

Report to: Audit Committee

Date of meeting: 15 March 2018

Report of: Bob Watson – Head of Finance

Title: **SIAS Internal Audit Plan for 2018/19**

1.0 SUMMARY

- 1.1** Each year, following meetings with senior officers of the Council, the Head of Finance publishes the annual internal audit plan. These audits are carried out by SIAS on behalf of the Council.
- 1.2** Presented here are the proposed internal audit plans for WBC and Shared Services for agreement by Audit Committee.

2.0 RISKS

2.1	Nature of risk	Consequence	Suggested control measure	Response (Treat, tolerate, terminate, transfer)	Risk rating (the combination of severity and likelihood)
	Audit Committee do not agree audit plan.	No audit plan will be agreed by Audit Committee. Audit Committee will receive no internal audit assurance of good governance. External Audit may 'qualify' accounts.	Plan agreed incorporating any amendment from Audit Committee	Treat	3 * 1 = 3

3.0 RECOMMENDATIONS

- 3.1** Audit Committee agree the Internal Audit Programme.
- 3.2** Audit Committee direct that progress against the programme will be reported to each Audit Committee, together with any recommendations from the Audit reports.
- 3.3** Audit Committee delegate authority to the Head of Finance to agree minor amendments to the programme with SIAS for operational reasons. Any amendments will be reported to the next available Audit Committee.

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Report approved by: As above

4.0 DETAILED PROPOSAL

4.1 The attached report and appendices detail the SIAS internal audit plan for WBC and Shared Services for the next financial year.

4.2 Further context / background is below and includes a couple of areas that should also be considered by this committee:

WBC Plan

- GDPR Preparedness and the separate GDPR PIR will also feature in the TRDC plan and have been discussed and agreed with Phil King (TRDC) and Carol Chen respectively.
- There are six audits on the Reserve List.

Shared Services Plan

- The number of days set aside for the key financial audits has been reduced from 104 (in 2017/18) to 84. This is a higher proportionate reduction than the overall 10% (447 days down to 402 days) and reflects the strong levels of assurance given over the last 2-3 years in these areas.
- The overall allocation of days to IT audits is higher than in previous years. IT Contract Management is included as a specific audit; previous contract management audits across TRDC / WBC have excluded IT contracts so these have not been looked at before. Cyber Security is likely to feature as an annual audit for the foreseeable future. IT Operations is included to provide a review of the progress made by the service and will include both internal and external arrangements. All three IT audits have been agreed by the ICT shared service.
- For 18/19, no initial allocation has been made to contingency (To Be Allocated) as churn is likely in year and will therefore provide some flexibility to accommodate any new requests that may come in during the year.
- No reserve items were identified.

5.1 Implications

5.1.1 Financial

The Head of Finance comments that delivery of the plan will be monitored against the internal audit budget during the year and any variance reported to the appropriate committee.

5.1.2 Legal Issues (Monitoring Officer)

The Head of Democracy and Governance comments that having an effective internal audit service and plan is a requirement of good governance.

5.1.3 Equalities/Human Rights/Crime & Disorder

Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

Having had regard to the council's obligations under s149, it is considered that there are no equalities issues in this report and an EIA has not been undertaken.

6.0 APPENDICES

Internal Audit plan summaries and detailed plan

7.0 BACKGROUND PAPERS

No papers were used in the preparation of this report.