

## Internal Audit – Staff consultation outcome

### Feedback by theme

In general, the commitment to consult and to provide an opportunity for staff to contribute was welcomed, as was the positive tone of the consultation.

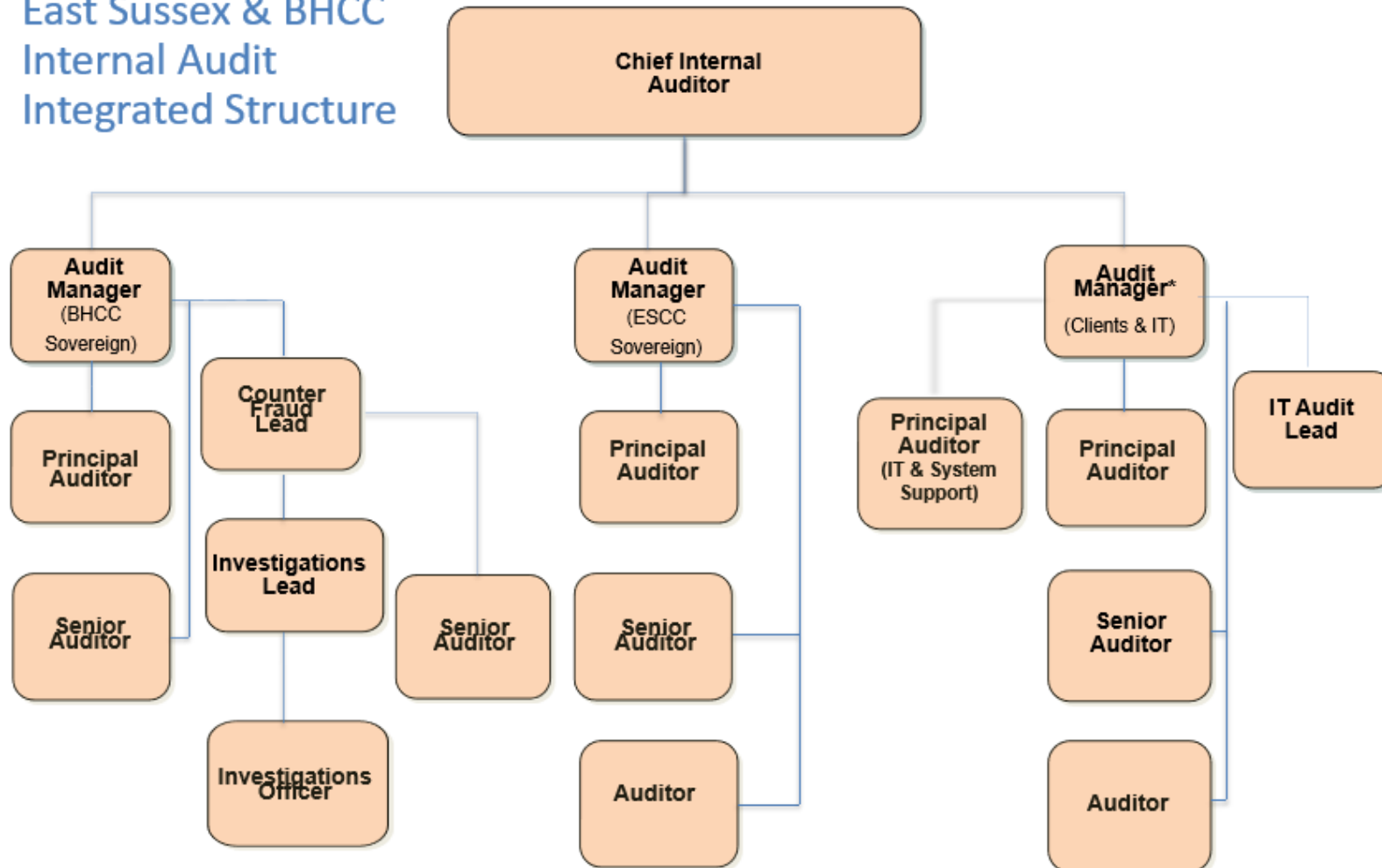
The strategic rationale for moving from the Orbis model to a new East Sussex and Brighton & Hove approach was recognised, as was the opportunity to strengthen the function, acknowledging that the transition needs to be handled carefully.

It was also recognised that the change represents a cultural and operational shift. Staff have raised concerns about the potential loss of established Orbis ways of working, shared expertise and resilience, particularly during periods of peak demand or specialist audit activity. There is an acknowledged risk that knowledge, consistency and informal peer support built up over time could be weakened if the transition is not fully supported.

As well as feedback on the transition, some changes to the roles in the structure have been proposed, as included in the structure chart below and summarised as follows:

- The creation of a Counter Fraud Lead with management responsibilities is proposed, reflecting the importance of the function within the service. This role would report to the Brighton & Hove City Council (BHCC) Audit Manager position, but with all current counter fraud members moving under the new position to create a single 'team'.
- The importance of an Audit Management System and harnessing productivity tools such as Artificial Intelligence (AI) was highlighted as critical for an effective and efficient Internal Audit service. The creation of a Principal Auditor role with responsibility for leading on these important areas alongside the delivery of IT audits is therefore proposed.
- Delivery to Horsham District Council (HDC) is proposed to be novated to Surrey County Council (SCC) to allow HDC to receive service continuity from their Chief Internal Auditor and to enable the new partnership to meet our commitments to our other partners and clients.

# East Sussex & BHCC Internal Audit Integrated Structure



\* Oversees client delivery at HBC & IT

## **Management response**

The constructive and positive nature of the feedback received is welcomed, and provides a range of insights and suggestions which, if implemented effectively, will put the service onto a stronger footing.

The importance of an effective transition with the necessary support and management of workloads is recognised, including the active management of differences in culture between the two authorities. Feedback from staff has been genuinely valuable in preparing for the transition and, as a result, particular consideration will be given to the following:

- Training offer and ongoing continued professional development, including mentoring and shadowing
- Establishing a clear sense of identity/name of the new service model – including a team away day and regular whole team meetings
- Undertaking a System Service Implementation Review
- LGR engagement and planning
- The design of a simple and clear governance structure for the new service overseen by the Chief Operating Officer (ESCC) and the Director of Property & Finance (BHCC)
- The development of joint working practices for the service, e.g. 121/performance management, calendar access etc (overseen by the above proposed governance structure) in order to be consistent and efficient. This will need to be underpinned by any necessary documentation.
- The need to appoint a Chief Internal Auditor as soon as possible.

The need to have stable and effective leadership at a time of change is particularly important and, as such, an interim Chief Internal Auditor has now been appointed in Mark Winton.

The need for the service to create a sense of identity is also strongly recognised. It is therefore positive to note that the proposed changes to the team roles are such that there is no need to rely on support from Surrey County Council.

It is also agreed that the proposed changes to the team roles strengthen the service, build a more sustainable model, and provide resilience and continuity in a flexible way to respond to new opportunities such as LGR and Devolution. This is the recommended post-consultation structure. The changes do not reflect any budgetary pressure.