

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

07 April 2015

### Report of the Chief Internal Auditor

#### Part 1- Public

#### Delegated

#### **1 INTERNAL AUDIT PLAN 2015-16**

**This report seeks Members approval of the Internal Audit Plan for 2015-16.**

#### **1.1 Background**

1.1.1 Professional standards for Internal Audit require the Chief Audit Executive to establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals. A risk-based Internal Audit plan has been prepared for the authority to cover the 2015-16 financial year to fulfil this requirement.

#### **1.2 Internal Audit Plan 2015-16**

1.2.1 A copy of the proposed internal audit plan for 2015-16 is attached at **[Annex 1]** of this report. This is intended to provide Members with a clear picture of how the Council will make use of its Internal Audit function, reflecting on all work to be undertaken by the team during the financial year.

1.2.2 It should be noted that the format of the 2015-16 plan differs from previous years, with information on the process for developing, resourcing and delivering the plan being provided in the plan document rather than in a covering report; this is in order to more fully meet the requirements of the Public Sector Internal Audit Standards (PSIAS) and CIPFA's Local Government Application Note to the Standards.

1.2.3 The proposed plan has been reviewed and endorsed by the authority's Management Team prior to being presented to this Committee. The proposed plan has also been shared with the Council's External Auditors, Grant Thornton LLP.

#### **1.3 Legal Implications**

1.3.1 Section 151 of the Local Government Act 1972 requires the Council's S151 Officer to make arrangements for "the proper administration of the Council's financial affairs".

1.3.2 The Accounts and Audit Regulations (England) 2011 require the Council to “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.” To do so, the Council’s Internal Audit team works to the Public Sector Internal Audit Standards (PSIAS) and CIPFA’s Local Government Application Note to the Standards.

#### **1.4 Financial and Value for Money Considerations**

1.4.1 The work of the Internal audit team is directed by the annual Internal audit Plan and aims to provide assurance that the Council’s finances and operations are appropriately controlled while making a positive contribution to economy, efficiency and effectiveness of the Council’s services.

#### **1.5 Risk Assessment**

1.6 The Internal Audit Plan is intended to ensure that the work of Internal Audit is effectively directed. For this very reason, the process for preparing the plan is itself informed by an assessment of the risks and audit needs of the Council. Members’ endorsement of the Internal Audit Plan 2015-16 ensures that the status of the plan is maintained.

#### **1.7 Equality Impact Assessment**

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

#### **1.8 Recommendations**

1.8.1 Members are asked to **consider** and **endorse** the Internal Audit Plan 2015-16.

Background papers:

contact: Katey Arrowsmith

Internal Audit Working Papers

David Buckley  
Chief Internal Auditor