

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

16 APRIL 2015

REPORT OF THE CORPORATE DIRECTOR - RESOURCES

DRAFT INTERNAL AUDIT STRATEGY AND ANNUAL RISK BASED AUDIT PLAN APRIL 2015 TO MARCH 2016

1. Purpose of Report.

1.1 To present to the Committee the Council's draft Internal Audit Strategy and draft Annual Risk Based Audit Plan for the year April 2015 to March 2016.

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 risk based plan for 2015/16 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 1,296 productive days being delivered during 2015/16 which equates to approximately 7 full time equivalent employees.

4.2. Attached at Appendix 1 is the draft Internal Audit Strategy document for 2015-16. 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 2015/16 draft Annual Risk Based 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 the draft detailed plans for each Directorate is included within Appendix A to F.

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 implications.

7. Financial Implications.

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

8. Recommendation.

8.1. The Committee is recommended to consider and approve the draft Internal Audit Strategy and draft Annual Risk Based Audit Plan for 2015/16.

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Background Documents

None