

INTERNAL AUDIT - AUDIT PLAN 2006/07

INTRODUCTION

1. The purpose of this report is to consider the proposed audit plan for Internal Audit in 2006/07. A copy of the plan is attached at Appendix 1. This follows a similar format as that used in previous years.

INFORMATION

2. This Committee at its meeting on 28 February 2006 agreed to extend the arrangements with North Lincolnshire Council for the provision of internal audit services to the Police Authority to 31 March 2007. The provision of an internal audit service is the responsibility of the Treasurer.
3. The North Lincolnshire Council Internal Audit Service has provided regular reports on progress during 2005/06 and the Director of Performance and Resources now meets the Head of Audit on a bi-monthly basis. In addition discussions are now taking place routinely with the Audit Commission's Audit Manager to ensure that there is broad agreement to the areas to be covered to enable reasonable assurance can be given that the system of internal controls in operation within the Force and the Authority are adequate. (This assurance forms part of the Statement on Internal Control considered as part of the report at Agenda item 16.)
4. The plan for 2006/07 includes 45 days in respect of work that was originally intended to be completed in 2005/06. The 2005/06 audit work is now almost complete and the Head of Audit and Risk at the North Lincolnshire Council has provided the Assurance Statement included within the Statement on Internal Control. It is envisaged at this stage that a total of 160 days' work will be required in respect of 2006/07 activity. As in 2005/06 this will involve a range of audits covering significant fundamental systems and other activities using a risk based approach. This has been the subject of discussion with the Force and with the Audit Commission. The plan reflects the need to change to respond to International Standards on Auditing and the work being undertaken by both external and internal audit. It is also intended that it will complement the activities of the Force Audit Board. As a result, a number of new audits have been identified. These are identified within the plan.
5. It should be noted that the Audit Commission will place reliance on the work of internal audit as part of their audit opinion. The Audit Commission's Audit Manager will continue to be consulted on the progress of the audits throughout the year.

6. The plan will form the basis of the Service Level Agreement with the North Lincolnshire Council. The cost to the Authority will be £270/£275 per day. Costs can be met from within the Police Authority budget for 2006/07.

RECOMMENDATIONS

7. It is recommended that:
 - (i) The report be noted;
 - (ii) the audit plan be considered and approved; and
 - (iii) the Director of Performance and Resources be requested to provide progress reports on actual activity against the plan to future meetings of this Committee.

J Bates
Director of Performance and Resources

John Bates Telephone: (01482) 334880

Background documents: File Ref: JB/1A/06/07Plan