

WEDNESDAY, 28 MARCH 2018

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

INTERNAL AUDIT PLAN & CHARTER

EXEMPT INFORMATION

None

PURPOSE

To advise Members of the proposed Internal Audit Charter and Plan for 2018-2019, to provide Members with assurance on the appropriate operation of Internal Audit.

RECOMMENDATIONS

That the Committee endorses the attached Internal Audit Charter and Plan 2018-2019 and raises any issues it deems appropriate.

EXECUTIVE SUMMARY

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes (IIA – UK & Ireland).

The consideration and approval of an appropriate Internal Audit Charter and Plan by Members is an important element in providing assurance to the organisation that adequate arrangements are in place to provide the expected independent, objective opinion. The Charter complies with the Public Sector Internal Audit Standards (effective 1st April 2013).

In accordance with good practice, the Head of Internal Audit Services has consulted members of Corporate Management Team, to ensure current and proposed developments/projects and risks are identified, and has built these into an evaluation of the priority of the different potential areas for audit review. A proposed Audit Plan for 2018–19 is attached at **Appendix B**. The Audit Plan constitutes the main operational delivery of the Internal Audit Service as part of its Internal Audit Charter, which, in turn sets out how the service proposes to meet statutory and professional requirements. The Charter is attached at **Appendix A**.

Members will recall that the Committee's Terms of Reference include the function to "receive, but not direct, internal audit's plan". This report aims to provide members of the Committee with such an opportunity.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

If a thorough risk-assessed, adequately-resourced audit plan is not in place the Authority will fail to comply with statutory requirements and will not be able to provide the appropriate assurance on the internal control environment.

Internal Audit has reviewed the risks to the effective delivery of its functions and has in place appropriate steps to ensure delivery.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services, ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix A – Internal Audit Charter 2018/19

Appendix B – Internal Audit Plan 2018/19