

LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Chair and Members of the Audit and Governance Committee

Meeting: 20 March 2019

Authority/Authorities Affected: Combined Authority/All Districts

EXEMPT/CONFIDENTIAL ITEM: No

REPORT OF THE HEAD OF INTERNAL AUDIT

LIVERPOOL CITY REGION COMBINED AUTHORITY INTERNAL AUDIT PLAN AND CHARTER 2019-20

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide the Audit and Governance Committee with the Internal Audit Plan of work and Internal Audit Charter for 2019-20.

2. RECOMMENDATIONS

- 2.1 The Liverpool City Region Combined Authority Audit and Governance Committee is recommended to:
- (a) Approve the Internal Audit Plan 2019-20 and
 - (b) Approve the Internal Audit Charter 2019-20.

3. BACKGROUND

- 3.1 So as to support the Committee in the discharge of its duties according to its Terms of Reference, the report details the proposed plan of internal audit work in respect of the Liverpool City Region Combined Authority for 2019-20. It also includes, in the interests of transparency, the planned work for Merseytravel, so that the Committee is fully sighted on the planned activities of the Internal Audit function during the forthcoming year. The report explains the detailed process of compilation of the Plan, using a risk-based approach, and highlights the key areas for consideration.
- 3.2 The report also provides the Internal Audit Charter for 2019-20 for the approval of the Committee. This document sets out the role, purpose and authority of Internal Audit, and highlights the ethical framework within which auditors work.

Both documents are key requirements of the Public Sector Internal Audit Standards.

4. RESOURCE IMPLICATIONS

4.1 Financial

There are no direct issues arising from this report.

4.2 Human Resources

There are no direct issues arising from this report.

4.3 Physical Assets

There are no direct issues arising from this report.

4.4 Information Technology

There are no direct issues arising from this report.

4.5 Programme Management Office (PMO)

There are no direct issues arising from this report.

5. RISKS AND MITIGATION

- 5.1 It is the responsibility of the LCRCA to establish effective arrangements for the management of risk. The Internal Audit Plan has been produced using a risk-based approach which facilitates targeting resource to those organisational areas of greatest risk.

Internal audit work is one strand of assurance regarding the effectiveness of the system of internal control and this can be utilised to inform the LCRCA's view of organisational risk and its management.

6. EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 There are no direct issues arising from this report.

7. PRIVACY IMPLICATIONS

- 7.1 There are no direct issues arising from this report.

8. COMMUNICATION ISSUES

- 8.1 There are no direct issues arising from this report.

9. CONCLUSION

- 9.1 Internal Audit has produced a plan of work for the 2019-20 financial year, which concentrates on areas of most significant organisational risk, so as to contribute to the maintenance of an effective internal control environment and management of risk.
- 9.2 Internal Audit has also produced an Internal Audit Charter for 2019-20 which highlights the role of internal audit and how it will conduct its work.

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Appendices:

Appendix One – Internal Audit Plan and Charter 2019-20

Background Documents:

None