

Agenda Item No:

Report to: Audit Committee

Date of Meeting: 22 March 2010

Report Title: Internal Audit Plan 2010-11

Report By: Tom Davies
Chief Auditor

Purpose of Report

To invite comment on the proposed internal audit plan 2010-11.

Recommendation(s)

1. That the proposed internal audit plan 2010-11 is approved.

Reasons for Recommendations

Audit Committee approval of the Internal Audit plan provides clear authority for Internal Audit to discharge the assignments listed therein and enable monitoring of the efficiency and effectiveness of Internal Audit.

Background

1. The audit programme for 2010-11 has been produced after communication with Heads of Service, CMG, external audit and reference to the Council's agreed priorities. It includes both new and traditional areas of work. Traditional audits include review of the fundamental financial systems. 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 a little value for money (vfm) auditing.
3. The approach to the audit of the fundamental financial systems has been changed by the introduction of International Auditing Standards (IAS) 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 emphasis in the plan.
4. Other areas of audit and risk reviews are selected after reference to the Risk Database.
5. The plan is developed in relation to planning assumptions reviewed annually and made and in accord with available days.
6. The specific terms of reference for each audit will be agreed with the relevant Directors and managers before commencement of each assignment.
7. The plan will keep aligned to the corporate objectives.

	Fundamental and Financial Audits	Risk Reviews, Follow-up and Other
April	Delegated Authority Compliance	Use of Resources – Key Lines of Enquiry
May	LAA Grants – Capital Element	
June	Council Tax	Future Jobs Programme
July		
August	Follow-up Treasury Management, Main Accounting Systems & Creditors	Corporate Governance – Partnership Risks
September	Cash & Bank – Improved Processes	
October		
November	Payroll	Follow-up of IT Disaster Recovery Audit
December		
January	International Auditing Standards Compliance work covering all fundamental controls	Ethical Governance Audit
February		Post Implementation Review – iTRENT system
March		Annual Reporting – Annual Governance Statement, Audit Committee Report to Council and Annual Audit Plan

† An audit of Housing Options - Payments is on the reserve list.

Wards Affected

None

Area(s) Affected

None

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	No
Human Rights Act	No
Organisational Consequences	No

Background Information

None

Officer to Contact

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