

<b>Report to:</b>	Audit and Governance Committee	<b>Date of Meeting:</b>	27 June 2018
<b>Subject:</b>	Annual Report and Opinion of the Chief Internal Auditor 2017/18		
<b>Report of:</b>	Chief Internal Auditor	<b>Wards Affected:</b>	All Wards
<b>Cabinet Portfolio:</b>	Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

### Summary:

This report summarises the work of internal audit during 2017/18, and provides the Chief Internal Auditor's opinion on the overall control environment operating within the Council during the year. This report is a key requirement of the Public Sector Internal Audit Standards.

### Recommendation(s):

Members are requested to:

- (i) Review and receive the work of internal audit during 2017/18 and the overall opinion on the control environment of the Council during that period.

### Reasons for the Recommendation:

To provide the Committee with an overall view of the internal control environment in operation, so as to inform the Annual Governance Statement 2017/18.

### Alternative Options Considered and rejected: (including any Risk Implications)

None

### What will it cost and how will it be financed?

There are no financial costs associated with this report.

#### (A) Revenue Costs

There are no direct financial implications arising from this report. However, the Council benefits from the work of the section in reducing the impact and likelihood (and so the cost) of risk.

#### (B) Capital Costs

There are no direct capital cost implications arising from this report.

### Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>
None
<b>Legal Implications:</b>
None
<b>Equality Implications:</b>
There are no equality implications.

### Contribution to the Council's Core Purpose:

Protect the most vulnerable: Positive
Facilitate confident and resilient communities: Positive
Commission, broker and provide core services: Positive
Place – leadership and influencer: Positive
Drivers of change and reform: Positive
Facilitate sustainable economic prosperity: Positive
Greater income for social investment: Positive
Cleaner Greener: Positive

### What consultations have taken place on the proposals and when?

#### (A) Internal Consultations

The Head of Corporate Resources (FD5179/18) and Head of Regulation and Compliance (LD4403/18) have been consulted and any comments have been incorporated into the report.

#### (B) External Consultations

No external consultations have been undertaken.

#### Implementation Date for the Decision

Immediately following the Committee meeting

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**Appendices:**

The following appendices are attached to this report:

Annual Report and Opinion of the Chief Internal Auditor 2017/18

**Background Papers:**

Internal Audit Plan 2017/18 (as approved by this Committee 22 March 2017)

**1. Introduction**

- 1.1 During 2017/18, the Internal Audit Service delivered the Internal Audit Plan as approved by this Committee on 22 March 2017.
- 1.2 It is one of the key responsibilities of the Chief Internal Auditor to provide an annual report to summarise the work undertaken during the preceding financial year, and to report an overall opinion on the robustness of the Council's control environment which has been derived from this work. This is necessary not only to meet the Public Sector Internal Audit Standards, but also to feed into the Annual Governance Statement, and to provide members and officers of the Council with a clear view of the value added by this work and how this can shape the control environment of the Council in the future.