

## SOUTH HOLLAND DISTRICT COUNCIL

**Report of:** Audit & Risk Manager– Audit Lincolnshire and Shared Manager Finance (SHDC)

**To:** Governance & Audit Committee – 10 March 2015

**(Author:** Lucy Pledge – (Head of Audit & Risk Management, Audit Lincolnshire) and Mark Finch – (Shared Manager Finance (SHDC))

**Subject:** Draft Internal Audit Plan 2015/16

**Purpose:** To present to the Committee the draft Internal Audit Plan for 2015/16

### **Recommendation:**

- 1) That Members consider and approve the 2015-16 Internal Audit Plan

### **1.0 BACKGROUND AND KEY MESSAGES**

1.1 The purpose of this report is to:

- Provide details and seek approval for the Internal Audit Plan 2015-16

### **Key Messages**

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1.2. The Internal Audit Plan 15-16 has been developed with Management and a risk assessment of Council functions. The detailed plan is attached at Appendix A

1.3 Internal Audit is a statutory service required under the Account and Audit regulations 2011. We provide independent assurance designed to add value and improve how the Council operates. We help the Council achieve its priorities and objectives by bringing a systematic, disciplined approach to evaluate and improve the management of risk, control and governance processes.

1.4 Our work is carried out in conformance with the UK Public Sector Internal Audit Standards. These require that the scope of Internal Audit covers the whole range of the Council activities - seeking to provide an annual internal audit opinion on the governance, risk and internal control environment of the Council, which has been established to:

- Achieve strategic objectives
- Ensure effective and efficient operational systems and programmes
- Safeguard assets and interests of all kinds (including risks that relate to work it undertakes through partnerships)

- Ensure the reliability and integrity of financial and operational information
- Ensure economic, efficient and effective use of council resources
- Ensure compliance with established policies, procedures, laws, regulations and contracts

1.5 In developing the Internal Audit Plan we have:

- Taken into account management's assessment of risk (including those set out in strategic and operational risk registers)
- Obtained assurances present on the Council's critical systems and key projects
- Used our own risk assessment against each activity assessing their significance, sensitivity and materiality – ranking the activity as high, medium or low risk.

1.6 Our aim is to align our work with other assurance functions – seeking to look at different ways of leveraging assurance to help us to maximise the best use of the Internal Audit resource and other assurance functions in the Council.

1.7 Our audit plan has been considered by CMT.

## 2.0 **OPTIONS**

2.1 Consider the content of the Internal Audit Plan 2015-16 and recommend approval.

## 3.0 **REASONS FOR RECOMMENDATION**

3.1 To ensure that appropriate internal audit work is scheduled for 2015-16, as part of the Council's contract with Audit Lincolnshire for the delivery of Internal Audit services.

## 4.0 **EXPECTED BENEFITS**

4.1 To meet the terms of reference of Internal Audit and the Governance and Audit Committee, and ensure legal compliance.

## 5.0 **IMPLICATIONS**

### 5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.

### 5.2 **Constitution & Legal**

5.2.1 It is the opinion of the Report Author that there are no implications.

### 5.3 **Contracts**

5.3.1 It is the opinion of the Report Author that there are no implications.

### 5.4 **Corporate Priorities**

5.4.1 It is the opinion of the Report Author that there are no implications.

### 5.5 **Crime and Disorder**

5.5.1 It is the opinion of the Report Author that there are no implications.

### 5.6 **Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the Report Author that there are no implications.

### 5.7 **Financial**

5.7.1 It is the opinion of the Report Author that there are no implications.

### 5.8 **Risk Management**

5.8.1 It is the opinion of the Report Author that there are no implications.

### 5.9 **Staffing**

5.9.1 It is the opinion of the Report Author that there are no implications.

### 5.10 **Stakeholders / Consultation / Timescales**

5.10.1 It is the opinion of the Report Author that there are no implications.

## 6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 Not applicable

## 7.0 **ACRONYMS**

7.1 CMT – Corporate Management Team

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Background papers:- None

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**Lead Contact Officer**

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**Director / Officer who will be attending the Meeting:**

Lucy Pledge –Audit & Risk Manager – Audit Lincolnshire;

John Scott – Audit Manager, Audit Lincolnshire

Mark Finch – Shared Manager, Finance

**Key Decision:** No

**Exempt Decision:** No

**Appendices attached to this report:** Appendix 1 – Internal Audit Plan 2015-16