

Agenda Item No: -

Report to: Audit Committee

Date of Meeting: 23 March 2009

Report Title: INTERNAL AUDIT PLAN 2009-10

Report By: Tom Davies
Chief Auditor

Purpose of Report

To present the internal audit plan for 2009-10.

Recommendation(s)

1. That the Audit Committee approves the plan.

Reasons for Recommendations

To provide clear authority for Internal Audit to discharge the assignments listed therein and to enable monitoring of the efficiency and effectiveness of Internal Audit by the Audit Committee.

Background

1. The audit programme for 2009-10 has been produced after discussions with Corporate Directors, Managers, external audit and reference to the Council's agreed priorities. It includes both traditional and new areas of work. Traditional audits include review of the fundamental financial systems and some projects. New areas include risk reviews that focus on ensuring that significant risks have been identified and are being appropriately managed.
2. The plan is spread across financial, operational, computer and limited value for money (vfm) auditing.
3. The approach to the audit of the fundamental financial systems has been changed by the introduction of the International Auditing Standards (ISAs) introduced into mainstream audit in 2004 and adopted in Local Government in 2006. The key aspect of the change is the requirement to identify, document, and test fundamental financial systems in a particular way. Financial audit remains the anchor point of the plan.
4. Other areas for audit and risk reviews are selected from the Risk Database. The operations included on this year's audit plan are those with a risk score in the upper quartile by comparison with other HBC services.
5. The plan is underpinned by a set of planning assumptions in relation to available days.
6. Specific Terms of Reference for each audit are agreed with relevant Directors and Managers before the commencement of each audit.
7. The plan will keep aligned to the corporate objectives.

Internal Audit Plan 2009-10

	Fundamental and Financial Audits	Risk Reviews, Follow-up and Other
April	Tressell Training Closure Audit (in conjunction with the college)	Review of Risk Management
May	Local Area Agreement - Grants	
June	Review of controls over Area Based Grants	
July		Use of Resources – Key Lines of Enquiry
August	Follow-up NDR and Debtors	Corporate Governance – Partnership Risks
September	Treasury Management	
October	Follow-up of Cash income and Bank Reconciliations	Project Risk Review
November	Main Accounting Systems	Risk Review – IT Disaster Recovery
December		2 x National Indicators
January	Creditors	Risk Review – Housing Services
February	International Auditing Standards Compliance work covering all fundamental controls	Risk Review – Contract Risk
March		Annual Reporting – Annual Governance Statement, Audit Committee Report to Council and Annual Audit Plan

Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No

Supporting Documents

None

Officer to Contact

Tom Davies
tdavies@hastings.gov.uk
Telephone: 01424 451524
