



AUDIT COMMITTEE

28TH JUNE 2016

AGENDA ITEM (8)

ANNUAL INTERNAL AUDIT OPINION 2015/2016

Accountable Member	Audit Committee
Accountable Officer	Robert Milford Head of Audit Cotswolds 01285 623350 robert.milford@cotswold.gov.uk
Report Author	Lucy Cater Head of Internal Audit (Operational) 01285 623340 lucy.cater@cotswold.gov.uk

Purpose of Report	To present a summary of the work undertaken by Internal Audit during 2015/2016 and to give an overall opinion on levels of assurance resulting from this work. To receive the Executive Summaries of audit reviews finalised since the last Meeting of the Audit Committee
Recommendation(s)	That the Committee considers the report and makes comments on its contents, as appropriate.
Reason(s) for Recommendation(s)	In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion, based upon, and limited to, the work performed, on the overall adequacy and effectiveness of the organisation's control arrangements. This is achieved through a risk-based programme of activities, agreed with management and approved, for 2015/2016, by the Audit Committee, which should provide a level of assurance across a range of Council activities. The opinion does not imply that the internal audit service has reviewed all risks and controls relating to the Council or the systems it reviews.

Ward(s) Affected	N/A
Key Decision	No
Recommendation to Council	No

Financial Implications	As detailed within the report
Legal and Human Rights Implications	As detailed within the report

Environmental and Sustainability Implications	N/A
Human Resource Implications	N/A
Key Risks	As detailed in the report.
Equalities Impact Assessment	Not Required

Related Decisions	N/A
Background Documents	N/A
Appendices	Appendix 'A' - Annual Internal Audit Opinion 2015/2016 Appendix 'B' - Executive Summaries

Performance Management Follow Up	N/A
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Background Information

1. The report outlines how the Internal Audit function has supported the Council in meeting the requirements of Regulation 4 the Accounts and Audit Regulations 2011. These state that:

"The relevant body is responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk."

"The relevant body must conduct a review at least once in a year of the effectiveness of its system of internal control."

2. The purpose of the annual Head of Internal Audit Opinion is to contribute to the assurances available to the Head of Paid Service and the Council which underpin the Council's own assessment of the effectiveness of the authority's system of internal control. This opinion is one component that the Council must take into account when completing its Annual Governance Statement. A copy of the Annual Internal Audit Opinion 2015/16 is attached at **Appendix 'A'**.

3. Due to the information contained in the Internal Audit Opinion, it was deemed unnecessary to submit a quarterly monitoring report but Executive Summaries for audits concluded since the last Audit Committee are attached at **Appendix 'B'**.

(END)