
AUDIT SERVICES – ANNUAL AUDIT PLAN 2010/11

Purpose of the Report

1. To present Audit Services' Audit Plan for 2010/11 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 2010/11 is attached at **Appendix A**. It details work to be undertaken by the Service and reflects an establishment of 5 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 auditable areas, such factors as the following are considered:-
 - (a) materiality (volumes and values of transactions etc. processed by the service);
 - (b) the managerial and control environment;
 - (c) susceptibility to fraud;
 - (d) outcome from external inspection; and
 - (e) 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 and External Audit.
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.

Recommendation

8. It is recommended that :-
- (a) Audit Services' Audit Plan for 2010/11 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.

Reasons

9. The recommendation is supported as it comprises part of the Council's corporate governance arrangements.

Brian James
Head of Corporate Assurance

Background Papers

- (i) Audit Services Terms of Reference
- (ii) Audit Risk Assessment Information
- (iii) Corporate and Departmental Risk Management Information

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S17 Crime and Disorder	Other than any special investigation work required there is no crime and disorder impact.
Health and Well Being	There is no specific health and well being impact.
Sustainability	There is no specific sustainability impact.
Diversity	There is no specific diversity impact.
Wards Affected	All wards are affected equally.
Groups Affected	All groups are affected equally.
Budget and Policy Framework	This report does not affect the budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	There is no specific relevance to the strategy beyond the report comprising part of the Council's governance arrangements.
Efficiency	There is no specific efficiency impact.