

Item

## INTERNAL AUDIT PLAN 2018/19



**To:**

Civic Affairs Committee [14/02/2018]

**Report by:**

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**Wards affected:**

All

### 1. Introduction / Executive Summary

- 1.1 This report introduces the draft Internal Audit Annual Plan and Strategy, for 2018 / 2019, for consideration by the Civic Affairs Committee. The plan has been subject to consultation with all Directorates, and the Chief Executive, and circulated to the External Auditors.
- 1.2 Internal Audit Plans, and associated documents, have been created in line with best practice laid down in the Public Sector Internal Audit Standards (PSIAS) and the accompanying Local Government Application Note (LGAN).

### 2. Recommendations

- 2.1 Civic Affairs Committee is requested to consider the supporting information, in the appendices, to:
  - i) approve the draft Audit Plan and Strategy; and
  - ii) approve the supporting Charter and the Code of Ethics.

### **3. Background**

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- 3.1 The Accounts and Audit Regulations 2015 require that the Council “must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes; taking into account public sector internal auditing standards or guidance.”
- 3.2 The Public Sector Internal Audit Standards (PSIAS) require that the Head of Audit “must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation’s goals”.
- 3.3 Appendix A is the risk based Audit Plan for 2018 / 2019. It has been based upon the Corporate Plan, risk registers, consultation with key officers, committee reports, information from other assurance processes, plus horizon scanning to consider emerging risks and opportunities.
- 3.4 The plan is the work programme for Internal Audit and provides the basis upon which the service will subsequently give an audit opinion on Cambridge City Council’s (CCC) system of internal control, risk management and corporate governance arrangements.
- 3.5 The Internal Audit Charter and the Code of Ethics are also appended for information. These documents were approved by the Committee last year, and have been reviewed as good practice, considering both the PSIAS and the LGAN. They have been updated to reflect the latest version of the standards, and there are no significant changes. They will also be reviewed this year, as part of an ongoing Quality Assurance and Improvement Programme (QAIP). It is good practice to present these documents as they define internal audit's purpose, authority, responsibility and position within an organization, supporting the risk based audit plan.

### **4. Implications**

#### **(a) Financial Implications**

None.

#### **(b) Staffing Implications**

The audit plan reflects current available resources, and factors in current vacancies in the team, plus time for successful recruitment. Any

further significant change in resource, or Council activities, will be reported under separate cover to Members and their impact.

**(c) Equality and Poverty Implications**

There are no implications.

**(d) Environmental Implications**

None.

**(e) Procurement Implications**

None.

**(f) Community Safety Implications**

None.

**5. Consultation and communication considerations**

The plan has been subject to consultation with all Directorates, Senior Management, and the Chief Executive.

**6. Background papers**

Background papers used in the preparation of this report:

- Risk-Based Internal Auditing – Working Standards and Procedures
- Public Sector Internal Audit Standards
- CIPFA Local Government Application Note
- Cambridge City Council Risk Registers
- Corporate Plan

**7. Appendices**

- a) Internal Audit Plan and Strategy 2018/19
- b) Internal Audit Charter
- c) Internal Audit Code of Ethics

**8. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Jonathan Tully, Head of Shared Internal Audit Service, tel: 01223 - 458180, email: [jonathan.tully@cambridge.gov.uk](mailto:jonathan.tully@cambridge.gov.uk).