

BOROUGH OF KETTERING

Committee	MONITORING AND AUDIT	Item A1	Page 1 of 3
Report Originator	Mark Dickenson Head of Resources	<i>Fwd Plan Ref No:</i> N/A	
Wards Affected	All	3 rd April 2018	
Title	STRATEGIC AUDIT PLAN - APRIL 2018 TO MARCH 2021		

1. PURPOSE

- 1.1 As part of the Council's statutory obligation to undertake an adequate and effective internal audit of its accounting records and of its system of internal control, it is necessary to consider the level and extent of internal audit coverage for the Council's activities.
- 1.2 This report describes how this requirement has been approached and presents a draft internal audit plan of work for the next three years for consideration and approval by this Committee.

2 BACKGROUND

- 2.1. The Internal Audit function for Kettering Borough Council is undertaken by Coventry and Warwickshire Audit Services (CWAS).
- 2.2. CWAS have put together a draft Strategic Audit Plan this is detailed at **Appendix A**. This has been discussed with council officers and is presented to the Monitoring & Audit Committee for endorsement.
- 2.3. This report has been produced in accordance with the Public Sector Internal Audit Standards 2013 (PSIAS) published by HM Treasury (updated April 2016).
- 2.4. The proper internal audit practices contained in PSIAS defines the scope of internal audit as covering the whole internal control environment within the Council i.e. not just financial control, but also systems of governance, risk management and internal control. The Strategic Audit Plan detailed at Appendix A provides that breadth of scope.
- 2.5. The PSIAS requires an annual opinion on the overall adequacy and effectiveness of the Council's entire control environment. The work contained in the Strategic Audit Plan is sufficient to support the provision of such an opinion. It will also assist with the preparation of the Council's Annual Governance Statement and provides the Council's Section 151 Officer with a source of assurance in discharging their statutory duties regarding the proper administration of the Council's financial affairs.

BOROUGH OF KETTERING

Committee	MONITORING AND AUDIT	Item A1	Page 2 of 3
-----------	-----------------------------	------------	----------------

3 FORMULATION OF THE PLAN

3.1 The audit plan has been compiled with specific reference to:

- A review of the risks contained within the Council's Risk Management Strategy.
- A series of meetings held with the Head of Resources and submission of the draft plan to the Corporate Management Team to identify key auditable areas based on an assessment of current and future issues and risks.
- An understanding of the challenges to the Council to deliver its objectives within the current economic environment and changes in local government legislation.

3.2 The Strategic Internal Audit Plan will be subject to an annual refresh prior to the start of each financial year in order to ensure that it continues to address current risks as they arise.

4 REPORTING PROGRESS

4.1 Progress against delivering the planned work for 2018/19 will be reported to this Committee throughout the year.

5 CONSULTATION AND CUSTOMER IMPACT

5.1 The plan is at the draft stage for Committee to consider.

6 POLICY IMPLICATIONS

6.1 None

7 FINANCIAL RESOURCE IMPLICATIONS

7.1 None

8 HUMAN RESOURCE IMPLICATIONS

8.1 None

BOROUGH OF KETTERING

Committee	MONITORING AND AUDIT	Item A1	Page 3 of 3
-----------	-----------------------------	------------	----------------

9 LEGAL IMPLICATIONS

- 9.1 The Accounts and Audit (England) Regulations 2015 require the Council “to undertake an adequate and effective internal audit of its accounting records and of its system of internal control, taking into account public sector internal auditing standards or guidance”.

10 RECOMMENDATION

- 10.1 That the Monitoring and Audit Committee agree the Strategic Audit Plan for April 2018 to March 2021 (as detailed at Appendix A).

Background Papers:

Previous Reports/Minutes:

Title of Document:

Ref:

Date:

Date:

Contact Officer: Mark Dickenson