

INTERNAL AUDIT PERFORMANCE TARGETS

1. SUMMARY

- 1.1 The attached appendix lays out the proposed performance targets for Internal Audit. This has been prepared in conjunction with KPMG our internal audit partners

2. RECOMMENDATION

- 2.1 The performance targets for Internal Audit are approved.

3. DETAILS

- 3.1 Earlier reports on the agenda for today's Audit Committee cover the Mission Statement and Terms of Reference and Audit Needs Assessment and Strategic Audit Plan. In order to pull these together into a concise assessment of the success of Internal Audit a set of performance targets have been prepared. These are attached as Appendix X. Approving a set of performance targets will address one of the recommendations in the PricewaterhouseCoopers review of Internal Audit.
- 3.2 Internal Audit will monitor progress against these targets during the year and report formally on the outcome at the end of 2002-2003 year. Should performance fail to progress adequately during the year then any exceptions will be reported to the Audit Committee.

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