

Annual Report and Opinion Of The Chief Internal Auditor 2017/18

Audit and Governance Committee
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1. Executive Summary

- 1.1 The Chief Internal Auditor is obliged, under the Public Sector Internal Audit Standards (PSIAS), to provide an annual report summarising the work undertaken by internal audit during the financial year just closed, and to provide an overall opinion of the overall adequacy and effectiveness of the organisation's framework of governance, derived from this work.
- 1.2 In respect of 2017/18, 60 audits were completed in total. The overall audit opinions given in these reports can be summarised as:

Organisational Risk Opinion	Number of audits	School Audit Opinion	Number of audits
MAJOR	1	WEAK	1
MODERATE	10	FAIR	3
MINOR	9	GOOD	7
NEGLIGIBLE	5	VERY GOOD	3
ASSURANCE PROVIDED	20		

- 1.3 Based upon the work undertaken by Internal Audit in respect of 2017/18, the opinion of the Chief Internal Auditor on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control is:

Overall Opinion 2017/18	ADEQUATE
Potential for Improvement	GOOD

2. Introduction

- 2.1 In accordance with the Accounts and Audit Regulations 2015, the Council must ensure that it provides adequate and effective internal audit arrangements in respect of its accounting records and systems of internal control, and that it conducts an annual review of the effectiveness of these. In addition, these arrangements must be delivered in accordance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN), which came into effect on 1 April 2013 (and were revised 1 April 2016 and 1 April 2017).
- 2.2 The PSIAS represent mandatory best practice for all public sector internal audit service providers in the UK and cover:
- Definition of Internal Auditing
 - Code of Ethics
 - International Standards for the Professional Practice of Internal Auditing.
- 2.3 Further to the 2016 revision to the PSIAS, Internal Audit has adopted the following mission statement:
“To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.”
- 2.4 It is a requirement of the PSIAS that the Head of Internal Audit provides an annual report to those charged with governance, which should include an opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. This report informs the Council’s Annual Governance Statement.
- 2.5 In arriving at this opinion, this report sets out:
- A summary of the Internal Audit work undertaken during 2017/18
 - A summary of the performance of Internal Audit during the year
 - A review of Internal Audit’s compliance with the Public Sector Internal Audit Standards (PSIAS)
 - A summary of the Quality Assurance and Improvement Programme (QAIP) established during the year
 - The overall Chief Internal Auditor’s opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control in 2017/18
 - A look ahead to the Internal Audit Plan 2018/19.
- 2.6 It is confirmed that there was no impairment to internal audit objectivity during 2017/18.

3. Summary of Work Completed

Background

- 3.1 The Internal Audit Plan 2017/18 was approved by the Audit and Governance Committee on 22 March 2017, and a report providing an update on the delivery of the plan, performance indicators and detailing key recommendations, was presented to each meeting of the Committee during the year.
- 3.2 Where Internal Audit undertakes work which primarily contributes to the assurance opinion on the Council's framework of governance, risk management and internal control, the audit report includes an "organisational risk opinion" which highlights the level of risk to the organisation presented by the risks identified in the audit:

Audit Opinion	Explanation
MAJOR	There is a major risk presented to the Council by the risks identified in the review.
MODERATE	There is a moderate risk presented to the Council by the risks identified in the review.
MINOR	There is a minor risk presented to the Council by the risks identified in the review.
NEGLIGIBLE	There were no risks identified during the review.

The audit opinions for school audits follow a more traditional model:

Audit Opinion	Explanation
WEAK	The internal control system in operation at the school requires significant improvement.
FAIR	The internal control system in operation at the school requires some improvement.
GOOD	The internal control system in operation at the school requires minor improvement.
VERY GOOD	The internal control system in operation at the school requires little or no improvement.

- 3.3 Recommendations made within audit reports are graded as "high", "medium" or "low". All recommendations of high priority are detailed in full in the quarterly report to the Audit and Governance Committee.

3.4 In addition, Internal Audit provides consultancy / advisory support in response to specific requests from management, which contributes to improving the Council’s governance, risk management and internal control arrangements. Such work can include advice and guidance around the implementation of new systems and procedures and auditing grant claims and returns. Such pieces of work are not usually given an audit opinion, but do inform the overall annual opinion. These are listed below in the “assurance provided” category.

Delivery

3.5 During 2017/18, 60 pieces of internal audit work were completed.

3.6 The audit opinions given during the year were (those shown in italics are at draft stage – completed Action Plans are awaited from clients):

Organisational Risk Opinion	Audit Title
MAJOR	<ul style="list-style-type: none"> • Court of Protection and Appointeeships
MODERATE	<ul style="list-style-type: none"> • Anti-Social Behaviour Unit • Accounts Payable • The Atkinson: Information Systems • The Atkinson: Building • Corporate Governance 2016/17 • Specialist Transport Unit (follow up) • ICT application: Civica APP • ICT application: ESP • Non-Domestic Rates • LAS Finance • <i>Risk Management</i>
MINOR	<ul style="list-style-type: none"> • Carbon Reduction Commitment • Highways Maintenance Contractor Payments • Libraries • Public Health Outcomes Framework • Payroll

MINOR	<ul style="list-style-type: none"> • Council Tax • Taxi Licensing • Crosby Lakeside Activity Centre • Care Act 2014
NEGLIGIBLE	<ul style="list-style-type: none"> • Capital Programme • Treasury Management • PSR10 – Procurement Analysis • Sefton@work – Information Security Plan • Council Tax Reduction Scheme
ASSURANCE PROVIDED	<ul style="list-style-type: none"> • Liverpool City Region STEP Grant • Troubled Families Grant • M58 Junction 1 Improvements Grant • Disabled Facilities Grant • Atlantis Grant • Mayor’s Charity Fund • Carbon Reduction Commitment: Follow Up • Children’s Social Care: Ad Hoc Payments: Follow up • Tourism: Follow Up • Bulky Waste and Skip Hire: Follow Up • Aintree Davenhill Primary School: Follow Up • Anti-Social Behaviour Unit: Follow Up • Maricourt Catholic High School: Follow Up • Larkfield Primary School: Follow Up • Accounts Payable: Follow Up • Transactional Services and ICT – Risk • Developing Systems • Risk Management (advice and support) • NFI Co-ordination • Economic Growth and Strategic Investment – Risk

In respect of schools:

Opinion	School Name
WEAK	<ul style="list-style-type: none"> • Holy Spirit Primary School
FAIR	<ul style="list-style-type: none"> • Forefield Junior School • Thomas Gray Primary School • Merefield School
GOOD	<ul style="list-style-type: none"> • Larkfield Primary School • Lydiate Primary School • Churchtown Primary School • Meols Cop High School • Ursuline Catholic Primary School • Rowan Park School • St Luke's CE Primary School
VERY GOOD	<ul style="list-style-type: none"> • Aintree Davenhill Primary School • Maricourt Catholic High School • Northway Community Primary School

3.7 One significant piece of consultancy work was undertaken at the request of senior management during the year, and this consumed significant internal audit resource. This had an impact on the ability of the team to deliver the Plan, and meant that there were a number of audits that were not able to be completed. These were:

- Adult Social Care Debt
- Better Care Fund
- Multi-Agency Arrangements
- Direct Payments
- Dunes Splashworld

These audit areas have all been included within the Internal Audit Plan for 2018/19.

3.8 The resignation of the ICT Auditor during the year meant that there was a gap in terms of skills and capacity in respect of ICT audit. This has meant that the capacity to undertake such work was impacted during the year. This vacancy was filled in August 2017 by the appointment of the Audit Manager, but the specialist ICT aspect of the post was not filled. The team is able to

deliver non-technical ICT audit work, and work was delivered on ICT applications during the year, however there is to be consideration of how technical ICT audit work will be delivered in the future.

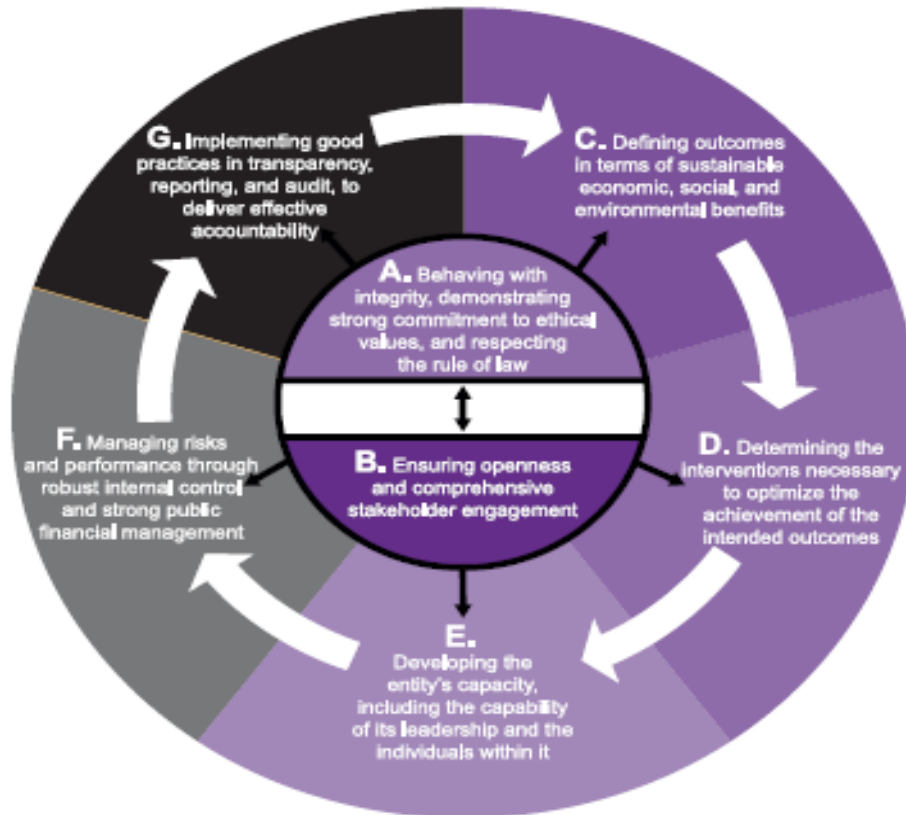
- 3.9 Sickness absence also had an impact during the year, with 56 days having been lost. It was pleasing to see that there was a significant reduction in days lost during 2017/18 than in 2016/17, when 310 days were lost. However, any lost time has an obvious impact on the ability to deliver the Internal Audit Plan, and sickness absence continues to be monitored and managed robustly.
- 3.10 There were three pieces of work that were completed but did not result in an audit report. In respect of Pensions, the risks identified were found to have been already covered by a review undertaken in 2016/17. Adult safeguarding was a new audit area, and it was clear that this is already a regulated area audited by CQC. In respect of Concessionary Travel, an assessment of risk was undertaken and it was found that there is no risk held by the Council.
- 3.11 There were three pieces of work that were found to be more suitable to take place during 2018/19, and have been included within this Plan, as approved by Audit and Governance Committee on 21 March 2018:
- Community Adolescent Service – it was requested by the Head of Service that this be deferred until 2018/19.
 - Public Health Grant – audit of 2017/18 grant required to be undertaken post year-end.
 - Performance Management – the corporate performance management system was under development during 2018/19.

Corporate Governance

- 3.12 During the year, internal audit conducted a full review of the Council's corporate governance arrangements. This has followed the mandatory CIPFA/SOLACE guidance "Delivering Good Governance in Local Government" (2016), so as to inform the Council's Annual Governance Statement (AGS) 2017/18 and ensure that the content of the AGS is fully evidenced.
- 3.13 The work covers the prescribed areas of governance as defined in the guidance, and has sought to engage with all senior officers in gaining assurance that there is a comprehensive and effective system of governance in place. This has comprised:

- Review of all governance areas detailed under the relevant Core Principles in the guidance:

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



- Review of progress in respect of the Significant Governance Issues identified in the 2016/17 AGS, and identification of emerging Significant Governance Issues
- Completion of Governance Assurance Statements by Heads of Service, and associated testing of selected areas of evidence to support responses provided
- Engagement with Heads of Service.

3.14 The overall audit opinion for the work was that it presents an organisational risk of “Moderate”. There are a number of key findings emanating from the work, and seven of these will feature in the Annual Governance Statement as “Significant Governance Issues”. These relate to:

	Governance Issue	Source	Action to Address the issue	Timescale	Lead
1	A Code of Corporate Governance has yet to be implemented. This has been drafted and will be introduced in 2018/19.	AGS Review	This will be presented for approval to Audit and Governance Committee in June 2018.	June 2018	Head of Regulation and Compliance
2	The Council’s Core Purpose and Framework for Change Programme was introduced in 2016/17. It will be important that the Council can demonstrate how it is meeting the objectives set out within these strategic approaches as part of its overall performance management process. During 2017/18 the development of a Corporate Performance Framework commenced. The new framework is expected to be implemented in time for the October 2018 PDR process and to inform the next budget cycle.	Senior Leadership Board	Final Corporate Performance Framework to be completed and implemented.	October 2018	Senior Leadership Board
3	A significant amount of work has been undertaken during 2017/18 in embedding Risk Management in the Authority. This includes regular reporting and dialogue at Audit and Governance Committee and Senior Leadership Board. There are however still certain services that are to fully embed risk management within their overall management processes.	Senior Leadership Board	Those services where improvement is required have been engaged via Senior Leadership Board and support and guidance is to be provided via the internal audit team. Certain projects within the framework for change programme are also to develop risk management arrangements as appropriate.	October 2018	Senior Leadership Board
4	A review of the council compliance with CIPFA’s Code of Practice on Managing the Risk of Fraud and Corruption is partially completed.	AGS Review	Work will continue to complete the review and a report will be submitted to SLB for their consideration and action.	October 2018	Senior Leadership Board/ Internal Audit
5	A review of the Council’s compliance with CIPFA’s Audit Committees: Practical Guidance for Local	AGS Review	An Action Plan for the completion of this has been developed and will be reported to Audit and	June 2018	Chief Internal Auditor and

	Governance Issue	Source	Action to Address the issue	Timescale	Lead
	Authorities (2013) [Note: soon to be superseded by the 2018 guidance] has not been undertaken.		Governance Committee in June 2018.		Chair of Audit & Governance Committee
6	A review of the Council's compliance with the Local Public Services Data Handling Guidance needs to be undertaken either by or in liaison with the Council's Senior Information Risk Owner (SIRO).	AGS Review	The Review will be scoped and then completed in accordance with an agreed action plan.	December 2018	SIRO
7	The Council should ensure that it has appropriate arrangements to update its constitution for key changes on at least an annual basis.	AGS Review	An annual update review will be introduced with a view to any material changes being in place for the start of each municipal year. In the event that key changes arise outside of this they will be reported as required through Audit and Governance Committee and Council.	Throughout 2018/19	Head of Regulation and Compliance

3.15 Issues 1, 2, 3 and 4 were reported in the 2016/17 AGS, and issues 5, 6 and 7 are new, and reflect the need for the Council to update to reflect changing guidance and local processes.

3.16 One of the key issues highlighted in the Annual Governance Statement 2016/17 was the need to strengthen the Council's response to Significant Governance Issues, with a view to addressing these and giving greater visibility to these throughout the organisation, so as to inform the ongoing development of the Council's corporate governance arrangements. This also involved giving regular updates to the Audit and Governance Committee on progress being made to address the identified issues, and such an update was provided to the March 2018 meeting. However, it is important that the Council increases its focus on addressing Significant Governance Issues and seeks to reduce these over time. The actions identified to address the issues have the support of the Senior Leadership Team, and it is important that progress continues to address these, so that the effectiveness of the Council's governance framework does not deteriorate.

3.17 The review also generated a number of other findings, not significant enough in nature to warrant inclusion in the AGS at this stage, but which will require action by senior managers so as to ensure that the relevant risks are addressed. Agreement of senior managers has been obtained that they will implement the recommendations highlighted within the next year.

Risk Management

- 3.18 So that the Council is best placed to deliver its 2030 Vision and Framework for Change, it is vital that it has robust and effective arrangements for managing risk. This is particularly pertinent as the Council undergoes an ambitious programme of change, and the Council's appetite for risk is likely to increase, that a coherent framework is in place so as to ensure that such risks are taken in a conscious and managed way.
- 3.19 During the year, audit work has established that a basic system of risk management has been put in place by the Council, and that Service Risk Registers have been implemented to cover most service areas. A revised Corporate Risk Management Handbook was produced and approved during the year, and the Corporate Risk Register has been refreshed and presented to each meeting of the Audit and Governance Committee. However, it was recognised that there is scope to increase the extent to which the framework is embedded into the Council's activities; hence the overall audit opinion for the review was that it presents a "Moderate" organisational risk-. The ongoing development of this framework, coupled with the associated development of the performance management framework, was a key area of focus for the Council during 2017/18. It is important that during 2018/19, corporate risk management continues to develop and embed. The continued engagement of Senior Management will be vital so as to ensure success.
- 3.20 The Risk and Audit Service has provided significant support to the Council in establishing consistent and coherent systems of risk management, by directly providing, or facilitating (through the Council's insurers) accredited training in risk management, and by facilitating risk sessions with Departmental Management Teams. Operational safeguards have been put in place to ensure that there is no impairment to the independence of the Chief Internal Auditor, who also has management responsibility for Risk Management.

Internal Control

- 3.21 Of the 61 pieces of audit work completed during the year, 41 generated an audit opinion. Of these, the overwhelming majority, 29 audits, were given opinions of "Minor" or "Negligible" organisational risk, or in the case of schools, opinions of "good" or "very good". There are a number of key points to highlight:

Audits of "Major" Organisational Risk Opinion

- 3.22 Court of Protection/Appointeeships

A significant piece of audit work was conducted on Court of Protection and Appointeeships. This relates to the system of managing the finances of adults who lack capacity to do so for themselves. This carries with it a large reputational risk, as well as a risk of financial mismanagement and abuse of the service user. Therefore, it is of the utmost importance that this system has robust controls that protect the individual, staff and the Council as a whole. The organisational risk opinion for the piece of work was "Major", as it is of concern that a number of major weaknesses were identified, suggesting that such control is not in

place. Further internal audit work to follow up the implementation of the recommendations and to undertake further detailed testing is to be undertaken during 2018-19.

Other Items of Note

- 3.23 Work undertaken on the Key Financial Systems has shown a generally positive picture, with Payroll and Council Tax attracting “Minor” organisational risk opinions, and Treasury Management and Capital Programme attracting “Negligible” opinions. However, reviews of Accounts Payable and Non-Domestic Rates attracted opinions of “Moderate”. The recommendations made in respect of Accounts Payable have since been followed up and positive progress is being made, and the Non-Domestic Rates work is not yet due to be followed up. The controls in place in respect of these systems will be of particular importance as the Council internalises these operations during 2018/19.
- 3.24 A revised system for the audit of schools was implemented during the year. This replaced the former system of undertaking “thematic” audits, and concentrated on reviewing the full range of risks in a sample of schools. Schools were selected on a risk basis, which was based upon a number of factors such as time since the last audit, changes in key personnel, or particular concerns. The approach was a validated self-assessment, which enabled Internal Audit to cover a larger number of schools in an efficient and effective way. Schools appreciated the assurance the audit gave them, and have responded positively to the recommendations made. The results to date have reflected a generally positive picture, but there are a number of common areas of weakness detected, such as excessive use of the non-order invoicing (verbal ordering) facility, lack of review of inventory records, Financial Procedures Manuals not always being up to date, and unofficial funds such as school funds not being notified to the Schools Finance Team. Discussions are ongoing with the Schools Finance Team to strengthen the policy and guidance framework to schools, so as to support all schools in establishing robust systems of internal control.
- 3.25 Follow up audits completed show, on the whole, a positive picture in terms of the implementation of recommendations.

Counter-Fraud

- 3.26 The Council’s “Anti-Fraud, Bribery and Corruption Policy” outlines the Council’s commitment to creating an anti-fraud culture and maintaining high ethical standards in its administration of public funds.
- 3.27 Internal Audit has a number of responsibilities in the prevention and detection of fraud, bribery and corruption:
- Co-ordination of the Council’s work on the National Fraud Initiative (NFI)
 - Compilation of the Council’s return to the CIPFA Counter Fraud Tracker, which compares fraud detection levels with peers
 - Compilation of a Counter-Fraud Internal Audit Plan, which identifies a number of areas for proactive anti-fraud review for completion in 2018-19
 - Investigation of referrals of suspected fraud and irregularity

3.28 The Policy states that the Chief Internal Auditor must be notified of any suspected fraud or irregularity, and in April 2018, the Council became aware of a bank mandate fraud to which it had fallen victim. A payment of £128,095 to a contractor had been made to the incorrect bank account, following a fraudulent notification of a change of bank details. An initial internal audit investigation was undertaken, and the matter was referred to the Police. Additional controls have been implemented so as to minimise the risk of such a fraud being successfully perpetrated against the Council in the future.

4. Performance

4.1 During the year, the service measured and reported on a comprehensive suite of performance indicators, which give a view not only of the effectiveness of the internal audit function itself, and the quality of service, but also the impact the service is having in terms of recommendations agreed. The results for each of the performance indicators have been reported to each of the Audit and Governance Committees.

The year-end position in respect of these performance indicators (and the comparative position with 2016/17 actuals) is:

Description and Purpose	Target	Actual 2016/17	Actual 2017/18	Variance and Explanation
<p>Percentage of the Internal Audit Plan completed This measures the extent to which the Internal Audit Plan agreed by this Committee is being delivered. The delivery of the Plan is vital in ensuring that an appropriate level of assurance is being provided across the Council's systems.</p>	100%	89%	86%	<ul style="list-style-type: none"> High risk pieces of work emerged during the year that warranted inclusion. Impact of sickness absence.
<p>Percentage of Client Survey responses indicating a "very good" or "good" opinion This measures the feedback received on the service provided, and seeks to provide assurance that Internal Auditors conduct their duties in a professional manner.</p>	100%	96%	100%	<ul style="list-style-type: none"> Not applicable
<p>Percentage of recommendations made in the period which have been agreed to by management This measures the extent to which managers feel that the recommendations made are appropriate and valuable in strengthening the control environment.</p>	100%	100%	100%	<ul style="list-style-type: none"> Not applicable

4.2 This shows a positive position and highlights that not only has the team been successful in balancing competing risks and priorities and covering emerging risks, but that the work undertaken is also valued by clients. Achievement levels are comparable with those for 2016/17.

5. Public Sector Internal Audit Standards (PSIAS)

External Peer Assessment

- 5.1 During the year, the service was the subject of an external peer assessment, conducted by CIPFA, of the extent to which the service complies with the mandatory framework for Internal Audit in the UK Public Sector: Public Sector Internal Audit Standards (PSIAS).
- 5.2 The PSIAS determine that this must take place every five years.
- 5.3 The peer assessment built on the work the service had already undertaken to assess its own levels of compliance, and a great deal of preparation work was done for the assessment. It was very pleasing to note that the conclusion was that the service “generally complies” with the standards. This is the highest opinion that can be given.
- 5.4 Whilst the report was overwhelmingly positive and reflects the work undertaken to ensure compliance, it does recognise that the service needs to develop its skill set so as to provide a modern and effective audit service that fits with the strategic and commercial direction of the Council. This will require staff to become more flexible, strategic and innovative in their approach, so as to demonstrate the value they are adding. This is an ongoing area of development work for the service.

Quality Assurance and Improvement Programme (QAIP)

- 5.5 During 2017/18, the following actions were taken to develop and improve the service:
- Development of the Internal Audit Report
 - Staff attendance at relevant professional seminars
 - Participation in webinars on topical issues such as Risk Management and Commercialisation
 - Assessment of skills within the team and identification of relevant development opportunities
 - Development of a comprehensive Internal Audit Manual which complies with the PSIAS
 - Completion of relevant Continuing Professional Development requirements for professionally qualified staff
 - The Service has developed positively during the year with the appointment of an Audit Manager from August 2017. This has been positive in raising standards and developing robust staff performance management and quality assurance.
- 5.6 So as to ensure that the Service not only continues to comply with the PSIAS, but to ensure that the service continues to improve, the Service has created a Development Action Plan. This encapsulates a number of key actions such as:
- Development of the skills of the internal audit team so it is fit to meet the challenges of a modern Council

- Continuous review of the internal audit report
- Continuous review and update of working practices and reflection of associated changes in the Internal Audit Manual
- Management of sickness so as to minimise days lost and their impact on the delivery of the Internal Audit Plan.
- Improved mechanisms for the management review of internal audit work.
- Development of a more robust Counter-Fraud approach.

6. Overall Opinion

6.1 Based upon the work undertaken by Internal Audit in respect of 2017/18, the opinion of the Chief Internal Auditor on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control in 2017/18 is:

Overall Opinion 2017/18	ADEQUATE
Potential for Improvement	GOOD

6.2 This opinion is based on the following:

- An assessment of the range of individual opinions arising from audits delivered by Internal Audit during 2017/18. This assessment takes into account the relative materiality of these areas and management's progress in addressing control weaknesses that have been identified
- The design and operation of the Council's governance and risk management frameworks
- The extent to which Internal Audit complies with the PSIAS, and the quality and performance of the service, determined through compliance with its Quality Assurance and Improvement Programme (QAIP)
- The External Auditor's unqualified audit opinion and assessment of no material control weakness in the internal control environment in respect of the 2016/17 financial year (EY Audit Results Report, presented to Audit and Governance Committee on 13 September 2017)
- Reports produced / issues arising as a result of consultancy or investigative work undertaken by the Internal Audit team
- Management's positive response to findings and recommendations
- The continued independent status of Internal Audit, as evidenced by auditors' annual declarations in respect of the Code of Ethics.

6.3 It is vital that the Council builds on the progress made during 2017/18 in embedding a consistent and effective risk and performance management system, so as to support the Council during its delivery of its Framework for Change and achievement of the Sefton Vision 2030.

6.4 It should be noted the opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the Council and is not an absolute assurance of the effectiveness of internal control arrangements and the management of risk. The purpose of this opinion is to contribute to the assurances available to the Council which underpin the assessment of the effectiveness of

its governance framework, including the system of internal control, which are encapsulated in the Annual Governance Statement.

7. Looking Ahead

- 7.1 The Internal Audit Plan 2018/19 will deliver a comprehensive assurance on the following key areas: governance, risk management and internal control. The completion of this work will continue to assist the Council not only to develop in respect of identified areas for improvement, but also to gain assurance that the transformation programme being embarked on by the Council has adequate regard for internal control. The ongoing implementation and embedding of systems of risk and performance management will develop the Council's capacity to manage this journey, and Internal Audit will be key in reviewing these systems to support their development.
- 7.2 In addition, during the year, all recommendations will continue to be subject to follow up audit work, which will provide assurance of the level to which these have been implemented. This will provide a steer for the organisation in terms of areas for further attention so as to mitigate identified risks.
- 7.3 The Audit and Governance Committee will continue to play a key role not only in scrutinising the performance of the internal audit function, but also in challenging the organisation in respect of its response to Internal Audit work. This role is key in the Council's overall system of internal control.
- 7.4 The Internal Audit team will continue to develop and modernise so as to meet the needs of a changing organisation and maximise its contribution to the Council's system of internal control.