

**Teignbridge District Council
Audit Scrutiny
24 August 2021
Part 1**

INTERNAL AUDIT PLAN and CHARTER 2021-2022

Purpose of Report

To advise members of the internal audit work planned and in progress, and to request approval of the Internal Audit Charter (Terms of Reference).

Recommendation(s)

The Audit Scrutiny Committee APPROVES the Audit Plan and Charter.

Financial Implications

None. The service will be delivered within approved budget.

Legal Implications

None. The Council is meeting its statutory requirement to provide an internal audit function.

Risk Assessment

Not applicable.

Environmental/ Climate Change Implications

Not applicable.

Report Author

Sue Heath – Audit and Information Governance Manager
Tel: 01626 215258 Email: sue.heath@teignbridge.gov.uk

Executive Member

Councillor Richard Keeling – Executive Member for Resources

1. PURPOSE

To present the current plan of internal audit work for 2021-2022, and the internal audit Charter (terms of reference), for Members' approval.

2. BACKGROUND

2.1 The Council is required under the Accounts and Audit Regulations (2015), to maintain an adequate and effective internal audit service which evaluates the effectiveness of the Council's risk management, control and governance processes.

2.2 Audit work must be carried out in conformance with the Public Sector Internal Audit Standards which require audit work to be planned and reported on. The minimal level of audit is not prescribed but it must be considered sufficient to give an annual evidence based assurance opinion at the end of the year.

3. AUDIT PLAN 2021-2022

3.1 The following factors are taken into account in planning this year's audit work:

- the Council's priorities including recovery plans from the Covid pandemic;
- the contents of Risk Registers;
- value or volume of transactions and complexity of systems or functions;
- vulnerability or past susceptibility to fraud or error;
- time since last audited and results of any other reviews;
- knowledge gained through previous audits and from corporate work
- changes to systems either planned or known to have occurred;
- local, national and legislative issues;
- views of the senior management and statutory officers

3.2 The plan must be seen as flexible, and potentially subject to in-year changes that may be required, especially given the challenges local authorities are facing in current times.

3.3 **Resources** – audits will be delivered by a mixture of in house resource (Auditor and Audit / Information Governance Manager) supplemented by external resource. Where assurance has been provided by other bodies, we will make use of this where appropriate to do so.

3.4 **Planned audits** are as follows:

Key Financial Systems:
• Debtors and Income Reconciliation
• Main Accounting
• Payroll
• Creditors
• Housing Benefit / Council Tax Support
• Covid Grants and Payments (in progress)
• Housing Finance
Other Systems and Projects:
• Community Infrastructure Levy (CIL)
• Estates
• Car Parks
• Utilities
• Climate Change
• Teignbridge 100
Corporate:
• Transparency
• Equality Impact Assessment compliance
• Data Quality
IT Assurance:
• As per Strata Internal Audit Plan

4. AUDIT CHARTER

4.1 Internal Audit’s purpose, authority and responsibility must be formally defined to give it the status required to carry out its work independently.

4.2 These terms of reference are provided for through a **Charter** (see Appendix) which members are asked to approve.

5. MAIN IMPLICATIONS

The implications members need to be aware of are as follows:

5.1 Legal

The Council is meeting its statutory obligation to provide an internal audit function.

5.2 Resources

The service will be delivered within budget.

6. GROUPS CONSULTED

Strategic Leadership Team.

7. ENVIRONMENTAL/CLIMATE CHANGE IMPACT

Not applicable.

8. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Not applicable.