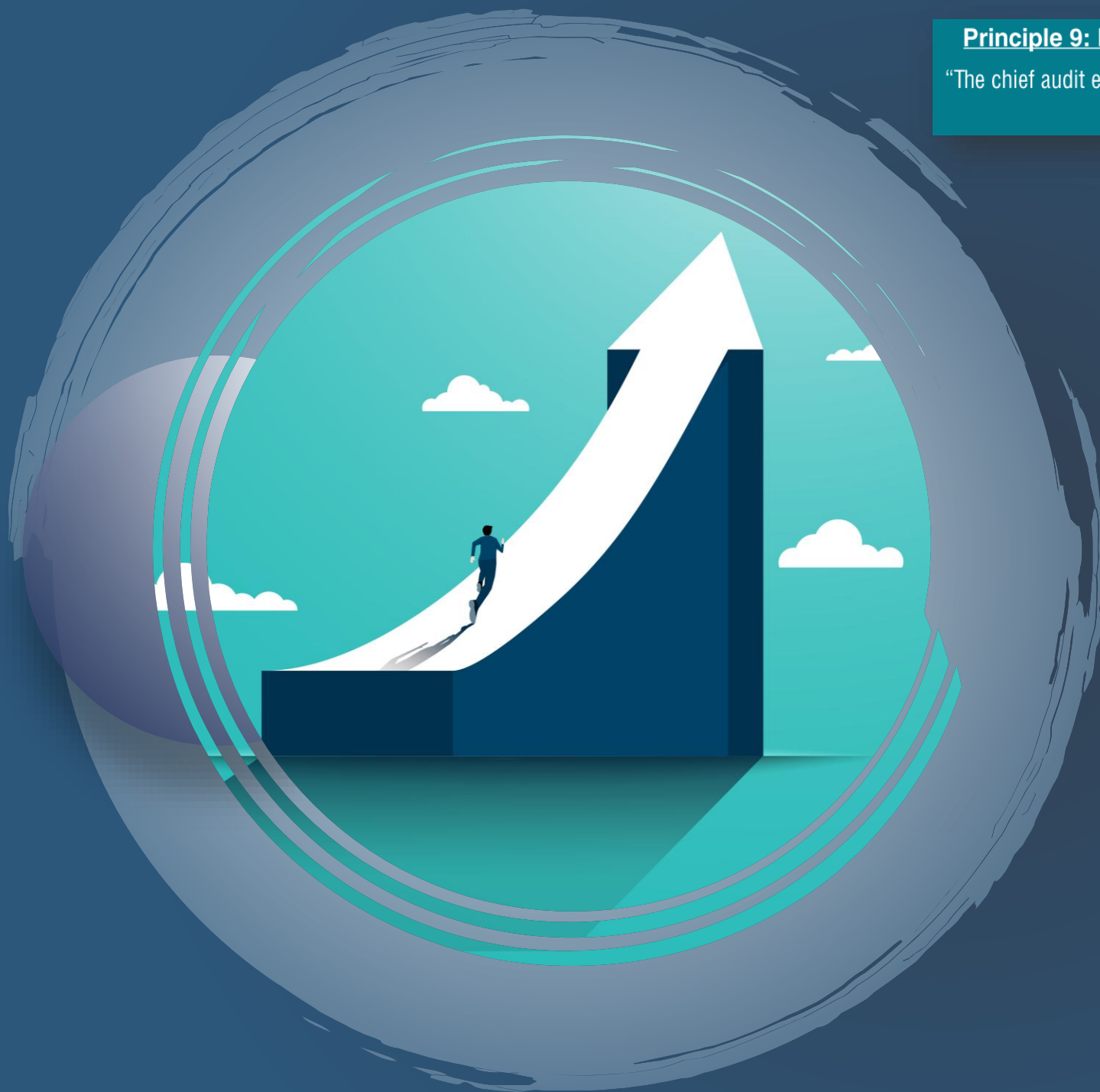


Principle 9: Plan Strategically

“The chief audit executive plans strategically to position the internal audit function to fulfil its mandate and achieve long-term success.”



MID KENT AUDIT INTERNAL AUDIT STRATEGY

V1.0 FEBRUARY 2025



Our Purpose

‘To protect and enhance our Councils visions of sustainable economic growth, better homes, communities, and environment, by delivering better insights and better outcomes through our independent, risk-based, assurance work’.



Our Vision

A dynamic, trusted, and influential assurance provider. A value-adding, catalyst for positive change and improvement.

How we achieve organisational alignment...



Audit Universe

Every 'auditable' area in each Council is included within our Audit Universe



Risk Assessment

Conducting a risk assessment of all auditable areas to ensure medium and high-risk are included in our Audit plan



Audit Planning

Working with Service Managers, Senior Management, and Audit Committee to agree an annual plan that benefits each Council



Trust

Providing advice and consultancy services, alongside our assurance work to become each Council's 'trusted advisor'.



Other roles

Overseeing whistleblowing and counter-fraud and conducting related investigations

...we ensure our work supports the Councils' strategic aims.

SWOT Analysis

Strengths (Internal)

- Audit Manual, Audit Management software, and templates provide clear guidance and consistency to our work
- A defined risk-based audit planning process is in operation
- Mid Kent Audit is respected and recognised by each Council as a trusted advisor and value-adding service
- Relationships within the team are strong and there is a strong sense of teamwork and team achievement.

Weaknesses (Internal)

- Resource issues may limit our ability to deal with ad-hoc advisory work and respond effectively to changes within the Councils (update Audit universe, internal documents and guidance).
- We rely on Audit Management and contractors to complete the annual audit plan.
- Inexperience and skills gap within the current team could mean audits are not completed as efficiently as we would like.
- We fail to adapt our work to reflect industry best practise (data analytics, AI etc.).

SWOT

Opportunities (External)

- Raise the profile of Mid Kent Audit to our clients, and at external events. Instil our values, aims and mission.
- Identify and collaborate with other assurance functions to reduce duplication of efforts and provide a higher degree of assurance.
- Develop the team by attaining recognised professional qualifications and attendance at regional and national networking events.
- Local Government Reorganisation could result in positive impacts on the team - the overall opinion of public sector internal audit is improved.

Threats (External)

- External resource issues (availability of contractors) impacts on our ability to deliver the annual audit plan.
- Organisational change impacts on the perception of internal audit and the value of our work.
- Local Government Reorganisation could result in negative impacts on the team and mean that the overall opinion of public sector internal audit declines.

Mid Kent Audit Maturity Analysis

Current Status: Managed

Managed: 'As the function reaches the Managed level, it becomes an integral component of the organisation's governance and risk management framework. Audit plans are dynamic and responsive to changing business needs. Continuous monitoring and data-driven insights enable proactive risk identification. The function is seen as a trusted advisor, delivering value beyond basic assurance'

	Position		Process, Technology and Innovation				People & Resources
Global Internal Audit Standards (GIAS)	Services and Role of IA	Organisational Relationships and Culture	Ethics and Professionalism	Performance Management & Accountability	Governance Structures	Technology and Innovation	People and Resource Management
	Principle 9	Principle 6	Domain II	Principle 8	Principle 7	Standard 10.3	Principle 10
Level 4 Managed	✓ Various service offerings on Governance, Risk Management and Control.	✓ Effective and ongoing communications & relationships with Committees and senior management.	✓ Audit Strategy leverage Organisation's priorities & management of risks	✓ Integration of qualitative and quantitative performance measures.	✓ Independent oversight of the IA activity. CAE has direct access to Audit Committee	Data analytics managed. Integrated audit workflows and data sharing with other assurance functions.	IA contribute to management development. IA activity supports Professional Bodies. Workforce planning, competency framework, training, and CPD.

Mid Kent Audit Maturity Analysis

Desired status: Optimised

Optimised: 'At the pinnacle of maturity, the internal audit function is fully aligned with the organisation's purpose and strategic objectives. It focuses on continuous learning and improvement, leveraging advanced analytics and innovative techniques to deliver predictive insights. The function is adaptive and consistently delivers measurable value to the organisation'.

	Position		Process, Technology and Innovation				People & Resources
Global Internal Audit Standards (GIAS)	Services and Role of IA	Organisational Relationships and Culture	Ethics and Professionalism	Performance Management & Accountability	Governance Structures	Technology and Innovation	People and Resource Management
	Principle 9	Principle 6	Domain II	Principle 8	Principle 7	Standard 10.3	Principle 10
Level 5 - Optimising	Mid Kent Audit plays a significant role in driving change and impact which it delivers using flexible assurance and advisory products.	Mid Kent Audit advises and influences top-level management/ board.	Continuous improvement in professional practices, strategic planning. Fully integrated assurance against risk appetite.	Public reporting of internal audit effectiveness, and an industry leader.	Independence, power, and authority of the IA activity.	Data analytics enabled. Integrated Governance Risk and Control tools across three lines, with real time monitoring and alerts.	Leadership Involvement with Professional Bodies, workforce projection, capacity optimisation role-based competency framework, training and CPD support.

Critical Success Factors – what we want to achieve

Our Vision: A dynamic, trusted, and influential assurance provider. A value-adding, catalyst for positive change and improvement

Our Purpose: To protect and enhance our Councils visions of sustainable economic growth, better homes, communities, and environment, by delivering better insights and better outcomes through our independent, risk-based, assurance work

Resources & Development

We have a fully resourced, high-functioning audit team

Our team is encouraged to reach their full potential. They enjoy and recognise the importance of the work they do



Stakeholder Engagement

We engage and influence stakeholders to strengthen the control environment

We are passionate about the value we add. We provide a positive opportunity for improvement



Functional Development

We innovate, and embrace technology to increase efficiency

We explore technological developments and new ways of working to maximise the potential of our audit work

Critical Success Factors – how we'll get there

Resources & Development

A fully resourced, high-functioning audit team

- Working collaboratively to achieve team goals
- Clear career pathways
- Professional development resulting in career progression
- Range of skills, specialisms, and qualifications within the team maximised - skills gaps closed and resilience increased
- Early work with contractors to fill resource gaps



Stakeholder Engagement

We engage, and influence stakeholders to strengthen the control environment

- Thorough planning exercises, and an up-to-date audit universe
- Working with our stakeholders to ensure the audit plan aligns with strategic objectives
- Timely, clear, and insightful communication in all our assurance and consultancy work
- Building risk maturity through education and support



Functional Development

We innovate, and embrace technology to increase efficiency

- Risk maturity results in dynamic audit plans – we flex our plan to address emerging risks
- Agile auditing – focussed assurance work, closer collaboration, and faster turnaround
- Data Analytics – 100% population testing
- Explore use of AI within our work
- Audit management software is fit for purpose

Skills and Resources Analysis

Experience Current Status:

- Varying levels of experience.
- Majority of team under 5years
- Trainee and Apprentice in post
- Difficulty in attracting and retaining experienced staff



Qualifications & Specialisms Current Status:

- Chartered Public Finance Accountant (CPFA)
- Accredited Counter Fraud Specialist (ACFS)
- Chartered Member of the Institute of Internal Auditors (CMIIA)
- Specialisms in counter-fraud, risk management, and AGARs



Resources Current Status:

- Carrying four vacancies (two at Senior Auditor level)
- Mixed success in recruitment campaigns
- Competitive field – qualified/experienced auditors are scarce and in high demand

Actions:

- We will seek and act on staff feedback to make Mid Kent Audit a great place to work
- We will offer support, training, and development, to encourage loyalty, and build experience levels on the team

Actions:

- Two team members are studying towards recognised qualifications, but we'd like full team coverage
- We will promote opportunities to study, and support students to achieve their goals

Actions:

- Review current audit team structure
- Provide opportunities for career development (clear career pathways)
- Recruit at Trainee level – grow our own talent.

Strategic Road Map – short term goals

May 2025

Complete 2024/25 Audit Plan and provide the annual audit opinion. Agree and commence 2025/26 Audit Plan

June 2025

Secure contractor services until 2027 to fill resource gaps and allow development within the team

June 2025

Complete transition to JCAD for all TWBC Corporate and Operational Risks (inc. delivering training and providing support to officers).

July 2025

All Mid Kent Audit Charters, Policies, Manual, and Strategy, reviewed, refreshed, and approved.

November 2025

Complete review, and potential restructure of the team to provide for career progression

December 2025

Pass External Quality Assessment (EQA) - internal audit must undergo assessment every five years to demonstrate conformance with the GIAS

Strategic Road Map – medium term goals

January
2026

Complete review, evaluation, and tendering, for replacement Audit Management Software

January
2026

Conduct 'deep dive' annual planning exercise, ensuring that organisational structures and audit universe are reflected accurately prior to move to new software

February
2026

Complete exercise/ initiatives to embed Counter Fraud and Whistle-blowing strategies within partner Council's

May
2026

Complete 2025/26 Audit Plan and provide the annual audit opinion. Agree and commence 2026/27 Audit Plan

June
2026

Review team resources and, if appropriate, commence recruitment exercise to fill vacant posts

June
2026

Support partner Councils with Local Government Reorganisation (LGR)

Mid Kent Audit's Performance

Current Measures:

KEY	
External	
Processes/functions	
People/Resources	

PI: Client Satisfaction Survey

Management Team & Committee feedback

Audit Software

Regular process reviews

Audit completion time – start to finish

PI: Prompt Reporting

PI: Audit Plan Progress

Follow-up work – agreed actions taken

Monthly check-ins

Objective setting & monitoring

Team Days/Team Meetings

Qualification training

CPD, training & events

Mid Kent Audit's Performance

Planned Measures:

KEY	
External	
Process/Innovation	
People/Resources	

Key stakeholder survey

Implement EQA actions

Collaborate with other assurance functions

% fully aligned with Council Strategic Objectives

Internal Audit contribution to Culture

Data Analytics – 100% population testing

‘Agile’ and ‘Continuous’ Auditing

Use of AI

Qualifications achieved

Career progression

In-team specialisms

- Our strategy is ambitious, but achievable.
- We have conducted analysis and review – we know our current status, and we will continue to monitor.
- We have identified what we want to achieve and what actions we need to take.
- We recognise the challenges and will meet these head on.



Summary & Conclusion

Vision achieved – ‘a dynamic, trusted, and influential assurance provider. A value-adding, catalyst for positive change and improvement’.

Contacts

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THANKYOU

Version History

	Date	Lead(s)	Notes
1.0	10.02.25	Catherine Byford	Strategy creation
1.0	13.02.25	Catherine Byford	Wider review.
	19.02.25	Katherine Woodward Mark Goodwin	Circulation to stakeholder and management team.
1.0	March	Catherine Byford	Approved by Audit Governance & Standards Committee