

**7.3 ANNUAL INTERNAL AUDIT PLAN 2020 TO 2021**

(D20-158957)

Report from Audit &amp; Risk Committee

**RECOMMENDATION***That Council approves the Internal Audit Plan for 2020/21.***BACKGROUND**

Crowe commenced as Council's new Internal Audit service provider from 1 July 2019. Under the contract, they have prepared a Strategic Internal Audit Plan (the Plan) for the three years (2019/20 – 2021/22). The attached Plan sets out the Internal Audit focus for 2020/21 (Attachment 1).

The Plan was developed in consultation with:

- the Executive Leadership Team (ELT);
- Managers across the organisation; and
- Audit & Risk Committee members.

The Plan is based on 1,100 hours of internal audit work for a three-year term as provided under the contract.

Council's Audit & Risk Committee, at its meeting on 11 August 2020, reviewed and endorsed the Plan in accordance with the Audit & Risk Committee Charter, and is recommending the Plan to Council for approval as required under the Charter.

**DISCUSSION**

The Plan outlines the focus of internal audit activity for the next 12 months and provides a high-level scope for the planned 2020/21 reviews.

In developing the Plan, Crowe has evaluated where COVID-19 impacts are driving changes to risk as well as current gaps in controls for Council's Strategic Risks and Council Plan directions, past internal audits at Monash, known local government industry risks, and future Victorian Auditor General Office Performance audits.

The Plan contains a blend of core reviews to provide assurance over Council's internal control systems and processes, and reviews of a more strategic nature to measure Council's process improvements, sustainability and strategy direction.

**CONCLUSION**

Council's Audit & Risk Committee, at its meeting on Tuesday 11 August 2020, considered the Strategic Internal Audit Plan 2020/21 and recommends that Council approves the Plan for implementation.