

COMMITTEE: AUDIT AND GOVERNANCE

DATE: 14 MARCH 2012

SUBJECT: INTERNAL AUDIT PLAN 2012/13

REPORT BY: AUDIT MANAGER

CONTACT OFFICER: BEV HANNAH

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IMPLICATIONS:

LEGAL

COMMUNITY

SAFETY

EQUALITIES

ENVIRONMENT

FINANCIAL

OTHER

STAFFING

WARDS AFFECTED: NONE

PURPOSE

1. To provide an opportunity for the Audit and Governance Committee to consider the Annual Audit Plan for 2012/13.

RECOMMENDATION

2. **The Audit and Governance Committee to recommend to the Executive that it approve the Annual Audit Plan 2012/13.**

BACKGROUND

4. The Council has a statutory responsibility under the Accounts and Audit Regulations 2006 to maintain an effective internal audit of its activities. Internal Audit is an important element of the Council's risk management arrangements in terms of the work that it undertakes in evaluating and reporting upon the control environment across the Council. The Accounts and Audit Regulations also require that the Council shall be responsible for ensuring the financial management of the Council is adequate and effective and that the Council has sound systems of internal control that facilitate the effective exercise of the Council's functions.

REPORT

- 5 The 2012/13 Annual Audit Plan (Appendix A) has been drafted in accordance with the Audit Strategy which is approved at the March Audit and Governance Committee each year and subsequently approved by Executive. The Audit Strategy for 2012/13 will be presented alongside this report. The focus of the Plan is a combination of assurance and risk audits to enable the Audit Manager to provide an annual opinion on internal control for the Council and to address any emerging problems during the year. The Plan is kept under review throughout the year to take account of any new risks or issues.
- 6 The Plan was devised through interview and discussions with Heads of Service and assessment of their risks.
- 7 The Plan includes the continuation of work on behalf of the Council's External Auditor (Grant Thornton) which will help to contain any increase in their fees.
- 8 Our resources continue to be stretched and as a result we only have availability to undertake an audit plan of 1100 days for 2012/13. We will continue to undertake all of the key assurance audits as requested by the External Auditor and any other high risk areas which have been identified.

RISK IMPLICATIONS

- 9 The audit resource may not be sufficient to adequately cover the requirements of the External Auditor.

FINANCIAL IMPLICATIONS

- 10 There are no financial implications to this report other than those set out in the body of the report. This has been agreed with the Head of Finance on the 29th February 2012.

LEGAL IMPLICATIONS

- 11 There are no direct legal implications to this report save for those set out in the body of the report. This has been agreed with the Head of HR and Monitoring Officer on the 1st March 2012.

APPENDIX

- 12 Attached as an Appendix to this report is the Internal Audit Plan for 2012/13

LIST OF BACKGROUND PAPERS

LOCAL GOVERNMENT ACT 1972, SECTION 100D

- (a) The Accounts and Audit Regulations 2006.
- (b) The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006.

DRAFT INTERNAL AUDIT PLAN 2012/13

ASSURANCE AUDITS

Corporate Assurance	Days	
Post Restructure Reviews	20	
Annual Governance Statements	20	
NFI	50	
Working Groups	10	
<i>Total Days for Corporate Assurance</i>		100
Chief Executives		
Electoral Services	20	
Data Quality Review	20	
<i>Total Days for Chief Executives</i>		40
Commercial & Transformation Services		
IM Audits	50	
Main Accounting	15	
Payroll/HR Trent	20	
Debtors	20	
Accounts Payable/Procurement	20	
Treasury Management	15	
Duplicate Payments	15	
Budgetary Control	20	
Fixed Assets	20	
K2 system – Rents, renewals etc	10	
Commissioning work from Civica	10	
FOI / Data Protection	10	
The Mall Head Rent 2011	10	
Housing Benefits	20	
Council Tax/NNDR	20	
<i>Total Days for Commercial & Transformation Services</i>		275
Housing & Community Living		
Client contributions to care	20	
Purchasing & QA Team	20	
BTS Follow up	5	
Homelessness	20	
Personalisation	20	
Rent Debit	15	
Rent Deposit Scheme	5	

16 + Team – Weekly Allowances	10	
Other Allowances	10	
<i>Total Days for Housing & Community Living</i>		125
Children & Learning		
Schools Audits	50	
Leases / Rentals	10	
Childrens Centres	10	
Schools - themed reviews	25	
Teachers Pensions Agency	25	
E-Learning Centre	5	
Early Intervention Grant	20	
School Meals	10	
<i>Total Days for Children & Learning</i>		155
Environment & Regeneration		
Car Parking Service	15	
Transportation Grant	10	
Bus Operators Grant	5	
Statements of Grant Usage	20	
ESF Policies and procedures	10	
<i>Total Days for Environment & Regeneration</i>		60
Risk Management		
Corporate Risk Registers	50	
<i>Total Days for Risk Management</i>		50
Contract Audits		
Contract Audits	20	
<i>Total Days for Contract Audits</i>		20
CONSULTANCY & CLIENT WORK		
Special Investigations		
Special Investigations	50	
<i>Total Days for Special Investigations</i>		50
Consultancy & Advice		
Consultancy & Advice General	60	
Follow Up Reviews	25	

Total Days for Consultancy & Advice		85
Active Luton		
SLA Work	40	
Total Days for Active Luton		40
Cultural Trust		
SLA Work	30	
Total Days for Cultural Trust		30
London Luton Airport		
SLA Work	20	
Total Days for London Luton Airport		20
Planning & Reporting		
Audit Planning	30	
Audit Reporting	20	
Total Days Audit Planning & Reporting		50
TOTAL PRODUCTIVE DAYS		1100