

**TEESDALE DISTRICT COUNCIL**

**Report To: AUDIT COMMITTEE  
17 March 2008**

**From:** Audit Manager

**Subject: INTERNAL AUDIT PLAN UPDATE**

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**1.0 SUMMARY**

1.1 This report updates members on the progress made against the revised internal audit plan for 2007/2008.

**2.0 RECOMMENDATION(S)**

**2.1 It is recommended that**

**2.1.1 The information contained within the attached audit reports is noted.**

**2.1.2 That current progress against the audit plan is noted.**

**2.1.3 Agree to moving the elections audit to 2008/2009**

**3.0 LINK TO CORPORATE OBJECTIVES/KEY PRIORITIES**

**3.1 Objective: To ensure effective corporate leadership**

**3.2 Priority: Continuously improve the delivery of our services**

**3.3 Outcome: Improved governance arrangements.**

**4.0 BACKGROUND**

4.1 Included in the remit of this Committee is the review of Internal Audit, receipt of audit reports and monitoring of work against the approved plan.

**5.0 PROGRESS MADE AGAINST AUDIT PLAN**

5.1 The following reports are complete and presented to members:

- Trade Waste
- Travel & Subsistence
- Planning
- Creditors (To follow before the meeting)
- Payroll (To follow before the meeting)
- Treasury Management (To follow before the meeting)
- VAT (To follow before the meeting)
- Debtors (To follow before the meeting)

These reports are attached.

- 5.2 There are also a number of reviews currently underway and these are:
- Contract Procedures/Procurement
  - General Ledger
  - Cash Receipting
  - Legal
  - Capital/Asset Management
  - Sports Centre
  - Building Control
  - Corporate Governance (Annual Report)
  - Partnership Management (Annual Report)
  - Risk Management (Annual Report)
  - Performance Management (Annual Report)
  - Project Management (Annual Report)

These reviews are well underway and nearing completion with a number at the final reporting stage.

- 5.3 Appendix A is a summary of the current position. There has been some slippage due to additional pieces of work that have been required and staffing changes within the section. The contractor brought in to provide additional support has now left the authority reducing the number of audit days available.

- 5.4 Appendix B provides details of the plan for the remainder of the year. As can be seen the remaining reviews can be completed to enable the annual report to be written and presented during April.

- 5.5 I would propose moving the elections audit into next year's audit plan given that elections are now due to be held in May and these elections will form the basis of the audit review.

## **6.0 STATUTORY CONSIDERATIONS**

- 6.1 Financial Implications: None

- 6.2 Risk:

<b>Risk</b>	<b>Category</b>	<b>Implications</b>
The internal audit plan will not be complete reducing internal audit coverage.	Service Delivery	The effectiveness of assurances given by internal audit for the preparation of the Statement on Internal Control will be reduced. The Council is unable to demonstrate an adequate or effective system of internal audit as required in the Accounts and Audit Regulations 2003. Audit Commission are only able to place a lower level of reliance on internal audit work.

6.3 Equality and Diversity: None

6.4 Human Resources: None

6.5 Community Safety: None

6.6 Legal Issues: None

**Background papers:**

1. Internal Audit Revised Annual Plan Report – Audit & Governance Committee 24 September 2007

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