

Meeting:	Audit and governance committee
Meeting date:	21 March 2017
Title of report:	Internal audit plan 2017-18
Report by:	Internal audit – South West Audit Partnership

Classification

Open

Wards affected

County-wide

Key decision

This is not an executive decision.

Purpose

To seek the committee's approval of the internal audit plan for the period 1 April 2017 to 31 March 2018.

Recommendation

That

- (a) **The internal audit plan 2017-18 at appendix B be approved.**

Alternative options

- 1 There are no alternative options to approving a plan as this plan is a requirement of the public sector internal audit standards (PSIAS).
- 2 The content of the plan may be amended; however in doing so regard should be had to the overall prioritisation of resources, level of risk and/or evidence of control weakness.

Reasons for recommendations

- 3 The committee is responsible for approving the annual plan and should be satisfied with the level of assurance it can give over the council's corporate governance arrangements.
- 4 To ensure the council complies with recommended best practice as set out in the PSIAS.

Key considerations

- 5 The internal audit plan report is set out in appendix A.
- 6 The internal audit plan 2017-18 is set out in appendix B.
- 7 The plan sets out the work required for internal audit to give an opinion on the adequacy and effectiveness of the council's risk management, governance and internal control arrangements.

Community impact

- 8 An effective internal audit service is a key element of the council's overall assurance framework. By agreeing an annual audit plan it is clear where the internal audit resource will focus its attention through the coming year and how this activity will support assurance and improvement to enable the council to achieve its corporate priorities.

Equality duty

- 9 The report does not impact on this area.

Financial implications

- 10 The 2017/18 internal audit plan will be delivered from an existing revenue budget of £225k, which includes a contribution from local authority schools. The budget includes a contingency for audit issues which arise during the year. Based upon 2016/17 performance the 2017/18 budget is deemed appropriate for expenditure arising.

Legal implications

- 11 In accordance with section 5 of the Accounts and Audit (England) Regulations 2015, the council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance."

Risk management

- 12 There is the risk that the annual internal audit plan does not take into account the key issues and risks facing the council and does not provide adequate coverage of the council's key systems for the head of internal audit to form an opinion on the council's

control environment. The process by which the plan has been compiled mitigates this risk.

- 13 There is also a risk that there may be insufficient resources available to deliver the planned programme of audit work. To mitigate this, the plan has been based on an assessment of the resources available from the South West Audit Partnership (SWAP). Regular meetings will be held between the SWAP assistant director and the director of resources which allows regular monitoring of resource availability.

Consultees

- 14 The views of the chief executive, directors, interim director of resources and other key officers have informed development of the proposed internal audit plan.

Appendices

Appendix A – Internal audit plan report 2017-18

Appendix B – Internal audit plan 2017-18

Background papers

- None identified.