



DARLINGTON

Borough Council



Internal Audit Strategy

2025-2028

Vision and Objectives

Vision

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

Objectives

- Effectively evaluate the effectiveness of risk management, control, governance processes and Value for Money.
- Compliance with the Global Internal Audit Standards in the Public Sector

Application

As an independent, objective assurance and consulting activity 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 risk management, control and governance processes.

We will ensure that we work in ways that provide the highest level of assurance possible across all elements of the organisation's operations. We strive to continually improve the level of assurance we can give and this strategy outlines how we will develop the service to achieve this.

Current Position

Whilst the requirement to formally document an Internal Audit Strategy is a new requirement of the Global Internal Audit Standards in the Public Sector, the service has had a strategy in place for a number of years and has been working towards the achievement of these objectives. Progress made to date includes:

- Full re-imagining of the Audit Universe to ensure we understand all of our risks and the controls in place to manage those risks. This also makes the service much more agile, often managers will request advice on a specific element of a system/process, now we have broken the universe down to that level we are able to focus on the specific element of the system managers are interested in rather than reviewing the system as a whole.
- Versatile timely reporting, results are available to managers instantly and we are able to provide assurance at a number of different levels and in a number of different ways to provide managers with a good understanding of their risk environment in a format that is easy to understand and is readily accessible.
- It is now much easier to associate the results of audit testing into other assurance processes as they more closely align with service expectations.
- The audit plan is now a rolling programme of work which is fluid and can respond to changes in the risk environment much more quickly as any changes are on the whole relatively small whereas trying to manage full system audits is more difficult due to their size and resource requirements.

Further Development

We continually strive to enhance the level of assurance that we provide. We recognise that work is being undertaken across the authority that can provide additional assurance and therefore enhance the evidence base used to provide our assurance.

As technology advances it provides an ever increasing set of tools which can be used by auditors which can be used to automate some of the manual testing that takes place and increase sample sizes. This enhances the level of assurance that can be provided in 2 ways, by allowing more time to focus on more complex issues and increase confidence in results through increased sample sizes.

As organisation's evolve taking advantage of newer technologies or through staff changes there is a risk some core skills (Checks and Balances) are lost. Systems and processes have developed over the years and the need for these core skills was more evident in some of these manual processes. As the workforce demography changes over time the number of individuals who grew up using these manual systems and had developed these core skills decreases and there is a risk that these core skills could get lost by an over reliance on technology. These skills are still very much relevant today even if their application changes as systems and processes develop and as a service we need to ensure that individuals have the tools to implement those core skills such as reconciliation or segregation of duties into modern systems.

The strategy is therefore focused on the following areas:

- Assurance Framework/Linkages
- Automation – Risk Assessment & Testing
- Training Delivering Basic Core Skills – Financial Management, Reconciliation

Objective	Action	By Whom	By When
Assurance Framework/Linkages	Work with the services to understand other assurance work that is being undertaken, understand the standards for completing testing to feed into audit reporting and synergies between the teams	Assurance Manager/Risk & Development Officer	31 March 2027
Automation – Risk Assessment & Testing	Work with the services to establish data repositories and understand the uses for the data.	Assurance Manager/Audit Manager	31 March 2026
	Using the data stored in the repositories establish some automated assurance testing, exploring the possibilities A.I. might present.	Assurance Manager/Audit Manager	31 March 2027
	Using the data stored in the repositories establish some automated continuous audit risk assessment, exploring the possibilities A.I. might present.	Assurance Manager/Audit Manager	31 March 2027
Training Delivering Basic Core Skills	Develop a set of training materials that can be used to ensure core skills such as financial management and reconciling systems are maintained.	Audit Manager	31 March 2026

	Identify roles which should have a minimum level of competency in these core skills and ensure training is delivered to those individuals.	Audit Manager	31 March 2026
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