

**Report To:** Corporate Governance Committee

**Date of Meeting:** 20 May, 2015

**Lead Member:** Julian Thompson-Hill, Leader Member for Finance & Assets

**Report Author:** Ivan Butler – Head of Internal Audit

**Title:** Internal Audit Strategy 2015/16

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**1. What is the report about?**

This report provides the Committee with the Internal Audit Strategy for 2015-16. The Strategy provides details of the proposed Internal Audit projects for the year that will allow the Head of Internal Audit to provide an ‘opinion’ on the adequacy and effectiveness of the Council’s framework of governance, risk and control during the year.

**2. What is the reason for making this report?**

The Public Sector Internal Audit Standards (PSIAS) require the ‘chief audit executive’ to develop a risk-based internal audit plan that takes into account the requirement to deliver an annual internal audit opinion and report that the organisation can use to inform its governance statement. This Committee’s terms of reference require it to consider internal audit’s planning strategy.

**3. What are the Recommendations?**

The Committee endorses the Internal Audit Strategy 2015/16 (Appendix 1)

**4. Report details**

The Internal Audit Strategy 2015-16 provides background to the internal audit service as well as its proposed plan of work for the year based on an assessment of risk and consultation with services and Corporate Executive Team.

The proposed plan of work will allow the Head of Internal Audit to provide an overall ‘opinion’ in his annual report for 2015-16. This Committee will receive regular information reports on progress with delivery of the Strategy.

**5. How does the decision contribute to the Corporate Priorities?**

There is no direct contribution to the Corporate Priorities, but some projects in the Plan will review Corporate Priority areas and will potentially help with their delivery.

**6. What will it cost and how will it affect other services?**

There are no costs attached to this report.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.**

This report does not require a decision or proposal for change, so there is no impact on people who share protected characteristics.

**8. What consultations have been carried out with Scrutiny and others?**

The Head of Internal Audit has met with the Corporate Executive Team and heads of service to discuss proposed Internal Audit work

**9. Chief Finance Officer Statement**

There are no financial implications attached to this report.

**10. What risks are there and is there anything we can do to reduce them?**

Failure to deliver an adequate level of internal audit may mean that the Head of Internal Audit cannot provide an annual 'opinion' on the adequacy and effectiveness of the Council's framework of governance, risk and control during the year. This would potentially lead to a significant governance issue being raised in the Council's 'annual governance statement' at the end of the financial year.

**11. Power to make the Decision**

There is no decision required for this report but there is a requirement under the local Government (Wales) Measure 2011 for the 'audit committee' to review and assess the Council's risk management, internal control and corporate governance arrangements and to oversee the Council's internal audit arrangements.