

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE GOVERNANCE COMMITTEE 5th APRIL 2007

INTERNAL AUDIT PLAN 2007/08

REPORT OF THE GROUP AUDITOR (this matter is the responsibility of Councillor Williams, the Leader of the Council)

EXECUTIVE SUMMARY

This report seeks the approval of the Committee for the 2007/08 Audit Plan in order that Internal Audit can continue to meet the emerging needs of the Council.

1. Purpose of Report

- 1.1 To agree the Annual Audit Plan for 2007/08.

2. Background

- 2.1 Internal Audit at Taunton Deane Borough Council operates in accordance with the Standards of the Institute of Internal Auditors and the CIPFA Code of Practice. Our proposed Audit Plan for 2007/08 is included in section 4 of this report. This shows the nature of the review, the quarter in which each audit is scheduled and the planned audit days. The Draft Audit Plan has been shared with Senior Managers to seek their comments on the proposed timing of audits. The detailed scope and objective of each assignment and the start date, will be agreed with the relevant Manager prior to the commencement of each audit.

3. Purpose of the Annual Audit Plan

- 3.1 The Annual Audit Plan has been drawn up to reflect the wide range of work undertaken by the Internal Audit Section, including:

- Audit of the Council's main financial systems on a annual basis;
- Audit of services at least once within the four year cycle;
- Provision of advice on corporate management activities such as Risk Management, Information Management and Corporate Governance issues;
- Undertaking a programme of specialist contract, computer audits and Value for Money Studies;
- Completing special investigations to meet management requirements;
- Provision of day to day advice to managers on financial and control issues;

4. The 2007/08 Annual Audit Plan

4.1 Managed Audits – The Audit Commission places reliance on Internal Audit coverage of a programme of audits of key financial systems, and requires assurance that adequate testing of the systems has been undertaken. Managed audits are completed to assist the District Auditor in their assessment of the Council's financial control environment. The reviews for Housing Rents and Housing Benefits have been incorporated into the Operational Audits below. The following audits will be completed this year:-

Capital Accounting, Main Accounting, Council Tax, Creditors, Debtors, Treasury Management, NNDR and Payroll

Operational Audits - Operational Audits are a detailed evaluation of a services control environment. A risk evaluation matrix is devised and controls are tested. Where weaknesses or areas for improvement are identified, actions are agreed with management and target dated. The following reviews will be completed this year:-

Cemetery & Crematorium, Democratic Services, Housing Rents, Housing Repairs, Health & Safety at Work, Housing Benefits, Housing Benefits Fraud, ISiS Transition, Housing – Homelessness, Training & Development, Financial Management, Renovation Grants (Homes), Register of Electors, Risk Management, Waste & Recycling

Other areas of work – Internal Audit will also undertake in the following areas:-

Risk Sessions, Follow-up Reviews, Special Reviews, Corporate Advice, Corporate Meetings, Audit Commission, General Advice, Cash Spot Checks, Contract Audit

5. Recommendation

5.1 To agree the Annual Audit Plan for 2007/2008.

Background Papers

There are no background papers.

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