

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

01 April 2008

Report of the Chief Internal Auditor

Part 1- Public

Matters for Information

1 TONBRIDGE AND MALLING INTERNAL AUDIT MANUAL

Summary

This report informs Members of the review and revision of the Internal Audit Manual. This manual is used by the section to ensure consistency with best practice and the CIPFA Internal Audit Code of Practice 2006.

1.1 Introduction

- 1.1.1 The Internal Audit Section has had an audit manual for a number of years. The purpose of the manual is to ensure consistency within the section and compliance with best practice.
- 1.1.2 Previously the section has been using the CIPFA Audit Manual with underlying local audit procedure notes.
- 1.1.3 Upon the issue of the revised Audit Code of Practice 2006 it was noted that one requirement of the Code was to have a specific audit manual. Although the underlying procedures were in place these were not available through a single document. The Principal Auditor was tasked with preparing a local audit manual in order to meet this requirement.

1.2 Manual

- 1.2.1 The manual has been produced by the Principal Auditor and is available to all Internal Audit staff. For simplicity it is held electronically within the Audit shared drive and reference documents are accessed by using hyperlinks.
- 1.2.2 The Internal Audit staff are able to use the manual as a reference document and access necessary documentation easily. A copy of the manual is attached as **[Annex 1]**.

1.3 Legal Implications

- 1.3.1 There are no direct legal requirements for an Internal Audit Manual. However, part of the Accounts and Audit Regulations 2006 require proper accounting

procedures to be in place. The Regulations identify the CIPFA Audit Code of Practice as being “proper accounting procedures” and therefore the issue of a local Audit Manual complies with this Code.

1.4 Financial and Value for Money Considerations

1.4.1 There is no direct cost to having the manual but it does ensure that all documents and references required by the Internal Audit staff are in one place. Because the manual is being held electronically there are no additional costs to update it.

1.5 Risk Assessment

1.5.1 There is a risk that if the Council did not comply with the CIPFA Code of Practice then the Internal Audit Section would not meet the level 3 requirements of the Key Lines of Enquiry review.

1.5.2 With one reference point for Internal Auditors there is the ability to ensure consistency in output.

Background papers:

contact: Karla Etuate

Audit Section Documentation

CIPFA Code of Practice for Local Government Internal Auditors 2006

David Buckley

Chief Internal Auditor