



## **Internal Audit Work 2014/15**

### **SUMMARY**

- 1.1 This report informs Committee of the reduction in internal audit coverage planned for 2014/15.

### **RECOMMENDATION**

- 2.1 To note the impact of the reduction in the Council's contribution to CMAP on the level of internal audit work in 2014/15.

### **REASONS FOR RECOMMENDATION**

- 3.1 The Audit and Accounts Committee is responsible for providing assurance to the Council on the effectiveness of the internal audit arrangements.

### **SUPPORTING INFORMATION**

- 4.1 The Council has approved a number of budget proposals for 2014/15 which has resulted in a reduction in its contribution to the Central Midlands Audit Partnership of £82,000 in 2014-15.
- 4.2 The CMAP Board at its meeting on 4 December 2013 agreed to a restructure of the Partnership's staffing establishment with a reduction of one post. The remainder of the shortfall for 2014/15 will be met from CMAP reserves. The partnership is currently in a consultation process on the restructuring and potential redundancy.
- 4.3 The reduction in contribution will result in a decrease in the level of internal audit work undertaken by CMAP for the City Council in 2014/15. The full effect will not be known until the audit plan for the City Council has been finalised. It is expected that the coverage will be 17- 20% less. A further reduction in audit coverage, potentially another 20%, will occur in 2015/16.
- 4.4 The Head of Internal Audit will advise senior management and this Committee if sufficient internal audit coverage cannot be achieved within the year.

## OTHER OPTIONS CONSIDERED

5.1 None

This report has been approved by the following officers:

<b>Legal officer</b>	n/a
<b>Financial officer</b>	n/a
<b>Human Resources officer</b>	n/a
<b>Estates/Property officer</b>	n/a
<b>Service Director(s)</b>	n/a
<b>Other(s)</b>	n/a

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<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 None directly arising

**Legal**

- 2.1 Under the Accounts and Audit (England) Regulations 2011, the Council is required to maintain an adequate and effective internal audit.

**Personnel**

- 3.1 None directly arising

**Equalities Impact**

- 4.1 None directly arising

**Health and Safety**

- 5.1 None directly arising

**Environmental Sustainability**

- 6.1 None directly arising

**Property and Asset Management**

- 7.1 None directly arising

**Risk Management**

- 8.1 Insufficient internal audit coverage will reduce the level of assurance that the Head of Internal Audit can provide to members that risks to the Council are being adequately mitigated.

**Corporate objectives and priorities for change**

- 9.1 The governance framework includes arrangements to plan and monitor delivery of the Council's priorities.