

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE GOVERNANCE COMMITTEE 15th MARCH 2010

INTERNAL AUDIT PLAN 2010/11

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

EXECUTIVE SUMMARY

This report seeks the approval of the Committee for the 2010/11 Audit Plan in order that SWAP can continue to meet the emerging needs of the Council.

INTRODUCTION

The purpose of this report is to obtain approval for the Internal Audit Annual Plan for 2010/11.

BACKGROUND

It is recommended by the Council's External Auditors and is recognised best practice that an appropriate Committee of Council scrutinises and approves the annual internal audit plan. The plan presented in this report represents all planned internal audit activity for the year 2010/2011.

The annual internal audit plan is derived from a 5 year strategic audit plan that covers all activities of the Council and was devised with the co-operation and approval senior management. The strategic plan is risk based and is co-ordinated, where possible, with the audit plans of the other members of the South West Audit Partnership (SWAP). Joint audits of this kind derive real benefits in both reducing the overall time taken and in the shared lessons that can be learnt by all the partners.

Although the annual audit plan is derived from a long-term strategic plan, SWAP regularly reviews the risk status and ranking of all auditable entities. This is to ensure that the highest risk areas are always given priority for internal audit review.

We review at least once a year the current risk rank order of the strategic plan and, with the agreement of senior management, make appropriate amendments.

THE ANNUAL INTERNAL AUDIT PLAN

The audit plan is broken into four main areas of activity as detailed below. The operational reviews are comprehensive in nature and cover the entire range of risks and controls. A detailed report is issued at the end of the audit review and an agreed action plan devised.

Key control reviews are carried out in support of the work done by the Council's External Auditors and focus on financial control. These reviews are carried out annually between October and December. A report is issued for each review providing an assessment of the robustness of controls in all areas and recommending improvements, where appropriate. Where a full operational audit is planned for one of the areas normally covered under the key control review then the work is combined and co-ordinated.

Governance, Fraud and Corruption audits focuses primarily on key risks relating to cross cutting areas that are controlled and/or impact at a Corporate rather than service specific level. It also provides an annual assurance review of areas of the Council that are inherently higher risk. Internal audit will use the findings of these reviews to support the assurance we are required to provide as part of the Council's Annual Statement on Governance.

In addition to our core audit work, as described above, internal audit also provide a range of other services including risk advice, follow-up reviews, specialist advice and special investigations.

The reviews planned for 2010/11 are:

Operational Reviews	
Building Control Partnership *	IT - Threat Protection *
Choice Based Lettings *	Main Accounting
Creditors *	Partnership Arrangements (Somerset Strategic Partnership)
Customer Services *	Property Services
Debtors *	Section 106 Agreements *
IT - Corporate Back Up Routines *	Strategic Housing *
IT – SW Information Security Group *	Waste & Recycling *
Governance, Fraud and Corruption	
Business Continuity (Major Partnerships and Contractors)	Gifts and Hospitality, Register of Interests – Members
Data Quality - Performance Indicators	Gifts and Hospitality, Register of Interests – Staff
Equalities and Diversity - Impact Assessments	Performance - NI 188 Use of Natural Resources
Health and Safety (Internal Awareness and Training)	Performance - NI 179 Efficiency Statements

Income Collection (Analytical Review including Budgets and Methods of Payment)	Procurement (Category Management)
Fees and Charges	Risk Management (Risk Registers Including Major Projects)
Key Control Audits	
Capital Accounting	NNDR
Council Tax	Payroll
Housing Benefits	Treasury Management
Housing Rents	
Other Audit Activity	
Audit Commission	DLO Due Diligence Review
Contingency	General Advice
Cash Spot Checks	Special Reviews
Corporate Advice	Review of Core Council Arrangements
Corporate Meetings	

* Denotes that the Operational audit is being completed at other SWAP partner sites.

RECOMMENDATION

Members are invited to comment on and agree the Annual Audit Plan for 2010/11.

Background Papers

There are no background papers.

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