

Subject:	Internal audit plan 2015/16 update	
Date of Meeting:	23 June 2015	
Report of:	Head of Internal Audit	
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Ward(s) affected:	All	

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report updates the Audit & Standards Committee on the planned internal audit work for 2015/16.

2. RECOMMENDATIONS:

- 2.1 That the Committee approves the update to the internal audit plan.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The audit plan for 2015/16 was approved by the Audit & Standards Committee on 10 March 2015. This set out that the internal audit team expected to have 1400 days available for direct audit and that work for 2015/16 would focus on:

- the council's core systems and controls (including IT controls)
- operational and financial controls in specific service areas (including schools)
- supporting the council's modernisation agenda including reviews of:
 - the overall governance framework
 - the wider change agenda
 - procurement (including contract management).

- 3.2 The audit plan noted that 2015/16 would be a year of transformation as the Council seeks to address substantial financial challenges and modernise the way services are delivered. It also noted that the council is reviewing its arrangements for corporate governance and carrying out a formal organisational learning review. As a result rather than setting a detailed programme of work covering the whole year, the audit plan only set out an overall summary of the expected allocation of days and a detailed work programme for the first quarter of 2015/16.

- 3.3 Table 1 sets out an updated summary of the allocation of days and appendix 1 sets out the planned audits for the full year in detail.

Table 1 - Internal Audit Resources

Audit activity	Reported to Audit & Standards (Mar 2015)	Revised (see appendix 1)
Financial Systems	300	277
IT Audit	100	92
Schools	90	60
Service	410	379
Governance	100	97
Wider Change Agenda	80	63
Procurement	140	170
Implementation	50	40
Other Incl. Contingencies	130	222
	1400	1400

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Appendix 1 sets out the planned audits for the full year. The planned list of audits is, however, still subject to change as a result of further developments including for example, the outcome of the organisational learning review.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The plan was developed in consultation with members of the corporate management team

6. FINANCIAL & OTHER IMPLICATIONS

Financial Implications:

- 6.1 It is expected that the Internal Audit Plan for 2015/16 will be delivered within existing budgetary resources. Progress against the Annual Internal Audit Plan and action taken in line with recommendations support the robustness and resilience of the councils practices and procedures and support the councils overall financial position.

Finance Officer Consulted: James Hengeveld

Date: 09/06/15

Legal Implications:

- 6.2 Regulation 6 of The Accounts & Audit Regulations 2011 requires the Council to undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control. It is a legitimate part of the Audit & Standards Committee's role to review the level of work completed and planned by internal audit

Lawyer Consulted: Elizabeth Culbert

Date: 09/06/15

Equalities Implications:

- 6.3 None

Sustainability Implications:

- 6.4 None

SUPPORTING DOCUMENTATION

Appendices:

1. Updated programme of internal audit work

Background Documents

1. Internal audit strategy and plan 2015/16

