

Subject:	Annual Internal Audit Plan 2015/16	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	30 th June 2015
Report of:	Chief Internal Auditor	Portfolio Holder:	Resources and Performance
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Community Impact Assessment:	Required: No	Attached:	No
Biodiversity Impact Assessment	Required: No	Attached:	No
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1.	RECOMMENDATION(S)
1.1	Members are asked to approve the internal audit annual plan for the period 1 April 2015 to 31 March 2016.

2. PURPOSE OF REPORT

- 2.1 The Audit and Accounts Committee's terms of reference require it to advise the council on the planned activity and results of internal audit. The Public Sector Internal Audit Standards issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) state the Audit Committee is required to approve, but not direct, the internal audit plan.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.
 - **Clean Green Rossendale:** This priority focuses on clean streets and town centres and well managed open spaces, whilst recognising that the Council has to work with communities and as a partner to deliver this ambition.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the areas raised in this report involve risk considerations as set out below:

The responsibility for implementing, maintaining and reviewing the system of internal control rests with the council, but the process by which the effectiveness of its system of internal control is reviewed and the governance statement is made includes obtaining assurances on the effectiveness of key controls. In practice, these assurances will be substantially drawn from the work of internal audit.

The audit plan is therefore focussed on providing these assurances to the Chief Executive and Leader of the council who are jointly required to sign the annual governance statement.

5. BACKGROUND AND OPTIONS

- 5.1 Appendix A sets out the plan of work to be undertaken by the council's internal audit service for 2015/16.

- 5.2 The plan is intended to provide assurance to the Chief Executive and Leader of the Council who are jointly required to sign the Annual Governance Statement, which is published with the financial statements.
- 5.3 Regulation 3 of the Accounts and Audit (England) Regulations 2015 requires that:
"A relevant authority must ensure that it has a sound system of internal control which:
(a) Facilitates the effective exercise of its functions and the achievement of its aims and objectives;
(b) Ensures that the financial and operational management of the authority is effective;
and
(c) Includes effective arrangements for the management of risk."

Furthermore, Regulation 6 (1) requires that:

"A relevant authority must, each financial year:

- (a) Conduct a review of the effectiveness of the system of internal control required by regulation 3; and
(b) Prepare an annual governance statement.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 Any financial implications arising are noted in the report.

7. MONITORING OFFICER

7.1 Any legal implications are commented upon in the report.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 RBC Senior Management Team, relevant Heads of Service, and Authority's external auditors.

9. CONCLUSION

9.1 The plan is focused on an assessment of the risks to the achievement of the council's objectives, and the provision of assurance that the actions planned to mitigate these risks are adequate and effective.