

**NON EXEMPT**

**HAVANT BOROUGH COUNCIL**

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**GOVERNANCE AND AUDIT COMMITTEE**

**8 March 2017**

**INTERNAL AUDIT PLAN AND FRAUD & CORRUPTION RISK PLAN  
2017-18**

**Head of Southern Internal Audit Partnership**

**ITEM NO 8**

**FOR DECISION**

**Key Decision: No**

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**1.0 Purpose of Report**

**1.1** The purpose of this paper is to provide the Governance and Audit Committee with the Internal Audit Plan 2017-18 (Appendix 1), incorporating the Fraud and Corruption Risk Plan 2017-18 (Appendix 2) for Havant Borough Council.

**1.2** The aim of internal audit's work programme is to provide independent and objective assurance to management, in relation to the business activities, systems or processes under review that:

- The framework of internal control, risk management and governance is appropriate and operating effectively; and
- Risks to the achievement of the Council's objectives are identified, assessed and managed to a defined acceptable level.

**2.0 Recommendation**

**2.1** That the Governance and Audit Committee approve the Internal Audit Plan 2017-18 and the Fraud & Corruption Risk Plan 2017-18.

**3.0 Summary**

**3.1** The Internal Audit Plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

**3.2** To ensure the Internal Audit Plan is aligned to the needs of the Council, the plan has been developed following consultation with the Executive Board and Heads of Service. A review of key documents including the Corporate Strategy and Corporate Risk Register, and our understanding of the

organisation and key priorities for 2017-18, have underpinned the development of the plan.

**3.3** The plan includes a framework for the provision of both reactive and proactive initiatives to detect fraud and corruption and/or demonstrate that fraud has not taken place. The Fraud and Corruption Risk Plan (Appendix 2) complements the Internal Audit Strategy and Plan, focussing resource against assessed fraud risks, in addition to new and emerging threats.

**3.4** The Internal Audit Plan will remain fluid and subject to on-going review, and amended in consultation with the relevant officers, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Chief Internal Auditor's continued contact and liaison with those responsible for the governance of the Council.

**3.5** The Council's 'internal audit charter' ensures the Chief Internal Auditor has sufficient resource necessary to fulfil the requirements and expectations to deliver an internal audit opinion. Significant matters that jeopardise the delivery of the plan, or require changes to the plan will be identified, addressed and reported to the Management Team.

#### **4.0 Implications**

##### **4.1 Resources:**

Internal Audit is provided through the Southern Internal Audit Partnership. The audit plan consists of 380 audit days and remains fluid throughout the year to meet the changing needs of the Council.

##### **4.2 Legal:**

Compliance with the Accounts and Audit (England) Regulations 2015.

##### **4.3 Strategy:**

Internal audit plays a vital role in helping the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

##### **4.4 Risks:**

The audit needs assessment follows a risk based audit approach taking cognisance of the Council's risk register.

##### **4.5 Communications:**

None directly from this report.

##### **4.6 Customers & Community:**

None directly from this report although improvements to controls and governance arrangements will ensure more efficient and effective service delivery.

**4.7 Integrated Impact Assessment (IIA):**  
n/a

**5.0 Consultation**

**5.1** The report has been discussed and noted by the Management Team who met at the Executive Board on 7 February 2017.

Appendices:

**Appendix 1 – Internal Audit Plan 2017-2018**

**Appendix 2 – Fraud and Corruption Risk Plan 2017-2018**

Agreed and signed off by:

Legal Services: Abe Ezekiel – Head of Legal Services – 21/02/17

Finance: Craig Smith – Head of Finance – 23/02/17

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