

Agenda Item

REPORT OF Head of Internal Audit (DAP Partnership Manager)

To: Audit & Governance Committee

Subject: Annual Audit Manager's Opinion

Date: 11 July 2017

Reference:

PURPOSE OF REPORT: To report on the overall adequacy and effectiveness of the Authority's internal control environment prior to the approval of the Annual Governance Statement.

1. INTRODUCTION

The Chartered Institute of Public Finance and Accountancy (CIPFA) guidance requires the Head of Internal Audit to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control.

The report should be timed to support the Annual Governance Statement and include:

- The opinion
- A summary of the work that supports the opinion; and
- A statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

The report is attached to this report.

2. REPORT

See Appendix A.

3. IMPLICATIONS

Legal Implications

Compliance with the Accounts and Audit Regulations 2016

Financial Implications

None.

Human Resources Implications

None.

Sustainability Implications

None.

Equality/Diversity

None.

Risk Management

As reported.

Compliance with Policies and Strategies

As reported.

Ward Member and Leader Member Views

Councillor Philip Hackett, Chair of the Audit & Governance Committee, has commented: "The annual Internal Audit plan confirms that the necessary controls are in place for our key systems and the Internal Auditors are confident that the scope of the audit plan and the resultant testing allowed them to provide the Council with significant assurance for 2016/17."

4. CONCLUSIONS

In compliance with the CIPFA guidance the opinion set out at Appendix A provides an assurance of the adequacy and effectiveness of controls operating on the Council's activities and identifies any significant weaknesses and actions taken to address those weaknesses.

5. RECOMMENDATIONS

The Audit and Governance Committee are required to consider the assurance provided alongside that of Senior Management, Corporate Risk Management and external assurance including that of the External Auditor as part of the Governance Framework and satisfy themselves from this assurance for signing the Annual Governance Statement.

SUPPORTING INFORMATION

Consultations: Jenny Wallace
Councillor Philip Hackett
Senior Management - Assurance Statements
Those officers involved in gathering evidence for the Annual Governance Statement
Monitoring Officer

Contact Officer: Chris Dobbs

Background Papers: Internal Audit systems files
Internal Audit Governance working papers
The Terms of Reference for the Audit & Governance Committee
CIPFA guidance on providing the Audit opinion
Accounts and Audit Regulations 2016
The British Standards Institute's Code of Practice on Whistleblowing
Internal Audit reports
External audit reports
Other external reports from professional organisations