

North York Moors National Park Authority Finance, Risk, Audit and Standards Committee

7 September 2015

Internal Audit Plan 2015/16

<p>1. Purpose of the Report</p>
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<p>1.1 To seek approval from Members of the draft Internal Audit Plan for 2015/16.</p>
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2. **Background**

2.1 The Audit Plan is a working document which evolves and may change over the course of the year as it is aligned to the issues raised in the Authority's Strategic Risk Register which is also a document which is regularly reviewed. The preparation of the Internal Audit Plan on the basis of identified risks is recognised as best practice and enables members of FRASC and the management team to satisfy themselves that internal audit activity is focused on the main risks to the Authority.

2.2 The content of the audit plan has been subject to consultation with the Chief Executive, Chief Financial Officer and Directors and is submitted for formal approval by the committee who are also responsible for monitoring progress against the plan. Changes to the plan are agreed through the Authority's client management arrangements and are notified to the committee. Proposed audit work is also discussed with the Authority's external auditors to ensure there is no duplication of effort.

3. **2015/16 Annual Internal Audit Plan**

3.1 The Annual Internal Audit Plan for 2015/16 is attached as **Appendix 1** to this report.

3.2 It is anticipated that the audit work will commence in Autumn 2015 and a summary report will be presented to this Committee once the work has been completed.

3.3 Veritau will also liaise with the External Auditors, KPMG, in order to assist in the conclusions given in the 'audit opinion'.

4. **Financial and Staffing Implications**

4.1 None.

5. **Sustainability and Legal Implications**

5.1 There are no sustainability or legal implications arising from this report.

6. **Recommendation**

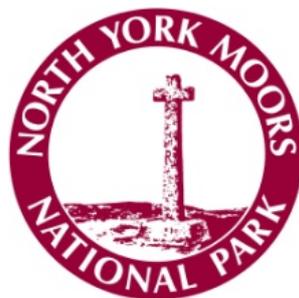
- 6.1 That Members note the contents of this report and approve the plan attached at **Appendix 1.**

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Background documents to this report

File Ref

None



North York Moors National Park Authority

Internal Audit Plan 2015/16

Audit Manager: Ian Morton
Head of Internal Audit: Max Thomas

Circulation List: Members of the Finance, Risk, Audit and Standards
Committee
Management Team (including the S151 Officer)

Date: 7 September 2015

Introduction

- 1 This document sets out the planned 2015/16 programme of work for internal audit, provided by Veritau for the North York Moors National Park Authority.
- 2 The work of internal audit is governed by the Public Sector Internal Audit Standards. In accordance with those standards, the Head of Internal Audit is required to provide an annual internal audit opinion to the Authority based on an objective assessment of the framework of governance, risk management and control. Our planned audit work includes coverage of all three areas.
- 3 The internal audit plan has been prepared on the basis of a risk assessment. This is intended to ensure limited audit resources are prioritised towards those systems which are considered to be the most risky and/or which contribute the most to the achievement of the Authority's priorities and objectives. The content of the internal audit plan has been subject to consultation with directors and other senior officers.
- 4 The internal audit plan is submitted for formal approval by the Finance, Risk, Audit and Standards Committee who are responsible for monitoring progress against the plan and overseeing the work of internal audit. Changes to the plan will be agreed with the Director of Corporate Services and will be notified to the Committee. Proposed work is also discussed with the Authority's external auditors to ensure there is no duplication of effort. We will provide regular updates on the scope and findings of our work to the Finance, Risk, Audit and Standards Committee throughout 2015/16
- 5 The Benchmarking audit was deferred from the 2014/15 plan at the request of management and has been added to the new plan. The plan for 2015/16 is therefore based on a total number of 30 days, 7 more than 2014/15.

2015/16 Audit Plan

- 6 The plan includes the following:
 - **Strategic risks:** this work involves reviewing areas highlighted as specific risks in the Authority's corporate risk register.
 - **Financial systems:** to provide assurance on the key areas of financial risk. This work will help provide assurance that the controls for the key financial systems are adequate and effective. The work will also support the work of the external auditors.
 - **Regularity / Operational audits:** this work will cover a number of the Authority's operational systems and areas.
 - **Technical / Projects:** to provide assurance on specific processes or key projects.

- **Client support, advice and follow up:** this is an allocation of time to support the delivery of the plan and provide assurance on ad-hoc matters.

7 Details of the 2015/16 plan are set out in Appendix A

Proposed Plan for 2015/16

Topic	Notes	Days
Key Financial Systems	Budgeting and budget monitoring, plus some areas not covered recently	5
Procurement	Review of the effectiveness of procurement systems – identified as high risk on 14/15 risk register. Audit will also advise on the Financial Regulations prior to a review.	5
Grant Application Process	A review of the processes for NYMNPA applying for grant funding, including ensuring compliance with grant conditions	4
Grant Funding	A review of processes and procedures for grants awarded by NYMNPA	4
Benchmarking	Carried forward from 2015/16 Funding challenge identified as high risk on the risk register. Organisational effectiveness seen as key to reducing the risk. Repeat of benchmarking exercise carried out in previous years	7
ICT	Follow up of ICT disaster recovery audit and links to business continuity plan	1
Risk Management	PSIAS requirement	1
Client Support and Advice	Liaison with EA, attendance at Audit Committee follow up etc	3
Total		30