

From: Bev Gibbs, Financial Advisor, KEIFCA

To: Kent and Essex Inshore Fisheries and Conservation Authority –
22 May 2018

Subject: Internal Audit Report 2017/18 and Internal Audit Annual Plan
2018/19

Classification: **Unrestricted**

Summary:

This report summarises the work that the Kent County Council (KCC) Internal Audit service has undertaken on behalf of the Kent and Essex Inshore Fisheries and Conservation Authority in 2017/18 and highlights any key issues with respect to internal control, risk and governance arising from that work. This report also sets out the proposed Internal Audit coverage for 2018/19 and asks the Authority to consider any other areas of risk which they would like Internal Audit to review.

Recommendations:

1. Members are asked to **REVIEW** and **APPROVE** the 2018/19 Annual Internal Audit Plan
2. Members are recommended to **REVIEW** and **CONSIDER** the Internal Audit findings and follow up activity from 2017/18

1. Introduction

- 1.1 Internal Audit is an independent, objective assurance and consulting function, which is designed to add value and help an organisation achieve its objectives through systematic evaluation of systems of risk management, governance and control. The remit of Internal Audit covers all systems, processes, services and risks within an organisation. Unlike External Audit, it does not focus on financial systems. The work carried out by Internal Audit should support the Authority to complete the Annual Governance Statement and the annual review of internal control.
- 1.2 Internal Audit services for the Kent and Essex IFCA are currently provided by KCC. This arrangement is reviewed annually. KCC Internal Audit, as a public sector internal audit function, has to comply with the Public Sector Internal Audit Standards (PSIAS).

- 1.3 Under the PSIAS, the Head of Internal Audit is required to prepare a risk-based plan each year detailing the work that will be carried out in order to provide assurance to the Authority that effective systems of risk management, governance and control are in place. In order to determine the areas for inclusion in the Plan, Internal Audit should consult with senior managers and the Authority to determine key risks and areas on which assurance may be required.
- 1.4 Approval of the Plan (**Appendix A**) rests with the Authority, who should review the Plan alongside the objectives of the Authority, and the risks to achieving those objectives, to ensure that there is sufficient coverage of key risks.
- 1.5 Internal Audit also has to report periodically to the Authority on the outcomes of the work undertaken. A summary of the work carried out, the findings and the recommendations raised are provided in their report at **Appendix A**.

Recommendations:

1. Members are asked to **REVIEW** and **APPROVE** the 2018/19 Annual Internal Audit Plan
2. Members are recommended to **REVIEW** and **CONSIDER** the Internal Audit findings and follow up activity from 2017/18