

Report to Audit Committee

11th April 2018

By the Horsham Chief Internal Auditor



INFORMATION REPORT

Not Exempt

Internal Audit Strategy 2018/19 and Annual Plan

Executive Summary

The purpose of this report is to present the Council's Internal Audit Strategy 2018/19 and Annual Plan.

Recommendations

The Committee is recommended to:

- i) To approve the Council's Internal Audit Strategy 2018/19 and Annual Plan, along with the updated Internal Audit Charter.

Reasons for Recommendations

- i) To comply with the requirements set out in the Public Sector Internal Audit Standards 2013 (amended April 2017).
- ii) The Audit Committee is responsible for reviewing the effectiveness of the Council's system of internal control.

Background Papers

Corporate Plan; Risk Registers; Horizon Scanning documents; and supporting audit working papers.

Wards affected: All.

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Background Information

1 Introduction and Background

- 1.1 The Council's Internal Audit Strategy 2018/19 and Annual Plan (Appendix 1) sets out how the Council will meet its statutory requirements for internal audit, as defined within the Accounts and Audit Regulations 2015. The Strategy proposes an approach based on focussing audit resources in those areas where the highest risk to the achievement of the Council's objectives lies. These areas have been identified and prioritised based on the Council's own risk assessment processes (including corporate and departmental risk registers) and following consultation with senior officers and Members.

2 Relevant Policy / Professional Standards

- 2.1 Internal Audit follows the mandatory standards set out in the Public Sector Internal Audit Standards (PSIAS) published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Internal Auditors.
- 2.2 Internal Audit is conducted in accordance with the Council's Constitution. Financial Procedure Rule 4e 32 states that: "the Chief Finance Officer, as determined by the Council, will ensure that the Council has appropriate arrangements in place to maintain an adequate and effective internal audit". The terms of reference for Internal Audit are detailed in the Council's Internal Audit Charter which is reviewed and approved by the Audit Committee.

3 Next Steps

- 3.1 The Committee will be kept informed about progress in terms of the audit plan.

4 Outcome of Consultations

- 4.1 As with the previous year, we have sought to focus our audit and assurance activity on supporting the delivery of the Council's four overarching priority outcomes, namely:
 - Support our Communities;
 - Improve and Support the Local Economy;
 - Great Value Services; and
 - Manage our Natural and Built Environment.

5 Other Courses of Action Considered but Rejected

- 5.1 Not applicable.

6 Resource Consequences

- 6.1 This report summarises information about the work that will be undertaken by Internal Audit, and therefore there are no direct financial or HR consequences.

7 Legal Consequences

- 7.1 There are no legal consequences.

8 Risk Assessment

- 8.1 The audit plan is a risk-based plan.

9 Other Considerations

- 9.1 Internal Audit is a reporting function and there are no consequences in respect of Crime & Disorder; Human Rights; Equality & Diversity; or Sustainability. However these areas are considered where appropriate during audit fieldwork.