

Report 17.59  
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File CCAB-22-175

Committee Finance Risk and Assurance Committee  
Author Mike Timmer, Treasurer

## Business Assurance

### 1. Purpose

To update the committee on the Business Assurance (Internal audit) process by providing the proposed methodology and programme.

### 2. Background

In September we introduced the concept of developing a formalised Internal Audit function for Council to this committee. Since then we have engaged PwC to assist us with developing our approach.

PwC have developed a very structured approach to business assurance that adheres to the Institute of Internal Auditors International Professional Practices Framework.

The Executive Leadership Team endorsed the approach of PwC and a copy of their discussion paper is attached (**Attachment 1**). This shows how business assurance will operate for GWRC. It looks at how business assurance supports the strategic outcomes, its relationship with risk management, and the risk based approach to audit as well as the internal control environment Council has currently in place.

### 3. Comment

As part of the process of developing a business assurance function we have recently agreed a Business Assurance Charter with PwC (**Attachment 2**).

This sets out the functional and organisational framework within which the business assurance function operates, including the accountability and functional relationships and its independence, and in particular the interface with this committee.

A Business Assurance Protocol has been developed by PwC (**Attachment 3**).

This document sets out the operational aspects of the business assurance function how it will operate i.e.: coordination, planning, fieldwork, reporting, post audit, final reporting, including the timeframes, responsibilities and reporting lines.

Our next step is to develop an Internal Audit Plan. This plan will be for an 18 month term and reviewed on a rolling basis depending upon business needs.

We seek the views of this committee in terms our approach.

#### **4. The decision-making process and significance**

The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

##### **4.1 Significance of the decision**

Officers have considered the significance of the matter, taking into account the Council's significance and engagement policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

##### **4.2 Engagement**

Due to its procedural nature and low significance, no engagement on this matter has been undertaken.

#### **5. Recommendations**

*That the Committee*

1. ***Receives the report.***
2. ***Notes the content of the report***
3. ***Supports the implementation of Business Assurance (Internal Audit).***

Report prepared by:

**Mike Timmer**  
Treasurer

Report approved by:

**Dave Humm**  
General Manager, Corporate Services / CFO

**Attachment 1** - PWC- GWRC - Business Assurance – Discussion paper

**Attachment 2** - Business Assurance Charter

**Attachment 3** - Business Assurance Protocol