

Meeting:	Audit & Governance Committee	Date:	14 <sup>th</sup> March 2016
Subject:	Internal Audit Plan 2016/17		
Report Of:	Joint report of Head of Audit, Risk & Assurance & Head of Audit Risk Assurance		
Wards Affected:	N/A		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Draft Internal Audit Plan 2016/17		

## 1.0 Purpose of Report

- 1.1 To present to Members, for their consideration and approval, the Internal Audit Plan 2016/17.

## 2.0 Recommendations

- 2.1 Audit & Governance Committee is asked to **RESOLVE** that Members approve the Internal Audit Plan 2016/17 as detailed in **Appendix A**.

## 3.0 Background and Key Issues

- 3.1 The work of Internal Audit is carried out in accordance with, and is assessed against, the Public Sector Internal Audit Standards 2013 (PSIAS). These Standards require the Chief Internal Auditor to produce an Annual Risk Based Internal Audit Plan to determine the priorities of the internal audit activity. The proposed activity should be consistent with the organisation's priorities and objectives and taking into account the organisation's risk management framework, including risk appetite levels set by management and internal audit's own judgement of risks.
- 3.2 To ensure that an effective plan was developed, a consultation process took place with the Senior Management Team to establish priorities. The proposed activity from all sources was collated and matched against the internal audit resources available and prioritised accordingly.
- 3.3 The audit plan is stated in terms of estimated days input to the Council of 550 audit days, this compares to 515 days in 2014/2015. By continuing to apply risk based internal audit planning principles; this level of input, with the ability to commission internal audit resources from current audit framework agreements as required, is considered acceptable to provide the assurance the Council needs. The Head of Audit Risk Assurance will however, continue to reassess internal audit resources required against the Council's priorities and risks and will amend the plan throughout the year as required, reporting any key changes to the Audit and Governance Committee.

- 3.4 The PSIAS also require the Annual Risk Based Internal Audit Plan to be reviewed and approved by the appropriate body which in the case of the City Council, is the Audit & Governance Committee.

#### **4.0 Asset Based Community Development (ABCD) Considerations**

- 4.1 There are no ABCD implications as a result of the recommendation made in this report.

#### **5.0 Alternative Options Considered**

- 5.1 None

#### **6.0 Reasons for Recommendations**

- 6.1 A requirement of the Public Sector Internal Audit Standards 2013(PSIAS) is for the Chief Internal Auditor to produce an Annual Risk Based Internal Audit Plan and for this Plan to be approved by the appropriate body. In the case of the City Council, this is the Audit & Governance Committee.

#### **7.0 Future Work and Conclusions**

- 7.1 Regular reports on achievement against the Plan, and any significant control issues identified, will be presented to the Audit & Governance Committee.

#### **8.0 Financial Implications**

- 8.1 There are no direct financial implications as a result of this report.

(Financial Services have been consulted in the preparation this report.)

#### **9.0 Legal Implications**

- 9.1 None specific arising from the report recommendations.

(One Legal have been consulted in the preparation this report.)

#### **10.0 Risk & Opportunity Management Implications**

- 10.1 The organisation is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit, through the delivery of the annual audit plan, plays a vital part in advising the organisation that these arrangements are in place and operating properly.

#### **11.0 People Impact Assessment (PIA):**

- 11.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact there a full PIA was not required.

## **12.0 Other Corporate Implications**

### Community Safety

12.1 There are no specific Community Safety implications identified.

### Sustainability

12.2 There are no specific Sustainability implications identified.

### Staffing & Trade Union

12.3 There are no specific Staffing and Trade Union implications identified.

**Background Documents:** None