

	<p style="text-align: center;">The Audit Committee 20th June 2007</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources</p>
For Action	Wards Affected: ALL
<p>Internal Audit Plan For 2007/08 Joint Audit And Inspection Plan 2007/08</p>	

1 Summary

- 1.1 The purpose of this report is to advise the Audit Committee of the proposed internal audit plan and the joint audit and inspection plan 2007/08.

2 Recommendations

- 2.1 The Audit Committee note the content of the report in its role as defined in the constitution: "To consider ... the strategic and annual audit plans, and consider the level of assurance these can give over the council's corporate governance arrangements."

3 Detail

Audit Plans

- 3.1 The provision of the internal audit function within the Council is through the Audit and Investigations Team, part of Finance and Corporate Resources. The team work in partnership with Deloitte and Touche Public Sector Ltd to provide some 1,200 days of internal audit coverage. This partnership arrangement commenced on 1st April 2007 and was procured under a joint arrangement with the London Boroughs of Ealing and Hammersmith and Fulham.
- 3.2 External audit, for 2007/08 and onwards will be provided by the District Auditor, appointed by the Audit Commission. Members will be aware that this is a change in arrangement from the previous provider, PricewaterhouseCoopers (PwC). PwC will continue to provide audit coverage on the Council's Financial Statements for 2006/07 until the accounts process is complete.
- 3.3 For 2007 / 2008 internal and external audit will continue to work on the basis of a joint audit approach. This joint approach will reflect the requirements of

the code of practice for external auditors as discussed in the Joint Audit and Inspection Plan from the Audit Commission. The joint approach will involve the sharing of plans, regular meetings and sharing of information during the course of the year. This will ensure that total audit resources are maximised and there is no duplication of work. The Audit and Inspection Plan submitted by the Audit Commission sets out the proposed areas of work. The Joint Audit and Inspection Plan is attached at Appendix 1. Representatives from the Audit Commission will attend the meeting to introduce the Plan.

- 3.4 The CIPFA code of practice¹ on internal audit requires the proper planning of audit work. This requires strategic, periodic and operational work plans. The internal audit plan for 2007/08 is attached as Appendix 2. Included in the plan are summary briefs covering the areas of planned work.

4 Financial Implications

- 4.1 None specific from the consideration of the report.

5 Legal Implications

- 5.1 The Accounts and Audit Regulations 2003² require that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

6 Diversity Implications

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications arising from it.

7 Staffing/Accommodation Implications

- 7.1 None.

8 Background Papers

1. **Code of Practice for Internal Audit in Local Government in the UK**
2. **The Accounts and Audit Regulations 2003**

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