

ANNUAL INTERNAL AUDIT REPORT AND OPINION 2017-18

1. INTRODUCTION

- 1.1. The purpose of this report is to inform members of the Audit Committee with the Chief Internal Auditor's opinion on the adequacy and effectiveness of the Council's framework of risk management, internal control and governance for the year ending 2017-18.

2. SUMMARY

- 2.1. In accordance with proper internal audit practices, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of the system of internal control to inform the production of the Annual Governance Statement.
- 2.2. The Annual Report for 2017-18 (attached at Appendix 1) provides the Chief Internal Auditor's opinion on the adequacy and effectiveness the Council's framework of risk management, control and governance processes and summarises audit work from which that opinion is derived for the year ending 31 March 2018.
- 2.3. The Audit Committee's attention is drawn to the following points:
- The internal audit plan for 2017-18 has been substantially delivered;
 - The Council's framework of governance, risk management and management control is considered to be 'Reasonable' and audit testing has demonstrated controls to be working in practice;
 - Where internal audit work identified areas where management controls could be improved or where systems and laid down procedures were not fully followed, appropriate corrective actions and a timescale for improvement were agreed with the responsible managers, and
 - No significant issues requiring inclusion within the Annual Governance Statement were identified as a result of the internal audit activity.

3. ADDITIONAL INFORMATION

- 3.1. The 2017-18 internal audit plan was delivered by the Council's in-house team. With effect from 01 April 2018, the Council transferred responsibility for internal audit to the Southern Internal Audit Partnership (SIAP), and in so doing, the Head of SIAP is responsible for the delivery of an annual audit opinion and report that can be used by the Council to inform its' governance statement.

4. FINANCIAL IMPLICATIONS & CRIME AND DISORDER IMPLICATIONS

- 4.1. There are no direct implications arising from this report, however inadequate audit coverage may result in areas of control weakness, unacceptable risks or governance failings as well as the increased potential for error and fraud.

5. ENVIRONMENTAL MATTERS & EQUALITY AND DIVERSITY IMPLICATIONS

- 4.2. There are no matters arising directly from this report.

6. RECOMMENDATION

- 4.3. The Audit Committee note the content of the report and raise any further areas of assurance coverage that they require.

For Further Information Please Contact:

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Background Papers:

Internal Audit Plan 17-18