

TEESDALE DISTRICT COUNCIL

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

From: Audit Manager

Subject: INTERNAL AUDIT STRATEGY

1.0 SUMMARY

1.1 This report presents the proposed strategy for delivering the internal audit service within Teesdale District Council.

2.0 RECOMMENDATION(S)

2.1 It is recommended that

2.1.1 The attached strategy is approved.

2.1.2 The terms of reference contained within the strategy are approved.

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 The production of an internal audit strategy is a requirement of the Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 (the code).

5.0 PREPARATION OF THE STRATEGY

5.1 The attached strategy has been prepared in accordance with the guidance provided in the code. The strategy combines two requirements within the code to produce an audit strategy and an audit terms of reference as there is some degree of overlap between these requirements.

5.2 Compliance with the code is a requirement of use of resources.

6.0 STATUTORY CONSIDERATIONS

6.1 Financial Implications: None

6.2 Risk:

Risk	Category	Implications
The internal audit service does not comply with the code of practice.	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. Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 – CIPFA

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