

**AUDIT COMMITTEE
21 MARCH 2017**

DRAFT STRATEGIC AUDIT PLAN FOR 2017/18 to 2020/21

Cabinet Member Councillor Peter Hare-Scott
Responsible Officer Audit Team Leader, Catherine Yandle

Reason for Report: To present the Draft Strategic Audit Plan for 2017/18 to 2020/21.

RECOMMENDATION: The Committee notes the Draft Audit Plan and feeds back any areas of concern or suggested amendments.

Relationship to Corporate Plan: Effective Internal Audit is a fundamental element of being an economic, efficient and effective council and can assist with reducing costs and doing things differently and better.

Financial Implications: Inadequate Internal Audit coverage would mean that the Internal Audit Team Leader cannot form an opinion as to the effectiveness of MDDC's internal control environment.

Legal Implications: Failure to produce a risk based audit plan would cause the Council to be in breach of the Public Sector Internal Audit Standards (PSIAS).

Risk Assessment: Without a strategic audit plan to adhere to, the Council is at risk of providing inadequate audit coverage on high-risk areas and no assurance on the control environment.

1.0 Introduction

- 1.1 The PSIAS require that the Audit Team Leader prepares a risk based strategic audit plan, which should take account of the adequacy and outcomes of the organisation's risk management, performance management and other assurance processes.
- 1.2 The four year plan is presented to this Committee in draft as it will need to be agreed to, and delivered by, the new provider of internal audit services once that has been determined. The plan assumes 1 day per week on average for the provider in providing management of the service. (Appendix A)
- 1.3 A copy of this plan has been sent to the potential suppliers along with a more detailed specification of our requirements for internal audit management going forward in order to enable them to present their detailed proposals to Leadership Team in due course.
- 1.4 It is envisaged that the final version of the four year plan with the detailed annual plan for 2017/18 will be presented to the May Audit Committee.

2.0 Recommendation

- 2.1 The Committee notes the Draft four year Strategic Audit Plan and feeds back any areas of concern or suggested amendments to the Audit Team Leader.

Contact for more Information: Catherine Yandle, Audit Team Leader

Circulation of the Report: Cabinet Member and Management Team