



TO: Audit & Governance Committee

FROM: Head of Audit & Assurance

DATE: 25 June 2019

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

TITLE OF REPORT Annual Internal Audit Opinion Report 2018/19

1. PURPOSE

To provide independent evidence to allow the Audit & Governance Committee to fulfil its role and function of providing independent assurance to the Council on the adequacy of the risk management, and internal control arrangements in place within the Council.

2. RECOMMENDATIONS

The Committee is asked:

- to note the content of the Annual Internal Audit Opinion Report for 2018/19 (as set out in Appendix A);
- to consider the overall annual opinion of the Head of Audit & Assurance, which is that **adequate assurance**, can be placed upon the Council's framework of governance, risk management and internal control; and
- to note that the internal audit work that supports this opinion has been delivered in accordance with the Public sector Internal Audit Standards (PSIAS) and that there are no significant areas of non-conformance.

3. BACKGROUND

The internal audit function is required to comply with the PSIAS.

The PSIAS require the Head of Internal Audit to present an Annual Opinion Report to the Audit & Governance Committee, which gives an opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and internal control. The report should be timed to support the production of the Council's Annual Governance Statement (AGS).

4. RATIONALE

The Audit & Governance Committee, in its role of providing independent assurance to the Council on the adequacy of its risk management framework, overall governance and the associated control environment is required to consider the Annual Internal Audit Opinion Report.

5. KEY ISSUES

The Council is required under the Accounts and Audit (England) Regulations 2015 to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards.

The attached report complies with the requirements of the PSIAS. It includes a summary of the work that has been carried out that supports the opinion. It sets out any qualifications to the opinion, together with reasons for those qualifications, discloses any impairments or restrictions in scope and compares actual work with the planned work approved by the Committee in April 2018. It also states whether the work has been undertaken in conformance with PSIAS, the results of any Quality Assurance Improvement Programme (QAIP), summary of actual performance against targets/measures and any issues that are considered relevant to the preparation of the AGS.

6. POLICY IMPLICATIONS

This report is a key contributor to the Annual Governance Statement, which assesses the effectiveness of the Council's own management of its policy objectives.

7. FINANCIAL IMPLICATIONS

There are no financial implications arising as a result of this report.

8. LEGAL IMPLICATIONS

This report fulfils the statutory requirements placed upon by the Council by the Accounts & Audit (England) Regulations 2015.

9. RESOURCE IMPLICATIONS

There are no resource implications arising as a result of this report.

10. EQUALITY IMPLICATIONS & HEALTH IMPLICATIONS

There are no equality or health implications arising as a result of this report.

11. CONSULTATIONS

The issues raised in this report have previously been reported to Directors following the completion of audit assignments. Summaries of the issues identified have previously been reported to the Audit & Governance Committee at its meetings during 2018/19.

This report has been discussed with the Council's Primary Assurance Group.

Contact Officer:	Colin Ferguson, Head of Audit & Assurance – Ext: 5326
Date:	13 June 2019
Background Papers:	2018/19 Annual Audit & Assurance Plan, Strategic Statement and Internal Audit Charter, Audit & Assurance - Progress & Outcomes Committee reports, Audit & Assurance reports and files.