

REPORT TO FINAL ACCOUNTS AND AUDIT COMMITTEE

29TH JUNE 2006

INTERNAL AUDIT STRATEGY 2006/2007

1. Purpose of the Report

- 1.1. To present to the Final Accounts and Audit Committee the draft Internal Audit Strategy for approval (attached as Appendix 1).

2. Recommendations

- 2.1. That the draft Internal Audit Strategy is approved.

3. Links to the Corporate Business Plan

- 3.1. Effective financial management underpins the delivery of all the Council's work.

4. General Background Information

- 4.1. The CIPFA Code of Practice for Local Government Internal Audit, identified as Best Practice, sets out a number of Standards which Internal Audit sections should comply with. External Audit will assess Internal Audit sections against these standards when evaluating the effectiveness of the function.

- 4.2. Standard 6 requires Internal Audit to produce a Strategy, setting out how the Internal Audit service will be delivered and developed. It should state how the assurance for the statement on internal control will be demonstrated, how the section will contribute to the organisation's corporate governance arrangements, risk management processes and key internal control systems. It should also state how the resources and skills for the delivery of the audit plan will be sourced and retained. It should also set out the relative allocation of audit resources between assurance work and any fraud related or consultancy work.

- 4.3. The North Wiltshire District Council Internal Audit Strategy has been drawn up with the above standard in mind. It addresses the key work to be undertaken by Internal Audit and the main outputs of the section's work. It also includes measures for measuring the performance of the section.

- 4.4. The Strategy sits alongside the Council's Constitution and Financial Regulations which set out the rights and obligations of Audit to access records, information and individuals and also the roles and responsibilities of Officers in supporting the role of Audit.

5. Financial Implications

- 5.1. None.

6. Community & Environmental Implications

- 6.1. None.

7. Equal Opportunities Implications

7.1. None.

8. Human Resources Implications

8.1. None.

9. Documentation used in the preparation of this report

9.1. Background papers

**REPORT OF THE INTERNAL AUDIT MANAGER TO THE FINAL ACCOUNTS
AND AUDIT COMMITTEE ON 29th JUNE 2006**

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