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<b>REPORT TO:</b>	<b>AUDIT SUB COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>12<sup>th</sup> December 2007</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF CORPORATE SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>TONY STAMPER (595706)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>Internal Audit Service Strategy 2007/10</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>

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## **1.0 Recommendations**

- 1.1 That Members approve the Service Strategy for the period 2007/10.

## **2.0 Purpose of Report**

- 2.1 To provide Members with details of the Service Strategy for three years ending 2010 including an update of the Internal Audit Charter.
- 2.2 The Service Strategy for the period 2007/10 is detailed in Appendix A for Members' approval.

## **3.0 Detail**

- 3.1 The current strategy is part of the Service Plan 2004-07 that was produced in 2004 as part of the Corporate Service Planning process.
- 3.2 At that time Internal Audit was a direct reporting service to a member of the management team.
- 3.3 Following a management restructure in August 2004 Internal Audit now reports to the Head of Finance and Property Services.
- 3.4 As a result Internal Audit's service plan was condensed into this department's service plan and did not include the Audit Strategy.
- 3.5 CIPFA's Code of Practice for Internal Audit 2006 requires that a strategy is produced. It further states that the strategy can be a document in its own right or as part of a service plan.
- 3.6 Internal Audit has therefore continued to use its original service plan to maintain the Strategy.

- 3.7 The Service Strategy has been reviewed for the period to 2010 and is attached.
- 3.8 The Audit Strategy element of the overall Service Strategy will be included with the Audit Charter as part of the Internal Audit Manual.

#### **4.0 Financial Implications**

- 4.1 None stemming directly from this report

#### **5.0 Corporate Implication**

- 5.1 The Council has in place an Internal Audit Strategy and a strategic audit planning process than meets CIPFA standards. This will ensure the internal control environment is systematically audited as part of the corporate governance arrangements.

#### **6.0 Conclusions**

- 6.1 The Council has in place an Internal Audit Strategy and a strategic audit planning process than meets CIPFA standards.

#### **7.0 Background Papers**

- 7.1 CIPFA Best Practice Guidance Internal Audit Manuals  
CIPFA Financial Information Service - Audit Management planning guidance  
Audit Commission – Annual Joint Working Arrangements