

Report to Finance and Performance Management Scrutiny Panel

Date of meeting: 12 February 2007



Portfolio: Finance and Performance Management

Subject: Draft Internal Audit Plan 2007/08

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Committee Secretary: A Hendry (01992 564246)

Recommendations:

The Committee is invited to comment on the proposed Internal Audit Plan for 2007/08

Report:

1. At the meeting of Overview and Scrutiny Committee on 2nd March 2006, the scrutiny of the Internal Audit Plan for 2006/07 was undertaken in accordance with the Council resolution referred to at paragraph 3 below. It was decided at that meeting that the scrutiny of the Audit Plan for 2007/08 and future years would be delegated to this Committee.
2. The officer consultation process on the Council's Internal Audit Plan for 2007/08 has been completed and the draft Plan is being submitted to this Committee as part of the Member consultation. The Plan will be submitted to the Finance and Performance Management Cabinet Committee in March and Cabinet for approval during April. The detailed draft Plan document has been circulated to all members of the Council.
3. Council resolved in December 2000 that ...“the annual [Internal] audit work programme be submitted to the Cabinet for approval after prior consultation with the Scrutiny Co-ordinating Group...the audit work programme to contain contingency provision for additional project work/investigations as specified by the Scrutiny Co-ordinating Group or Cabinet...”
4. The Chief Internal Auditor will be in attendance at this meeting to introduce the Audit Business Plan incorporating the proposed work plan for 2007/08. It will also be possible to discuss with Members any topics which the Committee would like to be brought forward for consideration for inclusion in the Plan, either this year or in the future. Members may wish to note that a contingency provision has been made in the draft plan for investigations and other unplanned work, the nature of which cannot be predicted at the start of the financial year.
5. Following views expressed by Members during consultations on a previous year's Plan, two sets of CIPFA benchmarking comparisons, one with all other Shire Districts and one with a locally determined 'family' group, are attached for Members' information at Appendix 5. These provide comparative information with EFDC audit costs and work plans based on 2005/06 actuals and 2006/07 estimates, and put into context the proposals included in the draft Plan for 2007/08.
6. There is flexibility in the Plan so that audits can be substituted in order to accommodate

reviews of areas that are assessed as being of greater risk to the achievement of the Council's objectives. Topics can, therefore, be brought forward for consideration for inclusion in the work programme during the year, although any proposed amendments to the Plan should be considered in the context of existing commitments and the criteria normally applied when prioritising audit reviews.

7. Progress against the approved Plan is kept under review during the year and any proposed amendments, once the Plan has been approved, would be subject to the approval of the proposed new Audit and Governance Committee, who will be monitoring progress against the plan on a quarterly basis.

Reason for decision:

To enable Members to comment on the draft Audit Plan for 2007/08

Options considered and rejected:

Not applicable, as the requirement to consult is derived from a Council resolution

Consultation undertaken:

Management Board and Heads of Service have been consulted on the draft Audit Plan.

Resource implications:

Within existing resources

Budget provision: n/a

Personnel: n/a

Land: n/a

Community Plan/BVPP reference: Finance and Performance Management sections
Relevant statutory powers: Included in Business Plan

Background papers: CIPFA Internal Audit Code of Practice, Audit reports and files

Environmental/Human Rights Act/Crime and Disorder Act Implications: None

Key Decision reference: (if required)