

WAVERLEY BOROUGH COUNCIL

AUDIT COMMITTEE - 21/03/2017

Title:

PROPOSED AUDIT PLAN FOR 2017-18

[Wards Affected: All]

Summary and purpose:

The Committee's terms of reference include provision for the Committee to comment on the proposed Internal Audit Plan for 2017/18. This report presents the Draft Internal Audit Plan for 2017-18 and the Committee is invited to comment before the Plan is adopted. The plan has been drawn up by the Internal Audit Client Manager through consultation with Heads of Service Team and Management Board and completing a risk assessment of the audit universe of the council's activities.

How this report relates to the Council's Corporate Priorities:

The work of the Internal Audit service can have an impact upon all the Council's priorities as its work involves exposure to all service areas.

Financial Implications:

Internal audit work includes consideration of value for money issues and, allied to this, the potential for waste, loss, theft and inefficiency. The delivery of the Audit Plan will contribute towards the Council's sound financial and management processes and help ensure sound probity and governance arrangements are in place.

Legal Implications:

The Council must have an operational Audit Plan that must cover a period of no more than a year in order to fully comply with the requirements of the Code of Practice issued by CIPFA, which is given mandatory status by the Accounts and Audit Regulations.

Introduction

1. The draft Internal Audit Plan for 2017-18, attached at Annexe 1, has been prepared after consultation with key officers of the council and an Audit Risk Assessment of Waverley's control environment and activities. Issues were raised in those consultations, and it has been necessary to consider carefully which of the many current developments and pressures the Internal Audit Service is best able to assist with, or have a meaningful input in providing management assurance on the control environment.

Proposed Plan for 2017-18

2. The proposed draft Internal Audit Plan for 2017/18 presented for endorsement has been prepared by the Internal Audit Client Manager, through consultation with Heads of Service, agreed by the Section 151 Officer and Management Board.
3. The plan proposes to remain at the same number of days as previous years at 230 days which will be allocated to the contractor RSM for 2017/18. The Internal Audit Client Manager's resource, as well as managing the contract, will deal with any other audit issues that arise including utilisation to provide the necessary support to the investigation of fraud (including tenancy fraud initiatives).
4. The draft 2017/18 proposed Audit Plan has been prepared with reference to the Internal Audit Risk Assessment, as well as assessing the current control environment, operational risk register and operational management input.
5. Resources have been allocated to priority risk areas including those that may hinder the achievement of Waverley's corporate objectives.

Where there are identified changes to systems and services throughout the year, a provision (in contingency) has been included in the Plan to review these operational areas where possible.

Conclusion

6. The proposed Internal Audit Plan for 2017-18 gives coverage to the key known issues facing Waverley in the coming 12 months, with a contingency to address those issues that may materialise in the year.

Recommendation

The Audit Committee is invited to comment and approve the draft Internal Audit Plan for 2017/18, as attached in Annexe 1.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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