

**Corporate Governance Committee**

**11 June 2008**

Open for the purposes of Freedom of Information

Report of the Head of Audit

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**Institute of Internal Auditors IIA-UK - South-West District Society Conference**

**Recommended: That members note this report**

1. The South-West Society of the Institute of Internal Auditors (IIA-UK) held its annual conference in Bristol on 15-16<sup>th</sup> May 2008. The South West District, represented mainly by Heads of Audit and senior audit managers from a diverse range of public and private sector organisations is regarded as one of the strongest, most progressive societies in the country thanks in part to having a number of past Presidents of IIA-UK in its membership. The theme of the conference was on reviewing risks facing internal auditors and ideas to improve audit value.
2. Devon & Cornwall Police Authority through the active membership of the Head of Audit, therefore has access to world-class professional guidance and up-to-the-minute developments in this rapidly moving field.
3. PricewaterhouseCoopers LLP were commissioned by IIA Global to survey chief audit executives and thought leaders from global academic and stakeholders arenas to identify trends that will have the greatest impact on internal audit by 2012. There were several factors which are driving the predicted greatest increase in internal audit responsibility. These were as follows in order of importance, as expressed by the respondents:-
  - Continuous auditing or monitoring – 90%
  - Auditing the Enterprise Risk Management (ERM) process – 77%
  - Auditing outsourced or offshored activities – 75%
  - Fraud detection – 66%
  - Fraud risk assessment – 66%
  - Auditing executive compensation and disclosures – 65%
  - Auditing operational efficiency and effectiveness – 64%
  - Auditing IT security – 55%
  - Auditing or evaluating compliance with laws and regulations – 52%
  - Fraud investigations – 44%
4. It is pleasing to report that arrangements are already in place to address the majority of these concerns. Devon and Cornwall Police Authority can therefore be said to up with industry leaders in internal audit. A full version of this survey will be available to Members on request.

**For further information**, please contact Ed Wardle Head of Internal Audit on 01392 268312