

Meeting: Audit Committee

Portfolio Area: Resources

Date: 30 May 2006

INTERNAL AUDIT PLAN 2006/07 – 2010/11

NON-KEY DECISION

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1 PURPOSE

To provide Members with details of the Internal Audit Plan previously endorsed by the Resources and Corporate Management Scrutiny Panel.

2 RECOMMENDATIONS

Members of the Audit Committee endorse the Internal Audit Plan for 2006/07 to 2010/11.

3 BACKGROUND

Annual audit coverage is traditionally linked to a rolling strategic audit plan. The plan ensures all services are reviewed on a cyclical basis. The frequency with which services are audited within this cycle is dependant on the result of a risk assessment and being reconciled to available audit resource.

Senior officers and Members are consulted on the strategic plan. This is to ensure ownership of this particular aspect of the council's corporate governance framework. It is has previously been submitted to the Resources and Corporate Management Scrutiny Panel for endorsement.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

The attached plan was drafted by following the convention outlined above. Following consultation with the Council's Strategic Management Board, the attached plan will ensure annual coverage of key financial areas, bi-annual coverage of medium risk areas and less frequent coverage of low risk areas. The audit coverage is delivered through The Stevenage & Uttlesford Audit Partnership.

The attached internal audit plan has been prepared using a different approach to previous years. It is split into two parts, the first covering a range of horizontal, or themed audits. These audits cut across the Council's structure focussing on several associated functions, or subjects that are common to more than one SDU. The advantages of taking this approach is that audit outcomes are more likely to be directed towards any corporate control issues, there is the potential for less meetings

with managers and for issuing fewer reports. The second part of the audit plan focuses on a range of vertical, or self-contained internal audits.

The audit plan also includes time for auditing the Council's BVPIs, providing ad-hoc audit related advice and assistance, following up previous assignments and a contingency for investigating referrals of fraud, corruption and theft. Time for contractor vetting and producing the statement of accounts is shown as non-audit duties.

The above would ensure compliance with the Code of Audit Practice and meet external audit expectations for relying upon internal audit work.

5 IMPLICATIONS

There are no direct implications specific to this report.

BACKGROUND DOCUMENTS

- None.

APPENDICES

- The audit plan for 2006/07 to 2010/11 is attached.