

Report to	Audit Committee
Date	17 April 2012
By	Chief Finance Officer
Title of Report	Internal Audit Strategy and Plan 2012/13
Purpose of Report	To present for approval the Internal Audit Strategy and Plan for 2012/13

Recommendation: The Audit Committee is recommended to approve the Internal Audit Strategy and Audit Plan for 2012/13

1. Introduction

- 1.1 This report presents the South Downs National Park Authority's (the Authority) Internal Audit Strategy and Audit Plan for 2012/13.
- 1.2 The strategy and plan provides a key mechanism for giving assurance that the Authority's internal control, risk management and governance arrangements are effective.

2. Background

- 2.1 The Accounts and Audit Regulations 2011 require the Authority to 'maintain an adequate and effective system of internal audit of its accounting records and its system of internal control in accordance with proper practice'. The proper practice being the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Internal Audit in Local Government 2006.
- 2.2 Under the Code, the Authority is required to prepare an Internal Audit Strategy and Audit Plan for each financial year. The aim of the plan is to provide a risk assessed programme of work to obtain assurance on the Authority's control environment.
- 2.3 The Internal Audit Strategy and Plan 2012/13 is attached as **Appendix 1**. The strategy sets out the framework, key considerations and overall approach to our work. The plan details to specific work for the coming year, together with an indicative 3 year audit plan. The plan is intended to balance available resources with the review of core financial systems and other systems, services and projects which have significant risks attached to them.

3. Development of the Audit Plan

- 3.1 The audit plan has been compiled by the Audit Manager in conjunction with the Chief Finance Officer and Director of Corporate Services. Consultation has taken place with other key officers and stakeholders including External Audit.
- 3.2 The inclusion of individual reviews is informed by an assessment of risk based on financial materiality, our knowledge of the existing control environment and other factors. Whilst an important component of the plan is a focus on core financial systems other services, processes and projects are included particularly where risks have been highlighted in the Authority's strategic risk register.
- 3.3 Because the days available limit the number of core financial system audits in any one year, and indicative 3 year plan has been provided to demonstrate coverage of all core financial systems over a 3 year period.

- 3.4 The audit plan sets out the priorities as determined at the beginning of the financial year. Changes may be made during the year to allow a response to emerging risks and issues. Approval of any significant changes to the plan will be obtained from the Audit Committee.

4. Resources

- 4.1 The total cost of delivering the 2012/13 Internal Audit Plan is approximately £12,000.

5. Risk management

- 5.1 Internal Audit has an important role to play in relation to effective risk management for the organisation. The Internal Audit Strategy and Plan is informed by the strategic risk register. In addition reviews undertaken during the year may identify new or emerging risks.

6. Human Rights, Equalities, Health and Safety

- 6.1 There are no implications arising from this report.

7. External Consultees

- 7.1 External Audit

CATHERINE VAUGHAN **Chief Finance Officer**

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Appendices Appendix 1: Internal Audit Strategy and Plan 2012/13

SDNPA Consultees Chief Executive Officer, Director of Corporate Services, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Senior Solicitor

Background Documents Internal Audit Reports
Internal Audit Strategy and Plan 2012/13.