

Internal Audit Policy

Scottish Information Commissioner



Scottish Information
Commissioner

Contents

Glossary and abbreviations	i
Internal Audit Policy	2
Policy	2
Introduction	2
Policy Statement.....	2
Internal Audit Plan	3
Approach	3
Roles and responsibilities	4
Document control sheet	5

Glossary and abbreviations

Term used	Explanation
SIC	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

Internal Audit Policy

Policy

Introduction

1. The Scottish Parliamentary Corporate Body (SPCB) has appointed Margaret Keyse , Scottish Information Commissioner (SIC), 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, 1 May 2017 sets out the general responsibilities of the AO. These include (at paragraph 2.4) that “Arrangements should be made for internal audit. These should accord with the standards and practices as set out in the guidance “Public Sector Internal Audit Standards ”.
3. The guidance contained in the Scottish Public Finance Manual (SPFM) applies to the Scottish Information Commissioner. The SPFM includes guidance on internal audit arrangements and procedures.
4. The policy and associated arrangements set out in this document ensure that the AO can fulfil the requirements described above.

Policy Statement

5. The SIC actively manages its risk through an appropriate and proportionate framework which identifies, assesses, addresses, reviews and reports on risk, in the context of its risk appetite and environment. The SIC through her scheme of control recognises the importance of Internal Audit as an essential element of managing risk related to internal controls.
6. The SIC also recognises the added value to be derived from internal audit through the review and assessment of compliance with, and the efficacy of, its governance arrangements and operational procedures.
7. An internal audit 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 SIC 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.

Internal Audit Plan

Approach

9. The SIC'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.
10. As a small organisation, SIC recognises the value in seeking external, professional support to conduct internal audits. This is particularly relevant in areas where, for example, specialist knowledge is not available in-house, or where it is important that an independent view is provided.
11. SIC also recognises that some audits can be carried out effectively by its own staff, whose in-house knowledge of governance and operational issues can be advantageous in assessing risk and efficacy.
12. The internal audit plan will comprise audits carried out by external advisers and in-house staff.
13. The areas included in the internal audit plan will be informed by the Senior Management Team's review of the risk register, and operational and resource planning.
14. 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, its governance arrangements and operational procedures
15. SIC will invite the AAB to comment upon the content of the internal audit plan as needed.
16. SIC will maintain a 3-year rolling internal audit plan. This plan may change from time to time in response to changes in the risk, operating and resource environment.
17. The SIC will determine the final content of the internal audit plan.

Roles and responsibilities

18. The following table summarises the internal audit-related roles and responsibilities of the SIC's staff, the AAB, and the Internal & External Auditors:

Title	Responsibility	Role	Relationship / Communications	Reporting Frequency
Commissioner (SIC)	<ul style="list-style-type: none"> Ownership of SIC IA Policy & Plan 	<ul style="list-style-type: none"> Assurance that IA Policy and 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 & plan 	<ul style="list-style-type: none"> Approving IA Policy Developing and approving IA Plan Approve appointment of externally appointed internal auditor &/or advisers Monitoring progress against 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 Plan Annual assessment and review of risk to the SMT 	<ul style="list-style-type: none"> Draft and maintain IA Policy Lead for drafting and implementation of IA Plan Lead planning and operational relationship with externally & internally appointed auditors & advisers 	<ul style="list-style-type: none"> SMT SMT Externally appointed internal auditors & advisers 	<ul style="list-style-type: none"> As required Drafting – annual; Implementation - quarterly reporting During development of audit plans; during audits; annual review
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 external & internal auditors 	<ul style="list-style-type: none"> As required
Advisory Audit Board (AAB)	<ul style="list-style-type: none"> Monitoring of risk management activity Providing advice and assurance to SIC 	<ul style="list-style-type: none"> Review and advise SIC in line with its TOR 	<ul style="list-style-type: none"> SIC External & Internal Audit 	<ul style="list-style-type: none"> As required (at least annually) As required (at least annually)
Internal Auditors - external	<ul style="list-style-type: none"> Report and advise on internal audit findings to SIC and AAB Provide assurance to SIC – including annual assurance statement 	<ul style="list-style-type: none"> Carry out and report on audits in line with the agreed IA plan Highlight concerns about risk Provide annual assurance statement Operational liaison to develop and implement IA plan 	<ul style="list-style-type: none"> SIC AAB HOCS External Auditors All Staff 	<ul style="list-style-type: none"> As required by audit plan As required (at least annually) During development of audit plans; during audits; annual review As required – at least annually As required

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