

**WAVERLEY BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**23/03/2015**

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**Title:**

**PROPOSED AUDIT PLAN FOR 2015-16**

**[Wards Affected: All]**

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**Summary and purpose:**

The Committee's terms of reference include provision for the it to comment on the Internal Audit Client Manager's proposed Internal Audit Plan. This report presents the Draft Internal Audit Plan for 2015-16 and the Committee is invited to comment before the Plan is adopted.

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**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.

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**Introduction**

1. The draft Internal Audit Plan for 2015-16, 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. Many 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.

## **Proposed Plan for 2015-16**

2. The proposed draft Internal Audit Plan (Part 1) for 2015/16 presented for committee endorsement has been set by the Internal Audit Client Manager (IACM), in consultation with Head of Service, agreed by the Section 151 Officer and Corporate Management Team.
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 Baker Tilly for 2015/16. The Internal Audit Client Managers resource, as well as managing the contract, will deal with any other audit issues that arise including utilisation to provide the necessary support in the investigation of Tenancy Fraud issues.
4. The draft 2015/16 proposed Plan has been prepared with reference to Internal Audit Risk Assessment, as well as assessing the current control environment, operational risk register, operational management input and the resources available.
5. Time has been allocated to priority high 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.

IT audits have been risk assessed using the same methodology as the general systems reviews and selected by the Internal Audit Client Manager in conjunction with the Head of Service's assessment of the major changes in new IT developments within the authority and provide independent assurance on the improvements implemented within the IT Service.

## **Conclusion**

6. The proposed Internal Audit Plan for 2015-16 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 on the draft Internal Audit Plan for 2015/16 as attached in Annexe 1 and adopt the plan.

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## **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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