



**REPORT of
DIRECTOR OF RESOURCES**

to
AUDIT COMMITTEE
4 APRIL 2019

**INTERNAL AUDIT - INDICATIVE INTERNAL AUDIT PLAN - DRAFT
INTERNAL AUDIT STRATEGIC PLAN 2018/21 & 2020 OPERATIONAL PLAN**

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to seek the approval for Internal Audit's Draft Internal Audit Strategic Plan 2018/21 and the 2019/20 Operational Plan attached as **APPENDIX 1** to this report.

2. RECOMMENDATION

- (i) That the Indicative Internal Audit Plan covering the Draft Internal Audit Strategic Plan 2018/21 and 2019/20 Operational Plan be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 We review the three-year strategic plan each year to ensure we remain aware of your ongoing risks and opportunities. Over the coming pages we have mapped your key risks along with the audit work we are undertaking, demonstrating we are focussing on your most important issues.
- 3.2 Significant variations to the plan arising from our reviews, changes to the Council's risk profile or due to management requests will be discussed in the first instance with the s151 officer and approved by the Audit Committee before any variation is confirmed.

4. IMPACT ON CORPORATE GOALS

- 4.1 Effective risk management arrangements ensure that the Council is able to meet its stated goals by effective control of the risks identified to the delivery of those goals.

5. IMPLICATIONS

- (i) **Impact on Customers** – There is an indirect positive impact, in that effective risk management helps ensure that service delivery to customers is maintained.

- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Management of risk is fundamental to the sound operation of the Council. Failure to manage risk could have a significant impact on the Council's ability to correctly define its policies and strategies or deliver against its objectives.

The implementation and operation of the risk management framework will minimise risks and thus mitigate any potential strategic, operational, reputational or regulatory consequences.

Failure to manage risk would also mean that the Council might face censure by its external auditors or the potential for legal proceedings in the event of breaches of the Health and Safety at Work Act or similar legislation.

- (iv) **Impact on Resources (financial)** – No direct impact, although risk management practices not only help control financial risks but also keep the cost of insurance down.
- (v) **Impact on Resources (human)** – Once approved risk management will be included within the Council's induction process and e-learning portfolio of courses.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

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