

Ealing Council



Ealing Council Internal Audit Strategy

(Revised June 2013)

Internal Audit Strategy

1. Introduction

This Strategy sets out how the Council's Internal Audit service will be developed and delivered in accordance with the Internal Audit Charter.

The Strategy will be reviewed biennially and presented to Audit Committee for final approval.

2. Internal Audit Objectives

Internal Audit will provide independent and objective assurance to the organisation, its Members, Corporate Board and in particular to the Chief Financial Officer to support him in discharging his responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs.

It is the Council's intention to provide a best practice, cost efficient internal audit service which is aligned to the Public Sector Internal Audit Standards 2013.

3. Internal Audit's Remit

The internal audit service is an assurance function that primarily provides an independent and objective opinion on the degree to which the internal control environment supports and promotes the achievement of the council's objectives.

Under the direction of a suitably qualified and experienced Head of Audit & Investigation, Internal Audit will:

- Provide management and members with an independent, objective assurance and consulting activity designed to add value and improve the Council's operations.
- Assist Audit Committee to reinforce the importance of effective corporate governance and ensure internal control improvements are delivered;
- Drive organisational change to improve processes and service performance;
- Work with other internal stakeholders and customers to review and recommend improvements to internal control and governance arrangements in accordance with regulatory and statutory requirements;
- Work closely with other assurance providers to share information and provide a value for money assurance service and;
- Participate in local and national bodies and working groups to influence agendas and developments within the profession.

Internal Audit must ensure that it is not involved in the design, installation and operation of controls so as to compromise its independence and objectivity. Internal Audit will however offer advice on the design of new internal controls in accordance with best practice.

4. Service Delivery

The Service will be delivered by the Council's strategic internal audit partner (currently Deloitte) under the direction of the Council's Head of Audit & Investigation

5. Internal Audit Planning

Audit planning will be undertaken on an annual basis and audit coverage will be based on the following:

- Discussions with the Council's Senior Management Team, Directors, Head of Services and other relevant officers.
- The Council's risk registers.
- Outputs from other assurance providers.
- Benchmarking with other local authorities.
- Requirements as agreed in the joint working protocol with External Audit.

The Head of Internal Audit will attend all Departmental Management Team meetings as part of the annual planning process to ensure that management views and suggestions are taken into account when producing the audit plan.

6. Follow-up

Internal Audit will evaluate the Council's progress in implementing audit recommendations against set targets for implementation. Progress will be reported to Audit Board and Audit Committee on a quarterly basis.

Where progress is unsatisfactory or management fail to provide a satisfactory response to follow up requests, Internal Audit will implement the escalation procedure as agreed with management.

7. Reporting

Internal audit reports the findings of its work in detail to local management at the conclusion of each piece of audit work and in summary to all Departmental Management Teams and Audit Board on a quarterly basis. Summary reports are also provided to the Audit Committee four times per year. This includes the Head of Internal Audit's Annual Opinion which contributes to the assurances underpinning the Annual Governance Statement of the Council.