

Report of the Internal Auditors

Subject: Internal Audit Plan

1. Introduction

The Authority employs Astari to undertake the function of Internal Auditors.

Every year an Internal Audit Plan is agreed by the Audit and Corporate Services Review Committee.

A draft of this plan is presented as Annex A. This draft plan was developed following consultation with the Chair, Vice Chair, Chair of Audit and Corporate Services Review Committee and Senior Leadership Team.

The Authority's Management Team were also provided with an opportunity of commenting on the draft plan.

Members are asked to approve the Internal Audit Plan for 2026-2027.

RECOMMENDATION:

Members are requested to

- **APPROVE the Internal Audit Plan for 2026-2027.**



Pembrokeshire Coast National Park Authority

Strategy Update for Internal Audit
2026/27 – 2028/29

To be approved by the Audit & Corporate Services Review Committee meeting of 13 May 2026.



Table of Contents

1. Introduction	1
1.1. Approach.....	1
1.2. The Purpose and Function of Internal Audit	2
2. Developing your Internal Audit Strategy for 2026 / 2029.....	3
3. Considerations for the National Park Authority	3
4. DETAILED INTERNAL AUDIT PLAN 2026/27.....	4
Appendix I: Strategy for Internal Audit 2026/27 – 2028/29	8
Risk Based Coverage.....	8
Other Internal Audit Coverage.....	11

This report is prepared solely for the use of the Authority and senior management of Pembrokeshire Coast National Park Authority. Details may be made available to specified external agencies, including external auditors, but otherwise the report should not be recited or referred to in whole or in part to other third parties without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended for any other purpose.

1. INTRODUCTION

1.1. Approach

This strategy sets out the approach taken to develop your strategy for Internal Audit for 2026 / 2029. It provides the Authority with a three year strategy and a more detailed plan for 2026/27.

The Internal Audit Strategy is reviewed at least annually to take into account any significant events or findings which may impact upon the audit risk assessments and in-year changes are often implemented as the priorities of the authority change and the risk environment alters. An update on delivery of the Strategy, including any changes, is provided at each meeting of the Audit & Corporate Services Review Committee.

Each year an ‘Understanding the Business’ exercise is undertaken through which your Internal Audit team considers any changes to the Authority or the operating environment, including reviewing the results of previous audits and other sources of assurance. This, plus your own risk management processes are used to undertake a risk assessment and develop a robust, risk-based audit plan.

An Annual Plan will be prepared prior to the start of each fiscal year and will be presented to the Audit & Corporate Services Review Committee for approval for submission to the National Park Authority.





1.2. The Purpose and Function of Internal Audit

Our professional responsibilities as internal auditors are set out in the Global Internal Audit Standards (GIAS), published by the Institute of Internal Auditors (IIA), which were updated and become live on 9 January 2025.

The GIAS state that the purpose of Internal Audit is to “strengthen the authority’s ability to create, protect and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.”

Internal Auditing enhances the authority’s:

- Successful achievement of its objectives;
- Governance, risk management, and control processes;
- Decision-making and oversight;
- Reputation and credibility with its stakeholders; and
- Ability to serve the public interest.

The GIAS state that internal auditing is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards, which are set in the public interest;
- The internal audit function is independently positioned with direct accountability to the board; and
- Internal auditors are free from undue influence and committed to making objective assessments.

The updated Standards place particular emphasis on Board ownership, via the Audit & Corporate Services Review Committee, of the Internal Audit Strategy and Annual Plan and that requirement is reflected throughout this document.

2. Developing your Internal Audit Strategy for 2026 / 2029

Understanding Pembrokeshire Coast National Park Authority's objectives and risk profile is the starting point for the development of the strategy for internal audit for the Authority, which is set out at Appendix I to this document. The following key areas were considered in the update of the 2026/27 plan and three year strategy:

Key Areas considered:	
1	This Strategy is a risk-based Strategy and it is built around the Authority's objectives and risks. Appendix I provides details of the significant risks from the February 2026 Risk Register and how our audits will support in providing assurance over the risks.
2	Ongoing knowledge learnt about the Authority so far and the findings of our reviews undertaken since 2023/24 to ensure the audit universe (detailed in Appendix 1 – 'Other Internal Audit Coverage') is accurate and complete.
3	Impacts of the external environment on the Authority and it's potential to achieve its objectives, including but not limited to financial pressures and climate change, have been considered.
4	Feedback from management, the Audit & Corporate Services Review Committee (ACSRC) Chair, Deputy Chair and Members was sought and used to develop the plan to ensure it provides the most value to the Authority.
5	Requests made by the ACSRC throughout the year has supported the development of the plan, for example, Cyber Security will follow up on recommendations made in our 2023/24 review of the area which resulted in a low assurance opinion. A full assurance review is planned then by Audit Wales later in 2026/27 and the two reviews should complement each other.

The detailed plan for 2026/27 is set out in Section 4.

3. Considerations for the National Park Authority

To assist the Authority with its consideration of the Internal Audit Plan, some questions are provided below that could be considered when reviewing the Plan:

- Does the Strategy for Internal Audit (as set out at Appendix I) cover the Authority's key risks as they are recognised by the authority?
- Is there sufficient alignment between the proposed engagements planned and the rest of the Authority's assurance framework / programme of assurance?
- Does the audit strategy include all those areas that the Authority would expect to be subject to internal audit coverage, both in terms of our professional responsibilities as well as covering areas of concern flagged by management?
- Is the level of audit resource accepted by the Authority and agreed as appropriate, given the level of assurance required?
- Does the detailed internal audit plan for the coming financial year (see Section 4) reflect the areas that the Authority believes should be covered as priority?
- Is there sufficient clarity over the assurance you will be receiving detailed in the plan for the coming financial year?
- Is the level of audit resource accepted by the Committee and agreed as appropriate, given the level of assurance required?
- Is the Authority satisfied that sufficient assurances are being received to effectively monitor its risk profile?

4. DETAILED INTERNAL AUDIT PLAN 2026/27

Audit	Overview of Internal Audit Coverage	Proposed Timing	Days
Information & Cyber Security and Data Protection Follow Up	<p>Engagement Objective: To provide assurance that recommendations raised in the Information & Cyber Security and Data Protection 2023/24 audit have been appropriately acted upon and implemented in line with agreed timescales, to help mitigate those information and cyber security risks previously identified. The review will cover:</p> <p>Review of action taken to implement internal audit recommendations relating to:</p> <ul style="list-style-type: none"> ▪ Penetration testing arrangements and action taken to address weaknesses identified; ▪ Effectiveness of the asset register maintenance, including sample checking accuracy of it and test compliance with processes to ensure its maintained; ▪ Data protection and cyber security training arrangements, including identification of key roles and monitoring compliance against training requirements; ▪ Starter and leaver arrangements for effective information access management; ▪ Communication of key risks to staff; and ▪ Risk assessment of data protection risks and consideration of assurance processes established over them. <p>A full assurance review of Cyber Security is planned by Audit Wales in 2026/27 and therefore this review will focus primarily on following up on recommendations we have previously raised to confirm that risks have been addressed and should complement the Audit Wales review.</p> <p>This review may provide partial assurance over risk 12.</p>	September 2026	3

Audit	Overview of Internal Audit Coverage	Proposed Timing	Days
Park Accessibility	<p>Engagement Objective: To provide assurance that the authority has appropriate plans in place and is delivering against those plans to 'enhance equitable access'¹ to the National Park, removing barriers and ensuring inclusive access.</p> <ul style="list-style-type: none"> ▪ Review the plan(s) in place to achieve defined objectives in this area, including comprehensiveness and measurability of the delivery plan(s) to aid in monitoring. ▪ Progress against the plans, including sample testing status of plan to confirm its accuracy. ▪ Monitoring and oversight of plan progress and delegated decision-making arrangements, focusing on consideration of the impact wider decisions taken across the authority have on the achievement of the park accessibility objectives. <p>This review may provide partial assurance over risk 3.</p>	October 2026	3
Business Continuity	<p>Engagement Objective: To provide assurance that the authority is prepared for significant incidents, it has assessed the risks and impacts and put in place processes to either prevent disruption of key services or enable quick recovery if prevention is not possible.</p> <p>The review will cover:</p> <ul style="list-style-type: none"> ▪ Review of the authority's business continuity plan against good practice. ▪ Business impact assessments / scenario consideration & response. ▪ Training for key staff. ▪ Testing of the business continuity plan. ▪ Learning from tests & incidents and updating of the Plan. <p>This review may provide partial assurance over risks 8 & 10.</p>	November 2026	3

¹ This has been taken from the Partnership Plan objectives.

Audit	Overview of Internal Audit Coverage	Proposed Timing	Days
Safeguarding	<p>Engagement Objective: To provide assurance that the authority has robust processes and structures in place to identify and act upon safeguarding concerns. The review will cover:</p> <ul style="list-style-type: none"> ▪ Policies and procedures in place around safeguarding across the authority. ▪ Identification and risk assessment of safeguarding risks and actions taken as a result. ▪ Validation of staff members' Disclosure and Barring Service (DBS) checks. ▪ Training in relation to safeguarding and the outcomes achieved as a result of that training. ▪ Performance monitoring, reporting and assurance processes. 	January 2027	4
Climate Change & Decarbonisation	<p>Engagement Objective: To provide assurance that the Authority has and is implementing robust structures and processes to meet the Welsh Government target to be carbon neutral by 2030. The review will cover:</p> <ul style="list-style-type: none"> ▪ Review of the method taken to establish plans for the achievement of the target, including its alignment with other strategic priorities/plans. ▪ Carbon baseline, including how the Authority has obtained assurance over its accuracy. ▪ Resourcing and financial planning arrangements. ▪ Consideration of how action and decisions affecting the wider park are prioritised by the Authority, which may have an impact on the achievement of its carbon neutrality targets. ▪ Internal reporting against decarbonisation targets and key risks to achievement of them, including sample accuracy of plan status. ▪ Leadership and Member ownership and oversight of the carbon neutrality delivery plans. 	February 2027	4

Audit	Overview of Internal Audit Coverage	Proposed Timing	Days
External Funding Team	<p>Engagement Objective: To provide assurance that the work of the fundraising team has robust structures and processes in place to identify, source and appropriately utilise funding to support the achievement of the Authority's strategic objectives. The review will focus on:</p> <ul style="list-style-type: none"> ▪ The method in which funding sources are identified and its alignment with the Authority's overall strategic purpose. ▪ Processes in place to effectively apply for and secure funding, including learning lessons from failed bids. ▪ Monitoring the delivery of funding in line with grant conditions, including internal assurance processes in place over compliance with grant conditions. ▪ Arrangements in place to ensure value for money is achieved for the Authority. <p><i>Since the Pembrokeshire Coast National Park Trust is an independent body, this audit will not focus on the processes of the Trust. However, the audit may consider how the Trust utilises funds provided by the Authority.</i></p>	March 2027	4
Follow Up	To meet internal auditing standards and to provide management with ongoing assurance regarding implementation of recommendations. In the first year this will include consideration of all outstanding recommendations and an assessment of whether they are still live and their stage of implementation.	December 2026	2
Management	<p>This will include:</p> <ul style="list-style-type: none"> ▪ Quality assurance processes within each engagement; ▪ Annual planning; ▪ Preparation for, and attendance at, Audit & Corporate Services Review Committee meetings; ▪ Regular liaison and progress updates; ▪ Liaison with external audit; and ▪ Preparation of the annual internal audit opinion. 	Ongoing	5
TOTAL:			28

APPENDIX I: Strategy for Internal Audit 2026/27 – 2028/29

Risk Based Coverage

Risks ²	Inherent Risk	Residual Risk	Audit Area	2025/26	2026/27	2027/28	2028/29	Last Audit Date
12 – A Cyber Attack impacting on ICT infrastructure. Inappropriate use of AI.	20	15	Cyber Security		✓			2023/24
2 – A failure to achieve a carbon neutral Authority by 2030, support the Park to achieve carbon neutrality, and adapt to the impact of climate change.	12	8	Climate Change & Decarbonisation		✓			2024/25
1 – Biodiversity in the National Park is in decline, failure to meet our contribution to 30x30 target, failure to deliver nature recovery programmes, failure to manage wildlife disturbance.	9	4	Biodiversity & Nature Recovery				✓	-
4 – Failure to provide sufficient housing and services for communities. Failure to support community cohesion.	9	4	Planning & Development				✓	-
9 – Failure to meet Health & Safety requirements. Risk of injury to a staff member, volunteers or visitor following an Incident. Risk of harm as a result of unsafe working practices.	8	6	Corporate Health & Safety				✓	2024/25
			Asset Management – Health & Safety			✓		-
			Visitor Centres				✓	2024/25

² Included in the above table are all strategic risks from the February 2026 strategic risk register.

Risks ²	Inherent Risk	Residual Risk	Audit Area	2025/26	2026/27	2027/28	2028/29	Last Audit Date
3 – Fewer people are visiting and enjoying the National Park. The Park is not used to improve the health of residents and visitors. A failure to attract people from different backgrounds or with particular protected characteristics. Failing to support a wide range of programmes.	6	4	Park Accessibility		✓			-
			Customer Engagement (Inc Consultation)	✓			2025/26	
5 – Failing to secure sufficient income to deliver the objectives of the Authority. Failing to manage costs leading to deficits. Failure to manage multiple project grants.	6	4	Commercial Management	✓			→ ³	2025/26 2025/26 Financial Sustainability (Audit Wales)
6 – Not being able to delivery on the targets laid down by the Welsh Government's Remit letter. Failing to meet target set by funders.	6	2	Strategic Planning	✓			→	2025/26
7 – Not meeting the legal and Governance Requirements of the Authority. Not mainstreaming requirements in areas such as Equality and Well-being Objectives.	6	2	Equality, Diversity & Inclusion				✓	2024/25
			Data Protection		✓ ⁴			2023/24
			Fraud				✓	-
			Procurement			✓		-
10 – Public health issue significantly impacting on the work of the Authority.	4	3	Business Continuity		✓			2019 TIAA

³ This symbol indicates that the area will be considered in future years.

⁴ Follow Up of data protection recommendations previously raised in our 2023/24 review.

Risks ²	Inherent Risk	Residual Risk	Audit Area	2025/26	2026/27	2027/28	2028/29	Last Audit Date
11 – A Financial Fraud. Incident impacting on the reputation of the Authority. Mismanagement of data.	4	3	Fraud Key Financial Controls			✓	✓	- 2025/26
8 – Accident, Environment Incident, Fire or other activity impacting on the National Park.	4	2	Business Continuity		✓			2019 TIAA

DRAFT

Other Internal Audit Coverage

Area	Internal Audit Coverage	2025/26	2026/27	2027/28	2028/29	Last Audit Date
Risk Management	Annual review of this key area to provide assurance that the Authority's risk management processes are operating effectively and that key risks to its objectives are being identified, managed and monitored.	✓		✓		2025/26
Key Financial Controls	Review of key financial control areas, including the following: <ul style="list-style-type: none"> ▪ General Ledger ▪ Payroll ▪ Creditors ▪ Budgetary Control ▪ Fixed Assets ▪ Cash & Treasury Management Coverage of the above areas will be risk-based, taking into account the following: changes to personnel or systems, time since the previous assurance review, changes in the external environment and/or risks identified in the sector.	✓		✓		2025/26
Governance	Annual review of governance arrangements in place; areas that may be considered include: <ul style="list-style-type: none"> ▪ Performance Management (Authorityal) ▪ Value for Money ▪ Governance Structures & Processes ▪ Strategic Planning 			✓		2022/23
					→ ⁵	2023/24
					✓	2024/25
		✓				2025/26
Follow Up	To meet the internal auditing standards and to provide management with ongoing assurance regarding implementation of recommendations.	✓	✓	✓	✓	Annual
Corporate	Business Continuity		✓			2019 TIAA
Corporate	Complaints Handling				→	-

⁵ This symbol indicates an audit area that is to be covered in years beyond the life of this Strategy.

Area	Internal Audit Coverage	2025/26	2026/27	2027/28	2028/29	Last Audit Date
Corporate	Contract Management			✓		-
Corporate	Corporate Health & Safety				✓	2024/25
Corporate	Customer Engagement (incl. consultations)	✓			✓	2025/26
Corporate	Data Protection		✓			2023/24
Corporate	Fraud				✓	-
Corporate	Equality, Diversity and Inclusion				→	2024/25
Corporate	External Funding Team		✓			-
Corporate	Income Generation				✓	2023/24
Corporate	Procurement			✓		-
Corporate	Safeguarding		✓			2022/23
Corporate	Waste Management Regulations Compliance			✓		New
Information Technology	Cyber-Security		✓			2023/24
Information Technology	IT Strategy			✓		2024/25
Information Technology	IT Continuity & Disaster Recovery	✓			✓	2025/26
Operations	Park Accessibility		✓			-
Operations	Assets - Commercial Management	✓			✓	2025/26
Operations	Assets - Health & Safety Management			✓		-
Operations	Climate Change & Decarbonisation		✓			2024/25
Operations	Biodiversity & Nature Recovery				✓	-
Operations	Coastal Path Management			✓		2023/24
Operations	Planning & Development				✓	-
Operations	Visitors Centres			✓		2024/25
Human Resources	Recruitment & Retention			✓		-

Area	Internal Audit Coverage	2025/26	2026/27	2027/28	2028/29	Last Audit Date
Human Resources	Succession Planning			✓		-
Human Resources	Performance Management (Personnel)				→	-
Human Resources	Sickness Absence Management				✓	-
Added Value Services	<p>We can undertake a number of additional added value services to support the Authority, including:</p> <ul style="list-style-type: none"> ▪ Project Management Support ▪ Project Assurance – including attendance at project meetings as a ‘critical friend’ ▪ Workshops on specific areas such as risk, projects or strategic / corporate / operational planning ▪ Training <p>These may form part of the formal Internal Audit Plan or may include, for example, pre-Authority / Audit & Corporate Services Committee training on particular subject areas. These can be requested at any point throughout the year but may be subject to an additional resource allocation.</p>	-	-	-	-	-