

# Audit Committee

## Internal Audit Plan 2016/17

Item no: 04

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**Date:** 24 March 2016  
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**Summary**                      This report informs the Audit Committee of the draft internal audit plan for 2016/17, as proposed by the City of London's Internal Audit section under terms of the service level agreement for financial and payroll services. The report also provides details of the proposed rolling five-year programme covering the period up to 2020/21. Anna Simmonds, from the internal audit section, will attend the meeting to answer any questions members may have on the plan.

**Recommendations**      The Audit Committee is asked:

- To approve the internal audit programme for 2016/17 and the rolling five-year programme, as proposed by the City of London and detailed in Appendix A of this report.

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## **Introduction**

1. The London Councils' Audit Committee has received an internal audit plan proposed for London Councils by the City of London. This is a rolling five-year programme, which is updated each year.
2. During the planning process, the Internal Audit section invited London Councils' Corporate Management Board to recommend any areas for inclusion in the plan. The Internal Audit section considered the planned work of London Councils' external auditors to ensure that there were no areas of duplication. The Internal Audit section has also considered London Councils' approved Corporate and Divisional Risk Registers to assist in identifying areas which have been classified as exposing London Councils to a high level of risk.

## **Internal Audit Plan 2016/17**

3. The proposed internal audit plan for 2016/17 is included at Appendix A of this report. The reviews proposed for 2016/17 are:
  - Key Financial Controls
  - Grants Probity Review
  - Procurement of Goods and Services
  - ICT Information Governance
  - Recruitment and Payroll Adjustments
  - Governance Arrangements
4. Although not included in the plan, the internal audit section is expected to carry out follow up reviews as necessary. The Audit Committee is asked to approve the plan for 2016/17.

## **Rolling Internal Audit Plan 2016/17 to 2020/21**

5. The Audit Committee is also asked to approve the rolling five-year internal audit programme for the period 2016/17 to 2020/21 as detailed in Appendix A. This rolling plan will be reviewed annually when firm proposals are made for the audit plan for the next financial year.

6. The cost of the internal audit work provided by the City of London is included within the annual cost of the service level agreement between London Councils and the City for financial and payroll services, which for 2016/17 is estimated at £96,000.
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### **Financial Implications for London Councils**

Included in the body of the report.

### **Legal Implications for London Councils**

None

### **Equalities Implications for London Councils**

None

### **Appendices**

Appendix A London Councils Proposed Internal Audit Plan for 2016/17 and five year rolling plan from 2016/17 to 2020/21.

### **Background Papers**

Internal Audit workfile 2016/17