

AUDIT COMMITTEE

DATE OF MEETING: 23 MARCH 2021

TITLE OF REPORT: INTERNAL AUDIT PLAN 2021/22

Report of: Audit Manager

Cabinet Member: Councillor James Radley, Portfolio Holder for Finance

1 PURPOSE OF REPORT

1.1 To inform members of the content of the 2021/22 Internal Audit Plan, attached as Appendix 1.

2 RECOMMENDATION

2.1 That the Committee approves the Internal Audit Plan for 2021/22.

3 BACKGROUND

Internal Audit Plan

3.1 The Internal Audit Plan provides a summary of the planned work for 2021/22. The Public Sector Internal Auditing Standards require the preparation of a risk based annual plan. Leadership Team have been consulted on the content of the plan, which is now reported to the Audit Committee for approval.

3.2 The Internal Audit Plan is based on a risk assessment which includes the following elements:

- Content of the Corporate Risk Register
- Content of Operational Risk Registers (service based)
- Budget
- Corporate Priorities
- Previous Audit Work
- Statutory Requirements

3.3 A significant part of the Internal Audit resource for 2020/21 is focused on the Council's financial systems. This is the statutory element of Internal Audit's work, arising from Section 151 of the Local Government Act 1972 and the Accounts and Audit Regulations 2011.

3.4 It should be noted that the plan has been prepared based on an assumption that there will be a reduction in the level of internal audit resource required on Business Grant Work in 2021/22.

- 3.5 It should also be noted that there is always the possibility that planned work may change due to emerging risks and changing priorities. Any changes to the plan will be reported to the Audit Committee.
- 3.6 As in previous years internal audit work will be provided by a combination of an in-house resource and auditor days procured from Basingstoke and Deane Borough Council. The Council currently buys in 50 internal audit days and 25 specialist fraud days, this is part of an existing contract.
- 3.7 It is also hoped that for 2021/22 and onwards that we can also use a resource from Wokingham Borough Council. The council is hoping that it can procure at least 50 auditor days and will put in place a similar contractual arrangement with Wokingham.

4 MANAGEMENT OF RISK

- 4.1 A robust Internal Audit Plan is an essential element of the Council's systems of internal control. The plan is designed in accordance with the Council's identified risks and is also considered to be a key part of the Council's governance framework.

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Appendix 1 – Internal Audit Plan 2021/22

Service Reviews	Days
Complaints	10
Waste / Street Cleaning	10
Planning Performance	10
Disabled Facs Grants	10
Data management	
Financial resilience	10
Commercialisation	
Corporate	
Ombudsman	5
Audit Management	15
NFI/Fraud	25
Follow Ups	10
Risk Management	15
External Audit	5
Annual Governance Statem	10
5 Councils	10
Corporate	30
Training	5
Audit Committee	15
Core Reviews	
Fraud Risk Assessment	10
Payroll	10
Local Taxation	15
Housing Benefit	15
Treasury Management	10
Accounts Payable	10
Accounts Receivable	10
Income Management	5
Main Accounting	10
IT Controls	15