

Audit and Governance Committee

26 April 2010

Report of the Assistant Director of Customer & Business Support Services
(Customer Service and Governance)

Internal Audit & Counter Fraud Plan 2010/11

Summary

- 1 The purpose of this report is to seek members' approval for the planned programme of audit and fraud work to be undertaken in 2010/11.

Background

- 2 In accordance with the CIPFA Code of Practice for Internal Audit, the annual audit plan has been prepared on the basis of the approved audit strategy and a risk assessment process. The risk assessment methodology is designed to ensure that limited audit resources are prioritised towards those systems and areas which are considered to be the most risky and/or which contribute the most to the achievement of the council's corporate priorities and objectives.
- 3 The audit risk assessment is reviewed on an ongoing basis, and is used to draw up an indicative audit plan at the start of each financial year. Consultation on the plan is undertaken with the Audit and Governance Committee, directorate audit leads and management teams, and the Corporate Management Team (CMT). Consultation with the council's external auditor also takes place to ensure there is no duplication of work. Final approval of the plan is the responsibility of the Audit and Governance Committee.

2010/11 Internal Audit Plan

- 4 Annex 1 shows proposed audit and counter fraud work for 2010/11. This is based on the outcomes of the risk assessment and consultation process outlined above.
- 5 Continuing the trend of recent years, the majority of audit resources are required to review high priority and mandatory areas. These include corporate and cross cutting issues, and the main financial systems. While there are sufficient resources available to undertake priority audits there is little time available for other service based work and there is consequently less emphasis on this in the 2010/11 plan when compared to previous years. The format of the plan has been amended to reflect this, by amalgamating directorate audits into one section.

- 6 An additional change for 2010/11 is the amalgamation of the audit and counter fraud plans, and the inclusion of information governance services. This shows all of the governance related services provided by Veritau in one place, and more closely reflects the delivery of work such as counter fraud which is provided across the audit and fraud teams.

Consultation

- 7 In preparing the audit plan, consultation has taken place with the Audit and Governance Committee, the Corporate Management Team, directorate management teams and key officers across the council.

Options

- 8 Not relevant for the purpose of the report.

Analysis

- 9 Not relevant for the purpose of the report.

Corporate Priorities

- 10 This report contributes to the council's overall aims and priorities by helping to ensure probity, integrity and honesty in everything it does. In doing so it also contributes to the Effective Organisation corporate objective.

Implications

- 11 There are no implications to this report in relation to:

- **Finance**
- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**

Risk Management Assessment

- 12 The council will fail to properly comply with the CIPFA Code of Practice for Internal Audit in Local Government if the annual audit plan is not approved by the Audit and Governance Committee. This in turn could adversely impact on the council's Use of Resources score and therefore its overall CAA score.

Recommendation

13 Members are asked to

- approve the 2010/11 internal audit and counter fraud plan.

Reason

In accordance with the committee's responsibility for overseeing the work of internal audit.

Contact Details

Author:

Max Thomas
Head of Internal Audit
Veritau Ltd
Telephone: 01904 552940

Chief Officer Responsible for the report:

Pauline Stuchfield
Assistant Director (Customer Service & Governance)
Telephone: 01904 551706

Report Approved



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Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All



For further information please contact the author of the report

Background Papers

Annexes

Annex 1 – 2010/11 Internal Audit & Counter Fraud Plan