

### Internal Audit Plan Prioritisation Methodology

A 4-tier prioritisation methodology was agreed by the Audit and Risk Management Committee in March 2020 as follows:

- **Priority 1:** activity that directly links to Corporate Plan Outcomes and/or Corporate Risks, completion of this work within 2022/23 is considered essential to providing the annual opinion.
- **Priority 2:** activity that is more closely aligned to the delivery of top-level departmental objectives or risks and key corporate systems. Periodic audit coverage is considered sufficient to inform the annual opinion, auditable areas are largely identified from a rolling 3 year programme.
- **Priority 3** – lower risk activity where the risk of non-delivery of objectives may be contained at a departmental level, includes advisory assurance work. Periodic audit coverage is considered useful in informing the annual opinion, auditable areas are, again, identified from a rolling 3 year programme. Any P3 work not delivered in year will be considered for escalation to P2 for the subsequent year.
- **Priority 4** – activity that is focussed on local business objectives and of low financial materiality, risk/impact of failing to deliver objectives may be contained at a service level. Any P4 work not delivered in year will be considered for escalation to P3 for the subsequent year.