
AUDIT SERVICES – ANNUAL AUDIT PLAN 2006/07

Purpose of Report

1. To present Audit Services' Audit Plan for 2006/07 and associated performance indicators.

Information and Analysis

2. Audit Services' Terms of Reference, require the Audit Committee to approve the Annual Audit Plan. The plan for 2006/07 is attached at **Appendix A** and details work to be undertaken by the Service and reflects an establishment of six full time equivalent staff.
3. The plan is risk based. It has been developed with reference to corporate and departmental risk registers and to the identification and prioritisation of auditable areas based on an assessment of their exposure to risk pertaining to the achievement of objectives.
4. In assessing the degree of exposure to risk relating to individual auditable areas, the following factors are considered:-
 - (a) materiality (volumes and values of transactions etc. processed by the service)
 - (b) the managerial and control environment
 - (c) the degree of devolution and delegation
 - (d) importance in terms of sensitivity and public accountability
5. The plan has been formulated following consultation with the Director of Corporate Services, Chief Executive and other Directors.
6. A suite of performance indicators to monitor the effectiveness of the Council's internal control environment and the operational performance of Audit Services is detailed at **Appendix B**.
7. Progress against the Plan and performance measures will be reported to the Audit Committee during the course of the year.

Legal Implications

8. This report has been considered by the Legal Services Manager for legal implications in accordance with the Council's approved procedures. There are no issues which the Legal Services Manager considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

9. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the

Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Recommendation

10. It is recommended that :-

- (a) Audit Services' Audit Plan for 2006/07 at Appendix A be approved.
- (b) The performance indicators to monitor the effectiveness of the Council's internal control environment and the operational performance of Audit Services at Appendix B be noted.

Brian James
Chief Internal Auditor

Background Papers

- 1. Audit Services Terms of Reference
- 2. CIPFA Audit Risk Assessment Information
- 3. Corporate and Departmental Risk Management Information

Brian James : Extension 2140
TAB

