

# KPMG Internal Audit Plan

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**TO** Audit and Risk Committee  
**FROM** Steve Baker - Chief Financial Officer  
**DATE** 21 November 2016  
**SUBJECT** **KPMG Internal Audit Plan**

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## 1 Purpose of Report

The purpose of this report is to update the Committee on progress in implementing the Internal Audit Plan.

## 2 Background

The Committee's Terms of Reference includes the following delegation in respect to the internal audit function.

### Internal Audit

- Review annually the Internal Audit Charter – which confirms the authority, independence and scope of the function
- Review and approve annually and monitor the implementation of the 3 year Internal Audit Strategy and 12 month detailed Internal Audit Plan
- Review the co-ordination between the risk and internal audit functions – including the integration of Councils ERM risk profile with the Internal Audit programme. This includes assurance over all material financial, operational, compliance and other material controls. This includes legislative compliance, significant projects and programmes of work, and significant procurement.
- Review the reports of the Internal Audit functions dealing with findings, conclusions and recommendations (including assurance over risks pertaining to CCOs)
- Review and monitor management's responsiveness to the findings and recommendations – enquiring into the reasons that any recommendation is not acted upon.

## 3 Issue

At the October 2015 Audit Committee meeting, the Committee requested a regular update at future Committee meetings on the progress with implementing the KPMG Detailed Internal Audit Plan.

## 4 Discussion

At its 18 July 2016 meeting the Committee considered a proposal from staff to amend the Internal Audit Programme.

It was proposed that further internal audits identified in the August 2015 proposed internal audit plan were put on hold. In their place a modified work program was put forward:

Subsequently the following resolution was recorded

That the Audit Committee:

1. Receives the report.

2. Approves the 'fit for purpose' review of Council's financial system in 2016/17 by KPMG.
3. Approves the redirection of the balance of the 2016/17 internal audit budget to the delivery of strategies and policies in the areas of Risk Procurement and Contract Management.

## **5 Suggested Resolution(s)**

That the Audit Committee:

1. Receives the 'KPMG Internal Audit Plan' report, dated 21 November 2016.

## **References-Tabled/Agenda Attachments**

***Attachment A*** *December 2016 - Internal Audit Plan progress*

[December 2016 - Internal Audit Plan update](#)

*Attachment A*