

Internal Audit Policy 2021-22

Scottish Information Commissioner



Scottish Information
Commissioner

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Glossary and abbreviations

Term used	Explanation
The Commissioner	Scottish Information Commissioner
SPCB	Scottish Parliamentary Corporate Body
AO	Accountable Officer
SPFM	Scottish Public Finance Manual
AAB	Advisory Audit Board
SMT	Senior Management Team
HOCS	Head of Corporate Services

Policy

Introduction

1. The Scottish Parliamentary Corporate Body (SPCB) has appointed Daren Fitzhenry, Scottish Information Commissioner (the Commissioner), as Accountable Officer (AO).
2. The Memorandum to the Accountable Officer of the Office of the Scottish Information Commissioner from the Scottish Parliamentary Corporate Body, sent on 16 August 2017 and having effect from 16 October 2017 sets out the general responsibilities of the AO. These include that arrangements should be made for internal audit.
3. The guidance contained in the Scottish Public Finance Manual (SPFM) applies to the Commissioner. The SPFM includes guidance on internal audit arrangements and procedures.
4. The Internal Audit Policy (IA Policy) and associated arrangements set out in this document ensure that the AO can fulfil the requirements described above.

Policy Statement

5. The Commissioner actively manages risk through an appropriate and proportionate framework which identifies, assesses, addresses, reviews and reports on risk, in the context of the risk appetite and environment. The Commissioner through the scheme of control recognises the importance of internal audit as an essential element of managing risk related to internal controls.
6. The Commissioner also recognises the added value to be derived from internal audit through the review and assessment of compliance with, and the efficacy of, governance arrangements and operational procedures.
7. An Internal Audit Plan (IA Plan), comprising a programme of proportionate audits of internal controls, governance arrangements and operational procedures, will be developed, implemented and reviewed at least annually.
8. The Commissioner is responsible for ensuring that appropriate internal control systems exist and for deciding to what extent to accept and implement internal audit findings and recommendations.

Covid-19 pandemic

9. The COVID-19 pandemic is a global challenge which is having, and will continue to have, an impact on Scotland's people and public services. At the time of writing, the full impact of this pandemic remains unclear.
10. Our priority as an organisation has been to continue to provide key services and guidance within available resource while safeguarding the health, safety and wellbeing of our members of staff.
11. Since closing our office premises on 23 March 2020 and putting in place our business continuity arrangements, we have worked to maintain operational output.
12. The COVID-19 pandemic has had an impact on the work we do and this has also resulted in changes to the residual risk assessments, relating to both strategic and operational risks.. We have mitigated operational risks by expanding the remote working capability. However, the COVID-19 pandemic is likely to continue to have an impact on risk assessments and the

SMT will keep these regularly under review and put in place the required mitigating actions, as far as possible. There may also be an impact on the internal audits that can be carried out in 2020-21 and the Commissioner and the SMT will keep this under review.

Internal Audit Plan (IA Plan)

Approach

13. The Commissioner's approach will be proportionate, ensuring that the AO's responsibilities are fulfilled while recognising the small scale of the organisation and the limited resources available.
14. As a small organisation, the Commissioner recognises the value in seeking external, professional support to conduct internal audits. This is particularly relevant where it is important that an independent view is provided.
15. The IA Plan will comprise audits carried out by an appointed internal auditor and appropriate experts.
16. The areas included in the IA Plan will be informed by the Senior Management Team's review of the risk register and operational and resource planning.
17. The areas will, where possible within the resources available, comprise a blend of:
 - (i) appraisals of internal controls;
 - (ii) review and assessment of compliance with, and the efficacy of, governance and operational procedures.
18. The Commissioner will invite the Audit Advisory Board (AAB) to comment upon the content of the IA Plan as needed.
19. The Commissioner will maintain a three year rolling IA Plan. This plan may be updated from time to time in response to changes in the risk, operating and resource environment.
20. The Commissioner will determine the final content of the IA Plan.

Roles and responsibilities

21. The following table summarises the internal audit roles and responsibilities of the Commissioner's staff, the AAB, the internal auditor and the external auditor:

Title	Responsibility	Role	Relationship / Communications	Reporting Frequency
Commissioner	<ul style="list-style-type: none"> Ownership of IA Policy and IA Plan 	<ul style="list-style-type: none"> Assurance that IA Policy and IA Plan are applied and risk is managed effectively 	<ul style="list-style-type: none"> External and internal stakeholders 	<ul style="list-style-type: none"> As required
Senior Management Team (SMT)	<ul style="list-style-type: none"> Shared ownership of IA Policy and IA plan 	<ul style="list-style-type: none"> Approving IA Policy Developing an appropriate IA Plan Approve appointment of externally appointed internal auditor or advisers, as appropriate Monitoring progress against the IA Plan 	<ul style="list-style-type: none"> External and internal stakeholders 	<ul style="list-style-type: none"> As required
Head of Corporate Services (HOCS)	<ul style="list-style-type: none"> Operational owner of the IA Policy and IA Plan Annual review of IA Policy and IA Plan Annual assessment and review of risk to the SMT 	<ul style="list-style-type: none"> Draft and maintain IA Policy and IA Plan Lead for drafting and implementation of IA Plan Lead planning and operational relationship with external auditor, internal auditor and expert advisers 	<ul style="list-style-type: none"> SMT External auditor Internal auditor and expert advisers 	<ul style="list-style-type: none"> As required Annual reporting During development of audit plans, as required During audits, as required
All staff	<ul style="list-style-type: none"> Operational management of risk through application of policies and procedures 	<ul style="list-style-type: none"> Participate in / lead internal audits as required 	<ul style="list-style-type: none"> SMT HOCS Auditor External auditor Internal auditor and expert advisers 	<ul style="list-style-type: none"> As required
Advisory Audit Board (AAB)	<ul style="list-style-type: none"> Providing advice and assurance to the Commissioner 	<ul style="list-style-type: none"> Review the IA Plan and advise the Commissioner in line with its Terms of Reference 	<ul style="list-style-type: none"> The Commissioner External auditor Internal auditor and expert advisers 	<ul style="list-style-type: none"> As required (at least annually)
Internal Auditor	<ul style="list-style-type: none"> Report and advise on internal audit findings Provide assurance to the Commissioner (as required) 	<ul style="list-style-type: none"> Carry out/report on audits in line with the agreed IA Plan Provide annual assurance statement (as required) Advice on draft IA Plan (as required) 	<ul style="list-style-type: none"> The Commissioner AAB HOCS External auditor All staff 	<ul style="list-style-type: none"> As required by audit plan

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