any officer or Member of the Authority to:

- make available such documents and records; and
- supply such information and explanations; as are considered necessary by those conducting the audit.

This statutory role is recognised and endorsed within the SDNPA Constitution.

In addition, the SDNPA's S151 Officer has a statutory duty under Section 151 of the Local Government Act 1972 to establish a clear framework for the proper administration of the authority's financial affairs. To perform that duty the Section 151 Officer relies, amongst other things, upon the work of Internal Audit in reviewing the operation of systems of internal control and financial management.

4. Internal Audit Mandate

Annually the Chief Internal Auditor is required to provide to the Audit Committee an overall opinion on the Authority's internal control environment, risk management arrangements and governance framework to support the Annual Governance Statement.

Internal Audit is not responsible for control systems. Responsibility for effective internal control and risk management rests with the management of the Authority.

Internal Audit activity must be free from interference in determining the scope of activity, performing work, and communicating results.

The scope of Internal Audit includes the entire control environment and therefore all of the Authority's operations, resources, services and responsibilities in relation to other bodies. In order to identify audit coverage, activities are prioritised based on risk, using a combination of Internal Audit and management risk assessment (as set out within Authority risk registers). Extensive consultation also takes place with key stakeholders and horizon scanning is undertaken to ensure audit activity is proactive and future focussed.

Internal audit activity will include an evaluation of the effectiveness of the organisation's risk management arrangements and risk exposures relating to:

- Achievement of the organisation's strategic objectives;
- Reliability and integrity of financial and operational information;
- Efficiency and effectiveness of operations and activities;
- Safeguarding of assets; and
- Compliance with laws, regulations, policies, procedures, and contracts

5. Independence

Internal Audit will remain sufficiently independent of the activities that it audits to enable auditors to perform their duties in a way that allows them to make impartial and effective professional judgements and recommendations. Internal auditors should have no operational responsibilities.

Internal auditors will not review specific areas of the Authority's operation in which they have previously worked, until a period of at least 12 months has elapsed.

Internal Audit is involved in the determination of its priorities in consultation with those charged with governance. The Chief Internal Auditor has direct access to, and freedom to report in their own name and without fear of favour to, all officers and Members and particularly those charged with governance. This independence is further safeguarded by ensuring that the Chief Internal Auditor's formal appraisal/performance review is not inappropriately influenced by those subject to audit.

All Internal Audit staff are required to make an annual declaration of interest to ensure that objectivity is not impaired and that any potential conflicts of interest are appropriately managed.

6. Appointment and Removal of the Chief Internal Auditor

The role of Chief Internal Auditor for the South Downs National Park Authority is provided by the Orbis Internal Audit Manager (ICT), employed by Brighton & Hove City Council. The Internal Audit Manager (ICT) reports directly to the Orbis Chief Internal Auditor.

In order to ensure organisational independence is achieved, all decisions regarding the appointment and removal of the Orbis Chief Internal Auditor will be made following appropriate consultation with the Audit Committee.

7. Reporting Lines

The Chief Internal Auditor reports to the Chief Finance Officer (S151 Officer) although regardless of line management arrangements, the Chief Internal Auditor has free and unfettered access to report to the Monitoring Officer; the Chief Executive; SLT; the Audit Committee Chair; the Chair of the Authority and the Authority's External Auditor.

This includes periodic administrative reporting arrangements to an individual in the organisation who can support the internal audit function's pursuit of the internal audit mandate.

There is a functional reporting relationship between the Chief Internal Auditor and the Audit Committee, who will receive reports on a periodic basis – as agreed with the Chair of the Audit Committee – on the results of audit activity and details of Internal Audit performance, including progress on delivering the audit plan.

These reporting arrangements feed into and support the maintenance of the independence of the function.

8. Fraud & Corruption

Managing the risk of fraud and corruption is the responsibility of management. Internal Audit will however be alert in all its work to risks and exposures that could allow fraud or corruption and will investigate allegations of fraud and corruption in line with the Authority's Counter Fraud and Corruption Strategy and Framework.

The Chief Internal Auditor should be informed of all suspected or detected fraud, corruption, or irregularity in order to consider the adequacy of the relevant controls and evaluate the implication for their opinion on the control environment.

Internal Audit will promote an anti-fraud and corruption culture within the Authority to aid the prevention and detection of fraud.

9. Consultancy Work

Internal Audit may also provide consultancy services, generally advisory in nature, at the request of the organisation. In such circumstances, appropriate arrangements will be put in place to safeguard the independence of Internal Audit and, where this work is not already included within the approved audit plan and may affect the level of assurance work undertaken, this will be reported to the Audit Committee.

To help services to develop greater understanding of audit work and have a point of contact in relation to any support they may need, Internal Audit will periodically with management discuss emerging risks and key developments within services that may impact on its work.

10. Resources

The work of Internal Audit is driven by the annual Internal Audit, which is approved each year by the Audit Committee. The Chief Internal Auditor is responsible for ensuring that Internal Audit resources are sufficient to meet its responsibilities and achieve its objectives.

Internal Audit must be appropriately staffed in terms of numbers, grades, qualifications and experience, having regard to its objectives and to professional standards. Internal Auditors need to be properly trained to fulfil their responsibilities and should maintain their professional competence through an appropriate ongoing development programme. The Chief Internal Auditor is responsible for appointing Internal Audit staff and will ensure that appointments are made in order to achieve the appropriate mix of qualifications, experience and audit skills. The Chief Internal Auditor may engage the use of external resources where it is considered appropriate, including the use of specialist providers.

11. Due Professional Care

The work of Internal Audit will be performed with due professional care and in accordance with the GIAS, the Local Government Application Note, the Accounts and Audit Regulations (2015) and with any other relevant statutory obligations and regulations.

In carrying out their work, Internal Auditors must exercise due professional care by considering:

- (i) The extent of work needed to achieve the required objectives;

- (ii) The relative complexity, materiality or significance of matters to which assurance procedures should be applied; and
- (iii) The adequacy and effectiveness of governance, risk management and control processes;
- (iv) The probability of significant errors, fraud or non-compliance; and
- (v) The cost of assurance in proportion to the potential benefits.

Internal Auditors will also have due regard to the Seven Principles of Public Life – Selflessness; Integrity, Objectivity; Accountability; Openness; Honesty; and Leadership as well as the GIAS’ Ethics and Professionalism domain and the principles underpinning this of: integrity, objectivity, competency, due professional care and confidentiality.

12. Quality Assurance

The Chief Internal Auditor will control the work of Internal Audit at each level of operation to ensure that a continuously effective level of performance – compliant with the GIAS and Local Government Application Note, is maintained.

A Quality Assurance Improvement Programme (QAIP) is being put in place which is designed to provide reasonable assurance to its key stakeholders that Internal Audit:

- Performs its work in accordance with its charter;
- Operates in an effective and efficient manner; and,
- Is adding value and continually improving the service that it provides.

The QAIP requires an annual review of the effectiveness of the system of Internal Audit to be conducted. Instances of non-conformance with the GIAS, including the impact of any such non-conformance, must be disclosed to the Audit Committee. Any significant deviations must be considered for inclusion in the Authority’s Annual Governance Statement.

September 2025

