

**INTERNAL AUDIT SERVICE
INTERNAL AUDIT & ASSURANCE PLAN
(Report by the Audit & Risk Manager)**

1. PURPOSE

- 1.1 To comment on the attached internal audit and assurance plan for the 12 month period commencing August 2008.

2. STRATEGIC AND ANNUAL PLANNING

- 2.1 The Audit and Risk Manager is required to provide an opinion on the whole of the Council's internal control environment each year. This opinion assists the Chief Executive and this Panel when they are preparing the Council's annual assurance statement. The work that is undertaken to allow the audit opinion to be formed is governed, in the main, by the annual audit plan.
- 2.2 The Internal Audit Service maintains a four year strategic audit plan, listing all the risk and system areas that are considered likely to affect the Council's internal control environment. The strategic plan shows the relative importance of each risk and system area and the frequency with which it should be audited. Risks recorded in the risk register have been mapped to these audit areas and this has led to a number of audit areas being combined so that audits can address common risk themes across services, rather than be conducted on a service by service basis.
- 2.3 To prepare the annual audit plan, the strategic plan is first reviewed and audits placed in priority order. The highest priority schemes which can be delivered within the resources available are then included in the annual audit plan which, following the comments of this Panel, will be approved by the Director of Commerce and Technology.

3 RESOURCING THE AUDIT PLAN

- 3.1 The total days required to complete the four year strategic plan exceeds available resources by about 15 days per year. This shortfall is not significant enough to have an impact on the breadth of internal audit coverage provided or the level of assurance that the Panel will be able to take from the Audit & Risk Manager's annual opinion statement. The position will be reviewed annually.
- 3.2 Member's will recall that, at the last meeting of the Panel, it was reported that one member of the audit team was likely to be absent until April 2009 on maternity leave. In order to deliver the audit plan, within the financial resources available, consideration is being given to a variety of options including recruiting and sharing an auditor with Peterborough City Council, using Deloitte's (the current IT auditors) for some general audits or recruiting a trainee auditor.

4. RECOMMENDATION

- 4.1 That the Panel note the annual audit and assurance plan for the 12 month period commencing August 2008.

ACCESS TO INFORMATION ACT 1985

Strategic Audit Plan
The Council's Risk Register

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