

---

## **Audit and Governance Committee**

**19 April 2011**

Report of the Assistant Director, Financial Services

---

## **Internal Audit, Counter Fraud & Information Governance Plan 2011/12**

---

### **Summary**

- 1 The purpose of this report is to seek the committee's approval for the planned programme of audit, counter fraud and information governance work to be undertaken in 2011/12.

### **Background**

- 2 In accordance with the Cipfa Code of Practice for Internal Audit, the annual audit plan is 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. It is used, along with separate analyses of requirements for counter fraud and information governance work<sup>1</sup>, to draw up an indicative 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.

### **2011/12 Plan**

- 4 Annex 1 shows proposed audit, counter fraud and information governance work for 2011/12.
- 5 Many areas of the council are currently facing significant change. Overall, this increases the likelihood that controls in key areas are overlooked or fail, and consequently increases risks to the council. In order to target audit resources effectively in this environment, the 2011/12 plan includes a balance between regularity audits in areas

---

<sup>1</sup> For example the fraud risk assessment considered by the committee in February.

considered a high priority for audit such as the main financial systems and other reviews targeted towards areas of increased risk due to change. These include:

- time to support change programmes directly by providing advice and support in relation to control issues
- a change in focus for existing audits such as budgetary control and value for money, to concentrate on the achievement of overall council objectives for example by reviewing progress in achieving planned savings.

### **Consultation**

- 6 In preparing the audit, counter fraud and information governance plan consultation has taken place with the Audit and Governance Committee, CMT, directorate management teams and key officers across the council.

### **Options**

- 7 Not relevant for the purpose of the report.

### **Analysis**

- 8 Not relevant for the purpose of the report.

### **Corporate Priorities**

- 9 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**

- 10 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

- 11 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.

## Recommendation

- 12 Members are asked to
- approve the 2011/12 internal audit, counter fraud and information governance 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:

Keith Best  
Assistant Director, Financial Services  
Telephone: 01904 551745

Report Approved



Date 6 April 2011

## 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 – 2011/12 Internal Audit, Counter Fraud & Information Governance Plan