

Cherwell District Council

Accounts, Audit and Risk Committee

29 May 2019

Internal Audit – Annual Report 2018/19

Report of the Executive Director, Finance (Interim)

This report is public

Purpose of report

To receive CW Audit Services annual report for 2018/19 in relation to the Internal Audit work undertaken during 2018/19

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the 2018/19 annual report from CW Audit Services.

2.0 Introduction

- 2.1 Internal Audit undertakes a programme of work in line with their Audit Plan issued towards the start of each year. On the basis of the work undertaken the Head of Internal audit forms an overall opinion of the Councils governance and control environment. For 2018/19 the overall opinion is moderate assurance, this represents a fair assessment of the Councils assurance framework.

3.0 Report Details

- 3.1 The Councils are required by the Accounts & Audit Regulations 2015 “to undertake an adequate and effective internal audit of its accounting records and of its system of internal control, taking into account public sector internal auditing standards or guidance”. The Public Sector Internal Audit Standards (PSIAS) require the Head of Internal Audit to provide a written report to those charged with governance (in practice the relevant Committees of each Council acting as the ‘Audit’ Committee, to support the Annual Governance Statement, AGS), setting out:

- An opinion on the overall adequacy and effectiveness of the organisation’s control environment ;

- Disclose any qualifications to that opinion, together with the reasons for that qualification;
- Present a summary of the work carried out by Internal Audit during the year from which the opinion is derived, including any reliance that is being placed upon third party assurances;
- Draw attention to any issues the Head of Internal Audit deems particularly relevant to the Annual Governance Statement (AGS)
- Consider delivery and performance of the Internal Audit function against that planned;
- Comment on compliance with these Standards and the results of any quality assurance programme.

3.2 The Council should consider the opinion of the Head of Internal Audit as part of its overall assessment of the assurance framework in place.

3.3 During 2018/19 some weaknesses were highlighted which will be addressed during 2019/20. Please see appendix 1. Progress against these will reported to the Committee at future meetings.

4.0 Conclusion and Reasons for Recommendations

4.1 The Annual Report summarises the Internal Audit work for 2018/19 and reports on the findings of the audits undertaken.

5.0 Consultation

5.1 None

6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not applicable as this report is for information. However, members may wish to request further information from the Head of Internal Audit.

7.0 Implications

Financial and Resource Implications

7.1 There are no financial implications arising directly from this report.

Comments checked by:

Kelly Watson, Deputy S151 Officer, 0300 003 0206

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Legal Implications

7.2 There are no legal implications arising directly from this report.

Comments checked by:

Richard Hawtin, Team Leader – Non-contentious, Tel: 01295 221695, Email: richard.hawtin@cherwellandsouthnorthants.gov.uk

Risk Management Implications

7.3 There are no risk management issues arising directly from this report

Comments checked by:

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8.0 Decision Information

Wards Affected

All wards are affected

Links to Corporate Plan and Policy Framework

All corporate plan themes.

Lead Councillor

None

Document Information

Appendix No	Title
Appendix 1	CW Annual Internal Audit Report 18-19
Background Papers	
None	
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