

**AUDIT AND ACCOUNTS COMMITTEE**  
**3 FEBRUARY 2021**

**ANNUAL INTERNAL AUDIT PLAN**

**REPORT PRESENTED BY: BUSINESS MANAGER FINANCIAL SERVICES**

**1.0 Purpose of Report**

1.1 The Internal Audit Plan (Appendix A) sets out the proposed work of Internal Audit for 2021/22.

**2.0 Background Information**

2.1 The Internal Audit plan has been developed to demonstrate how assurance can be given on:

- Financial Governance
- Governance and Risk
- Critical Activities
- Projects
- ICT

2.2 Assurance Lincolnshire have developed a combined assurance model for the Council which is a record of assurances against critical activities and risks. It provides an overview of assurance provided across the whole Council – not just those from Internal Audit – making it possible to identify where assurances are present, their source, and where there are potential assurance ‘gaps’. A high level update of the model was completed this year.

2.3 The internal audit plan has been developed with reference to the draft combined assurance model as well as previous audit work, audit risk assessment, discussions with senior management, strategic and emerging risks.

2.4 Appendix A sets out in detail Assurance Lincolnshire’s approach and what is intended to be reviewed in 2021/22. The plan set out is a 'flexible plan' which is subject to change as the year progresses to reflect the current risk environment. Any changes to the plan during the year will be agreed with the Business Manager Financial Services and subsequently notified to the Audit and Accounts Committee.

**3.0 Proposals**

3.1 The Audit and Accounts Committee review and comment on the Internal Audit plan.

**4.0 Equalities Implications**

4.1 None

## **5.0 Community Plan- alignment to objectives**

5.1 The Internal Audit Plan underpins the delivery of the Community Plan. Through assurance gained from Internal Audit, Council can be satisfied that internal processes are working in a controlled manner, achieving the aims and objectives set out within the Community Plan.

## **6.0 Financial Implications (FIN20-21/9805)**

6.1 As suggested within the Internal Audit Plan, the proposed total cost of the internal audit service for the 2021/22 financial year is £95,285. This is the total cost and includes charges that relate to bodies that are recharged for this service such as the Gilstrap Charity and Mansfield Crematorium. There is also a charge to the HRA in relation to audits that are predominantly HRA related.

6.2 Within the proposed budget report that was tabled at Policy and Finance Committee 21<sup>st</sup> January 2021, this included the budget as proposed within this report.

## **7.0 RECOMMENDATION(S)**

7.1 **That the Audit and Accounts Committee approve the Internal Audit Plan.**

## **Background Papers**

Nil.

For further information please contact Lucy Pledge on 01522 553692.

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