# **AUDIT COMMITTEE – 20 MARCH 2018**

# **PART I – DELEGATED**

# **6. Internal Audit PLAN 2018/19**

(DoF)

## **1. Summary**

### 1.1 This report gives details of the SIAS Internal Audit Plan for 2018/19.

## **2. Details**

### 2.1 Each year, following meetings with senior officers of the Council, the Head of Finance publishes the annual internal audit plan. These audits are carried out by SIAS on behalf of the Council.

### 2.2 The attached documents are the report from SIAS, the TRDC Audit Plan and the Shared Services Audit Plan. Further details are contained within the SIAS report.

## **3. Options/Reasons for Recommendation**

### 3.1 Audit Committee are asked to agree the Audit Programme for 2018/19.

## **4. Policy/Budget Reference and Implications**

### 4.1 The recommendations in this report are within the Council’s agreed policy and budgets.

## **5. Financial Implications**

### 5.1Delivery of the plan will be monitored against the internal audit budget during the year and any variance reported to the appropriate committee.

## **6. Risk Management and Health & Safety Implications**

### 6.1 The Council has agreed its risk management strategy which can be found on the website at http://www.threerivers.gov.uk. In addition, the risks of the proposals in the report have also been assessed against the Council’s duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

### 6.2 There are no risks to the Council in agreeing the recommendations.

### 6.3 The following table gives the risks that would exist if the recommendations are rejected, together with a scored assessment of their impact and likelihood:

|  |  |  |
| --- | --- | --- |
| Description of Risk | Impact | Likelihood |
| 1 | Lack of visible internal governance | II | E |

### 6.4 Of the risks detailed above none is already managed within a service plan.

### 6.5 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood, detailed definitions of which are included in the risk management strategy. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require a treatment plan.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Likelihood** | A |  |  |  |  |  | Impact | Likelihood |
| B |  |  |  |  |  | V = Catastrophic | A = >98% |
| C |  |  |  |  |  | IV = Critical | B = 75% - 97% |
| D |  |  |  |  |  | III = Significant | C = 50% - 74% |
| E |  | X |  |  |  | II = Marginal | D = 25% - 49% |
| F |  |  |  |  |  | I = Negligible | E = 3% - 24% |
|  | I | II | III | IV | V |  | F = <2% |
| **Impact** |  |  |

### 6.6 In the officers’ opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks. The effectiveness of treatment plans are reviewed by the Audit Committee annually.

## **7. Recommendation**

### 7.1 That Audit Committee agree the annual SIAS Audit Plans for both TRDC and Shared Services.

 Report prepared by: Bob Watson, Head of Finance

 **Data Quality**

Data sources: N/A

Data checked by: N/A

 Data rating:

|  |  |  |
| --- | --- | --- |
| 1 | Poor |  |
| 2 | Sufficient |  |
| 3 | High | **✓** |

Attachments

SIAS Internal Audit Plan 18/19 report

SIAS Internal Audit Plan 18/19 - TRDC

SIAS Internal Audit Plan 18/19 – Shared Services