

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
30TH MARCH 2006

Strategic Audit Plan 2006 - 2009

OPEN	
COMMUNITY STRATEGY THEME	
CORPORATE THEME:	Improving Corporacy & Performance
KEY PRIORITY:	Financial and Asset Management
STRATEGY:	Audit resource
CABINET MEMBER:	Councillor John-Paul Campion
RESPONSIBLE OFFICER:	Head of Financial Services
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APPENDIX	Appendix 1 - Strategic Audit Plan 2006 – 2009

1. PURPOSE OF REPORT

- 1.1 To seek approval of the Internal Audit – Strategic Audit Plan 2006 – 2009.

2. RECOMMENDATION

The Cabinet is asked to DECIDE:

The Internal Audit – Strategic Audit Plan 2006 – 2009, attached as Appendix 1 to the report be approved.

3. BACKGROUND

- 3.1 The management of the authority are obliged to safeguard public funds and use them in a way which provides value for money and thereby best value. An effective internal audit service is vital in helping management to meet these important duties, since it is an independent appraisal function for the review of the entire internal control system.
- 3.2 The role played by Internal Audit is key in assessing the internal controls in operation and making recommendations for improvement. Further the role assists in the prevention and detection of fraud and working with managers to the Council's corporate plan striving for continuous improvement.

- 3.3 Internal Audit operate in accordance with CIPFA's professional standards and guidelines outlined in the Code of Practice for Internal Audit in Local Government in the United Kingdom 2003 together with the recently adopted International Auditing Standards.
- 3.4 The Internal Audit Strategic Plan 2006 – 2009 provides the overall direction for the Internal Audit service working in partnership with the External Auditors to minimise the overall audit cost to the authority. The plan prioritises the areas to be audited over the period and allocates internal audit resource to each area based on an Internal Audit needs assessment evaluating the materiality and risk of the authority's activities.
- 3.5 The strategic plan is viewed flexibly as issues may arise during the currency of the plan which divert Internal Audit away from planned work. The plan is therefore seen as a statement of intent that can be amended as necessary without having a damaging effect on the overall direction of the internal audit service. The strategic plan has been prepared in accordance with the approved Internal Audit – Terms of Reference.
- 3.6 At the end of each year the plan is rolled forward to take into account any changes in priorities or risk.
- 3.7 Performance of the service is monitored against this plan each quarter during the year by way of a quarterly audit report to members, to the Corporate Management Team and to the external auditors, KPMG.

4. KEY ISSUE

- 4.1 The Internal Audit Strategic Plan 2006 – 2009 provides the overall direction for the Internal Audit service working in partnership with the External Auditors to minimise the overall audit cost to the authority.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications arising from this report.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 It is a statutory requirement that this authority has an Internal Audit service. The authority has delegated these powers to the Head of Financial Services (Section 151 Officer) as provided in the Council's Constitution – Financial Procedure Rules (Financial Regulations).

7. RISK MANAGEMENT

- 7.1 The Strategic Audit Plan 2006 - 2009 has been prepared on the basis of Internal audit's assessment of the risk of the authority's services which has taken into account entries included within the corporate "CARMS" risk register.

7.2 The risk management environment at the authority is in the process of being developed and is not sufficiently developed to enable the identification of internal controls being mapped to risks.

8. CONCLUSION

8.1 The Strategic Audit Plan 2006 – 2009 summarises the work to be undertaken and provides the overall direction for the Internal Audit section. It is presented to members in accordance with the Terms of Reference for the Internal Audit section as approved by the Council.

9. CONSULTEES

9.1 Corporate Management Team

10. Background Papers

30th October 2003 Executive – Internal Audit – Terms of Reference

INTERNAL AUDIT SECTION

STRATEGIC AUDIT PLAN

2006 - 2009

