

For publication

Chesterfield Borough Council Internal Audit Plan 2018/19

Meeting: Standards and Audit Committee

Date: 4 April 2018

Cabinet portfolio: Governance

Report by: Internal Audit Consortium Manager

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1.0 Purpose of report

- 1.1 To present to Members for consideration and agreement the Internal Audit Plan for 2018/19.

2.0 Recommendations

- 2.1 That the Internal Audit Plan for 2018/19 be agreed.

3.0 Report details

- 3.1 A key requirement of the Public Sector Internal Audit Standards is that a periodic risk based plan should be prepared that is sufficiently flexible to reflect the changing risks and priorities of the organisation. The risk based plan should be fixed for a period of no longer than one year, should outline the assignments to be carried out, their respective priorities and

the estimated resources needed.

- 3.2 The internal audit plan is linked to the Council's Council Plan in respect of its aim to provide value for money services. Audit reviews assess the controls and procedures in operation and make recommendations for improvement.
- 3.3 A note explaining the role, purpose and some of the terminology used in the internal audit plan is attached at Appendix 1.
- 3.4 An annual report summarising the outcome of the 2017/18 internal audit plan will be presented to this Committee after the year-end.
- 3.5 A summary of the internal audit plan for 2018/19 is shown below and the detailed plan is shown as Appendix 2.

Internal Audit Plan 2018/19

Summary	Audit Days
Main Financial Systems	198
Other Operational Audits	185
Computer / IT Related	40
Fraud and Corruption	5
Corporate / Cross Cutting	72
Location / Regularity	5
Special Investigations & Contingency	30
Training/Updating test schedules	10
Audit Committee / Client Liaison	15
Grand Total	560

- 3.6 The plan has been prepared taking into account the following factors:-
- The organisational objectives and priorities;
 - Local and national issues and risks;

- The requirement to produce an annual internal audit opinion;
- The organisations assurance framework;
- An update of the internal audit risk assessment exercise covering the financial control and other procedures subject to audit ;
- The Council's strategic risk register;
- The views of the Corporate Management Team.

3.7 Resource availability has been based on the Consortium Business Plan. The plan allocates 560 days to Chesterfield Borough Council for 2018/19, this is the same allocation as in 2017/18.

3.8 A copy of the audit plan is provided to the Council's external auditor to assist in co-ordination of work programmes.

3.9 Risk Management Issues – no formula exists that can be applied to determine internal audit coverage needs. However, as a guide, the minimum level of coverage is that required to give an annual evidence-based opinion on internal controls. The level of coverage provided by the proposed 2018/19 internal audit plan will be sufficient upon which to base an opinion.

4.0 Alternative options and reason for rejection

4.1 Not Applicable

5.0 Recommendations

5.1 That the Internal Audit Plan for 2018/19 be agreed.

6.0 Reasons for recommendations

6.1 To comply with the Public Sector Internal Audit Standards and to determine the internal audit work plan for the year.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	This report links to the Council's priority to provide value for money services.

Document information

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Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix A	Background Note
Appendix B	CBC Internal Audit Plan 2016/17 – 2018/19