

AUDIT & RISK COMMITTEE

20 January 2015

INTERNAL AUDIT PLANNING 2015/16

Report of the Head of Welland Internal Audit Consortium

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1. PURPOSE OF THE REPORT

- 1.1 To provide Members with details of the intended process for the preparation of the 2015/16 Internal Audit Plan.

2. RECOMMENDATIONS

- 2.1 That Members note the approach to be adopted in producing the Internal Audit Plan for 2015/16.
- 2.2 The Committee is asked to consider the initial topic areas suggested for inclusion in the 2015/16 Audit Plan and advise on any further areas where Members may require assurance.

3. KEY ISSUES

- 3.1 The Audit Plan is designed to support the provision of an annual Head of Internal Audit Opinion. The basis for forming this opinion is as follows:
- An assessment of the design and operation of the underpinning Governance, Assurance and Risk Frameworks and supporting processes; and
 - An assessment of the range of individual opinions arising from the risk based assignments, which will be reported throughout the year.
- 3.2 The Audit Plan covers the two key component roles of Internal Audit:
- The provision of an independent and objective opinion to the Section 151 Officer/ Audit and Risk Committee on the degree to

which risk management, control and governance support the achievement of Council objectives;

- The provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.

3.3 Following the appointment of LGSS, the approach to audit planning has been reviewed and it is intended to introduce an updated approach to audit planning for 2015/16. This is intended to refresh and redesign audit coverage, and, thereby, support the Audit and Risk Committee in discharging their responsibilities.

3.4 Meetings will be held with the Council's Directors to discuss the key risks and priorities for 2015/16. A report will then be produced and presented to the Council's Senior Management Team suggesting the areas for coverage in the Audit Plan, based upon the discussions with Directors and the Council's key risks.

3.5 The plan will be refined and assignments will be prioritised in accordance with the resource available. The resulting plan will then be presented to the Audit and Risk Committee in April 2015 for Members' views and agreement but the Committee may wish to suggest potential topics at this meeting.

3.6 In preparation for the meetings with Directors, Internal Audit undertake 'horizon scanning' exercises to identify emerging risks and issues for the Council and consider areas where an audit would be of value. Based upon initial discussions with the Council's Section 151 Officer and Internal Audit's awareness of current risks and issues within the Council, an initial list of possible audit areas has been produced. A copy of this list is provided in Appendix 1.

3.7 A copy of the Internal Audit Plan for 2014/15 is provided in Report 20/2015 for background information.

4. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Low	The report does not prompt or require any time-bound response beyond approval of the report itself.
Viability	Low	There are no resourcing issues arising directly from this report. The Audit Plan for 2015/16 will be based upon

		the resources already commissioned from the Consortium.
Finance	Low	There are no financial issues arising directly from this report.
Profile	Medium	The report demonstrates that the Consortium and the Committee operates in conformance with the Public Sector Internal Audit Standards.
Equality and Diversity	Low	EIA screening indicates no issues arising therefore full Impact Assessment has not been carried out.

Background Papers

None

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A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.