

**Report to:** Audit Committee  
**Date of meeting:** 17<sup>th</sup> March 2010  
**Report of:** Audit Manager  
**Title:** Internal Audit Service Plan and Annual Work Plan 2010/2011

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- 1.0 **SUMMARY**  
This report sets out Internal Audit's Service Plan and proposed Work Plan for the coming financial year for Watford BC and Three Rivers DC.
- 2.0 **RECOMMENDATIONS**
- 2.1 The 2010/2011 Internal Audit Service Plan and Work Plan be approved.

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**Report approved by:** Bernard Clarke – Head of Strategic Finance.

3.0 **DETAILS**

3.1 The Committee approves the Internal Audit Service and Work Plans on an annual basis. This year the plans cover both Watford BC and Three Rivers DC following the implementation of Shared Services and will require the approval of both council's Audit Committee.

3.2 The Service Plan sets out the objectives of Internal Audit for the coming year (as required by the Chartered Institute of Public Finance and Accountancy's *Code of Practice for Internal Audit*). The Work Plan shows the programme of audits it is proposed to carry out to achieve those objectives. It has been drawn up by the Audit Manager after reviewing risk registers, completing a fraud risk assessment and consulting senior officers. It is based on an assessment of the risks facing both Councils and is designed to meet the requirements of the external auditor.

3.3 The work will be undertaken by Internal Audit (Shared Services) which is based on the audit team at Watford with additional resource being bought in. All auditors will be directly managed by the Audit Manager.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 The Head of Strategic Finance comments that there are no financial implications in this report.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 The Head of Legal and Property Services comments that there are no legal issues in the report.

4.3 **Potential Risks**

4.3.1

Potential Risk	Likelihood	Impact	Overall score
The plan is rejected and internal audit work is delayed until an acceptable plan can be produced.	1	3	3

Appendices

- 1 Service Plan
- 2 Annual Audit Plan

Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

Audit working papers.

File Reference

None.