

Audit Committee – 16 January 2016/17

Internal Audit Progress Report 2016/17

Summary of report

The purpose of this report is to update the Audit Committee on Internal Audit's progress for 2016/17 (attached).

Background papers

Internal Audit reports/monitoring information.

Recommendation

1. To note the contents of this report.



James T. Walsh – Chief Finance Officer

4 January 2017

Resource and legal considerations

The Accounts and Audit Regulations 2015 came into effect on 1 April 2015 and require councils to undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Auditing Standards or guidance.

Governance issues

The Audit Committee's activities include ensuring that an effective internal control environment is maintained and regular and ongoing scrutiny of internal audit work undertaken. This report supports the Audit Committee in exercising that role.

Citizen impact

Internal Audit work is intended to ensure that effective systems of internal control are in place. This protects the council and its officers and provides an assurance to stakeholders and citizens regarding the security of the council's operations.

Performance and risk management issues

Part of Internal Audit's role is to provide assurance on the council's performance and risk management arrangements. Internal Audit's programme of work is risk assessed to ensure areas most at risk are examined as a priority.

The attached report highlights progress against the audit plan as at 31 December 2016. Work to date has included follow up of 2015/16 audits. 454 audit recommendations were raised in 2015/16 audit reports. As at 31 December, 76% of agreed actions are confirmed as implemented.

The internal audit contract is subject to key performance indicators including achievement of the audit plan and formal quarterly meetings are held between the Chief Finance Officer and senior representatives at Mazars to monitor performance of the contract. This will be reported periodically to Audit Committee, with Quarter 3 due to the 27 February Audit Committee meeting.

Equality implications

Internal Audit has full regard to equalities both within the internal audit service and in the services / activities under review.

Consultation

The annual work plan 2016/17 was consulted upon before its final endorsement by executive directors, senior managers, the Chief Finance Officer and Audit Committee.

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