

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

21 MARCH 2013

REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

DRAFT INTERNAL AUDIT STRATEGY AND ANNUAL AUDIT PLAN APRIL 2013 TO MARCH 2014

1. Purpose of Report.

1. To present to Members the Council's the draft Internal Audit Strategy and draft Annual Audit Plan for the year April 2013 to March 2014.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.

- 2.1. Internal Audit's work impacts on all of the Corporate Improvement Objectives /other corporate priorities.

3. Background

- 3.1. It is important for Internal Audit to plan effectively to ensure that they contribute to the Council's objectives at both strategic and operational levels. Planning enables Internal Audit to demonstrate both internally and externally that they are making best use of scarce resources.
- 3.2. Effective planning is one of the Standards contained within the Public Sector Internal Audit Standards (PSIAS) and against which our external auditors assess us. It is from this overall assessment of internal audit's annual programme of work and the contribution that this makes to the overall control environment of the Authority that our external auditors will draw the necessary assurances they need.

4. Current situation / proposal

- 4.1. Internal Audit Planning is not an exact science but it is felt that the proposed draft plan for 2013/14 strikes a good balance between the risks identified, the internal audit resources available and the assurance work being carried out by other agencies. Therefore the plan provides for 1,374 productive days being delivered during 2013/14 which equates to approximately 8.5 full time equivalent employees. At the time of writing this report, consultation with Senior Managers was ongoing but it is envisaged that this will be concluded in readiness to present the final Audit Plan to the Audit Committee at their next meeting.
- 4.2. Attached at Appendix A is the draft Internal Audit Strategy document for 2013-14. It demonstrates how the Internal Audit Section will be delivered and developed in accordance with our Terms of Reference and how it links to the Council's objectives and priorities. The Strategy will be reviewed and updated annually in consultation with stakeholders namely the Audit Committee, Corporate Management Board, External Auditors and senior management.

4.3. The 2013/14 draft Annual Audit Plan of work has been formulated to ensure compliance with the Standards as contained within the PSIAS. In order to keep Members of the Audit Committee fully informed, and to ensure compliance with Standards for Internal Audit a draft detailed plan is attached at Appendix B.

5. Effect upon Policy Framework & Procedure Rules.

5.1. There is no effect upon the policy framework and procedure rules

6. Equality Impact Assessment.

6.1. There are no equality issues.

7. Financial Implications.

7.1. There are no financial implications as a result of this report.

8. Recommendation.

8.1. Members consider and approve the draft Internal Audit Strategy and draft Annual Audit Plan for 2013/14 as outlined in this report.

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21st March 2013

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Background Documents

None