

Internal Audit Strategic Plan 2017-20

Portfolio	Finance
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Ward(s) Affected:	n/a
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Purpose

To consider the internal audit three-year Strategic Plan 2017-20 and to approve its adoption for Internal Audit.

Background

1. The Internal Audit Strategy has been produced in accordance with best practice as identified in the Public Sector Internal Audit Standards which applies the IIA International Standards to the UK public sector.
2. The Internal Audit Strategy has been produced with the purpose of:
 - Providing an opinion on the internal control environment to support the completion of the Annual Governance Statement
 - Preparing audit plans that give suitable priority to the Council's objectives and key risks and concentrate resources on areas that have been identified as being the most vulnerable
 - Agreeing actions with managers at the conclusion of each piece of audit work that will assist in maintaining internal control, ensure continuous service improvement and reduce risk
 - Contributing to the Council's performance management system (golden thread) by reporting performance and progress to CMT and to Members at the Audit & Standards committee
 - Identifying the audit resources required to deliver an effective audit service that is both affordable and meets required professional standards as well as current legislation

The Strategic Plan

3. The 3 year plan has been prepared based on the following sources:
 - The Corporate Risk Register that identifies the key risks for the authority

- Materiality – the level of income and expenditure projected in the Council’s financial accounts
- Emerging risk landscape- new and forecasted major risks affecting the public sector
- Audit history – the frequency and year audits were last carried out
- Control environment – the quality of the control environment and inherent risks in the system, reliance on key personnel, poor audit opinions in the past, previous fraud or control weaknesses, high staff turnover, new computer systems
- Growth areas identified in the Council’s medium term strategy, and any new areas of work eg. new financial borrowing, property acquisitions, joint waste

Integrated Assurance

4. The Council’s management team receive their in year assurance from various providers including the work of internal audit, Investors in People, the Health and Safety Executive, and the Council’s external auditors, KPMG.

Corporate Plan

5. The work of Internal Audit supports the Council’s Annual Plan and meeting its corporate objectives and key priorities.

Resource implications

8. There are no resource implications arising from this report.

Recommendation

9. Members are asked to note and agree the internal audit 3-year Strategy for 2017-20.

Annex: Annex 1 - 3 Year Strategy 2017-20

Background Papers: None

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