

## Section 10: Internal Audit (March 2025)

Effective internal audit provides independent assurance to the Management Committee that risk is being identified and managed effectively and that robust internal controls are in place. As such, the Committee are the driving force behind a successful internal audit function.

The Chartered Institute of Internal Audit (CIIA) defines the role of Internal Audit as:

*“to provide independent assurance that an organisation’s risk management, governance and internal control processes are operating effectively”.*

For compliance with the SHR Regulatory Framework internal audit is now compulsory. The Regulatory Standards of Governance and Financial Management at Standard 4 states:

**Standard 4 - The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.**

The standard further references audit at points 4.3 and 4.5:

**4.3 The governing body identifies risks that might prevent it from achieving the RSL’s purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.**

**4.5 The RSL has an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. It has arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that it meets its assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where the RSL does not have an audit committee, it has alternative arrangements in place to ensure that the functions normally provided by a committee are discharged.**

Pineview Housing Association treats internal audit as a crucial tool to establish robust, internal controls and to gain independent assurance. There are no alternatives to internal audit that can provide the same level of necessary independent assurance.

The Association follow the good practice recommendation of splitting the internal and external audit functions, and do not have one firm of auditors carrying out both functions.

The Association selects to work with internal auditors who have experience of internal audit within the housing sector, and of housing associations particularly. As such, our internal audit process is able to provide an assessment of the systems and controls of Pineview Housing Association, and also provide comparisons of these, and the associated outcomes, with outcomes and good practice from across the sector.

The audit work is determined by the Association (management committee and staff) and the internal auditor. This planning takes account of previous audit work; reviews of the Association’s risk register; reviews the current and impending business environmental factors; and the auditors experience from audits elsewhere. Our external financial auditors also contribute to the planning process and can highlight any concerns direct to our internal auditor.

In recognition of good practice, the internal audit programme can periodically be determined independently by the Association’s internal auditor.

Following a tender process during 2024, the current internal auditors contact details are as follows:

Graham Gillespie, Partner  
Wbg  
Registered Office: 168 Bath Street, Glasgow, G2 4TP.  
Email: [gg@wbq.co.uk](mailto:gg@wbq.co.uk) Phone: 0141 566 7000  
<https://wbq.co.uk/services/internal-audit/>

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The audit plan of internal audit work undertaken to date, and any audit work planned is as detailed on the following pages. This is reviewed annually, normally at the January Committee of Management meeting, and the Committee of Management, with advice from our internal auditors, determine the plan for the year ahead.

Our internal auditors require to work in conjunction with our external Financial Auditors on any matters of concern.

The Association's current external Financial Auditors details are as follows:

Stuart Beattie, Audit Director, CT LLP  
Registered Office: 61 Dublin Street, Edinburgh, EH3 6NL  
Tel: 0131 558 5800  
E-Mail: [stuart.beattie@chiene.co.uk](mailto:stuart.beattie@chiene.co.uk)  
<https://ct.me/contact/>

Chiene and Tait LLP, trading as CT, is a limited liability partnership registered in Scotland (SO303744). Registered office is at 61 Dublin Street, Edinburgh EH3 6NL. Offices also in Glasgow, Inverness and London. For full contact details visit [www.ct.me](http://www.ct.me).

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The pages below detail the programmes of Internal Audit agreed by the Committee of Management for the year ahead, and the provisional plan for the next two years.

The table on the pages further below, detail what areas have been assessed by internal audit over the previous 10 years.

## Internal Audit Assignment Plans and Key Dates 2025-26

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work.

Visit	Name	No. of audit days	Provisional start date for visit	Provisional date of issue of draft report
1	ARC Reporting 2024/25	2	April 2025	May 2025
2	Estates Management	4	May 2025	June 2025
3	Overall Financial Controls	4	September 2025	October 2025
	Follow Up - Anti-Social Behaviour, 2024/25 Follow Up,	0.5		
4	Annual Assurance Statement	3	October 2025	November 2025
4	Annual Assurance Statement	3	October 2025	November 2025
	Follow Up – Risk Management, Reactive Maintenance	0.5		

## Initial 3-year Audit Needs Assessment – January 2025

1 April 2025 to 31 March 2028		Operating Plan (No. Of days)			
System	Audit Area	2025/26	2026/27	2027/28	Optional
Financial Systems	Overall Financial Controls	4			
	Procurement		4		
	Income Management and Arrears (incl. coverage of Debt Management)			3	
Non-Financial Systems	ARC Validation	2	2	2	
	Annual Assurance Statement	3			
	Compliance with Energy Efficiency Standards				*
	Data Protection				*
	Estates Management	4			
	Health and Safety			5	
	Pre and Post Inspections			3	
	Share Register				*
	Staff Absences		3		
	Staff Engagement				*
IT	Cyber Security		4		

Required	Follow Up Review	1	1	1	
	Audit Management	1	1	1	
	<b>Total Days</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>-</b>

## Internal Audit Programmes - 2014 – 2025

Status -	Complete										
System - Audit Area	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Financial Systems</b>											
Budgetary & Financial Controls	1						3				2.5
Procurement								3			
Rental Income and Arrears Management	1				2.5						
Debt Management									3		
Purchasing, Payments and Procurement	2					2.5					
Personnel and Payroll	1							2		2	
Insurance Tender				0.5							
<b>Non-Financial Systems</b>											
ARC Reporting				2	2	2	2	2	2	2	2
Complaint Handling and Tenant Communications			1						3		
Data Protection				2							

System - Audit Area	Status - Complete	Complete									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Health and Safety, and Gas Safety			1								
Duty of Care										5	
Maintenance (Planned/Reactive/Cyclical)		2				2					3
Property Management			1								
Housing Allocation and Void Management			1.5		2					3.5	
Kendooon Integration & Delivery								2			
Staff Attendance and Management				1							
Tenant Participation and Engagement									3		
Anti-Social Behaviour											2
<b>IT</b>											
IT Systems		1.5						2.5		1	
<b>Governance</b>											

<sup>1</sup> Internal auditor involved with ICT tender and contract award.

Status -	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
System - Audit Area	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Corporate Governance and Risk Management (Auditor takes part in 6 monthly risk review)		1						2			
Risk Management											2
Review of Business Plan (Re Regulatory Guidance)						2					
Share Register				1							
Equalities									2.5		
Covid-19 Arrangements							3.5				
<b>Additional Required</b>											
Follow Up Review		0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Audit Management	1	1	1	1	1	1	1	1	1	1	1
<b>Total Days</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>10</b>	<b>15</b>	<b>15</b>	<b>17</b>	<b>13</b>

EESHS2 / SHNZS was provisionally planned for 2024 however, due to the delay in the publication of requirements by the Scottish Government, this was removed on the advice of the internal auditor. This area of audit was replaced with an audit of budgetary and financial controls, as approved by the Committee of Management 21/08/2024.