

Regulation, Audit & Accounts Committee

23 July 2018

Internal Audit – Annual Audit Report 2017/18

Report by Director of Finance, Performance and Procurement and Head of Southern Internal Audit Partnership

Executive Summary

This report provides a summary of Internal Audit activity for 2017/18. The Head of Internal Audit's overall opinion is that the Council's framework of governance, risk management and control is 'satisfactory' and audit activity during the year has demonstrated controls to be working in practice.

Recommendation

The Committee is asked to approve the annual audit report for the year ended 31st March 2018.

1. Introduction

- 1.1 This report sets out the individual and collective outcomes of the audit reviews undertaken in the year ended 31st March 2018. It also provides an audit opinion of the control environment based on this audit work.

2 Audit Opinion

- 2.1 Internal Audit is an assurance function whose primary purpose is to provide an independent and objective opinion to the organisation on the control environment comprising risk management, control and governance, in support of the objectives of the Council.
- 2.2 The annual audit plan is prepared to take into account key areas of risk and was approved by the Regulation, Audit & Accounts Committee (RAAC). The internal audit plan has been delivered in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 2.3 Audit work has been undertaken to obtain all information and explanations considered necessary to provide sufficient assurance that the control environment is both reasonable and effective. Whilst no assurance can ever be absolute, on the basis of audit work completed, **it is the Head of Internal Audit's opinion that the County Council's framework of governance, risk management and control is 'satisfactory'.**

3. Resource Implications and Value for Money

- 3.1 None arising directly from this report

4. Equality Duty.

- 4.1 An Equality Impact Report is not required for this decision as report dealing with internal or procedural matters only.

5. Risk Management Implications

- 5.1 There are risks associated with services not addressing key recommendations arising from the audit findings. Follow up audit review will be undertaken to ensure that agreed actions have been implemented. A report detailing the status of high priority Internal Audit recommendations will be presented to each meeting of this Committee for monitoring to ensure that key risks are addressed on a timely basis.

Katharine Eberhart

Director of Finance, Performance & Procurement

Neil Pitman

Head of Southern Internal Audit Partnership

Contact: Neil Pitman, 0330 222 3672

Appendices

Appendix A - Annual Internal Audit Report & Opinion 2017-18

Background Papers

None