

Internal Audit Operational Plan

To: Audit & Governance Committee

Date: 24 March 2015

Main Portfolio Area: Finance & Governance

Author of report: Rich Clarke

Classification: Non Exempt

Ward: All

SUMMARY

This report details the methodology and result of Internal Audit's risk assessment in drawing together an operational plan for 2015/16. It includes details of audit projects proposed and includes an assessment of the resources held and required by the Internal Audit service to deliver the required annual opinion on the Council's internal control, corporate governance and risk management.

LINK TO STRATEGIC COMPASS

This report supports the Corporate Priorities and Strategic risks

Report status

For decision

Route to Implementation/Timetable:

The plan, if effective, will be pursued from 1 April 2015. Progress will be reported back to the Committee in line with its work programme.

BACKGROUND/INTRODUCTION

1. This report details the methodology and result of internal audit's risk assessment in drawing together an operational plan for 2015/16. It includes details of audit projects proposed and includes an assessment of the resources held and required by the Internal Audit service to deliver the required annual opinion on the Council's internal control, corporate governance and risk management
2. The role of the Audit & Governance Committee is required to obtain assurance on the control environment of the organisation; therefore, the Committee needs to have an awareness of the work conducted by Internal Audit in order to adequately fulfil its duties.
3. The internal control environment comprises the whole network of systems and controls established to manage the Council, to ensure that its objectives are met. It includes financial and other controls, and arrangements for ensuring the Council is achieving value for money from its activities

WHAT IS THE ISSUE THAT REQUIRES A DECISION AND WHAT DOES THIS MEAN FOR THE PEOPLE OF TUNBRIDGE WELLS?

4. The outcome of Internal Audit work and opinion of the Head of Audit Partnership help to demonstrate to the people of Tunbridge Wells that the Council has good governance, risk and control processes in place.

WHO HAVE WE CONSULTED AND HOW? (OR WHO WILL WE CONSULT FOLLOWING THE DECISION?)

5. On the plan itself we have consulted with the Council's s.151 officer and sought the views of Heads of Service. Responses are incorporated within the attached plan.
6. As noted in the report, our plan must remain flexible and attentive to need and so discussion and consultation will continue once the plan is approved here to ensure it retains currency.
7. Before any audit work commences the respective Head of Service is consulted on the proposed brief agreeing the content and timing of the review.

HOW WILL THE DECISION BE COMMUNICATED?

8. The decision will appear in the minutes of the meeting.

WHAT ALTERNATIVE ACTION COULD WE TAKE?

9. There is a requirement under the Public Sector Internal Audit Standards that the Head of Audit should prepare a risk based plan to determine the priorities of the Internal Audit activity. There are no alternative options.

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CONCLUSIONS

10. The report sets out (at Appendix C) the one year operational plan for 2015/16 together with the longer term plan up to 2018/19. The Audit and Governance Committee is asked to review and approve the 2015/16 operational plan and in principle the longer term plan.

RECOMMENDATIONS

- 1) The Audit & Governance Committee approves the operational plan for 2015/16.
- 2) The Audit & Governance Committee approves in principle the longer term plan up to 2018/2019 but notes this will be subject to annual review and refresh
- 3) The Audit & Governance Committee delegates to the s151 officer responsibility for managing operationally the content of the audit plan in conjunction with the Head of Internal Audit and subject to regular review by Committee

REASON FOR RECOMMENDATIONS

The recommendations are made to enable the Audit and Governance Committee to consider and approve proposed Internal audit operational Plan for 2015/16 and the longer term plan to 2018/19.

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Name of Director/Head of Service

Lee Colyer Finance Director (interim) (s151 Officer)

Background Papers

None

APPENDICES TO REPORT

APPENDIX A Cross Cutting Issues
APPENDIX B 4 Year Audit Plan
APPENDIX C 2015/16 Audit Plan Mapping
APPENDIX D Risk assessment Criteria
APPENDIX E Mid Kent Audit Team
APPENDIX F Assurance & Recommendation Ratings
APPENDIX G Performance Indicators