
REPORT TO:	AUDIT SUB COMMITTEE	AGENDA ITEM: 13
DATE OF MEETING:	17th JUNE 2009	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (595811)	DOC: u/ks/audit committee/internalauditreview/la impts plan report June 09
SUBJECT:	PROPOSED IMPROVEMENT PLAN FOR INTERNAL AUDIT	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That the proposed improvement plan for Internal Audit as detailed in **Appendix 1** for 2009/10 is approved.
- 1.2 That progress against the Plan is reported to the Committee on a quarterly basis.

2.0 Purpose of the Report

- 2.1 At the last Committee in April, it was resolved that an action plan be formulated comprising the areas identified where potential improvement to the Council's Internal Audit function could be made. This followed consideration of a report from Price Waterhouse Coopers (PWC) concerning a review of the effectiveness of Internal Audit.

3.0 Detail

Background

- 3.1 Under Regulation 6 of the Accounts and Audit (Amendment) Regulations 2006, PWC were commissioned to undertake an external review of Internal Audit. This was undertaken in accordance with the Committee's agreed review process as recommended by best professional practice
- 3.10 Based on the evidence provided in the report and a subsequent presentation by PWC, the Committee agreed that Internal Audit at the Council is effective. In addition, several areas for improvement were recommended by PWC to further enhance the level of service being provided.

- 3.11 Some discussion took place on these points at the April meeting. The Committee agreed that an improvement plan should be formulated and submitted to this meeting for consideration.
- 3.12 Consequently, a proposed improvement plan for consideration is detailed in **Appendix 1**. This analyses the points raised by PWC and proposes further action with timescales and review criteria.

4.0 Financial Implications

- 4.1 None additional at this stage, although one proposed action to purchase technology to help with audit management could incur costs. Financing this would be reviewed during the 2010/11 budget-round.

5.0 Corporate Implications

- 5.1 None directly.

6.0 Community Implications

- 6.1 Ensuring an effective internal audit service helps to strengthen the Council's governance and accountability duties to the local community. In addition, it demonstrates that this core service is adding value to the Council's operations and priorities.

7.0 Background Papers

- 7.1 Report and Minutes of Audit Sub-Committee (9th April 2009).

<http://cmis.south-derbys.gov.uk/CmisWebPublic/Meeting.aspx?meetingID=80>