



Report of the Director of Resources

Corporate Governance & Audit Committee

Date: 21st January 2009

Subject: Half Year Internal Audit Report 2008/09

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

The Corporate Governance and Audit Committee ('the Committee') has responsibility for reviewing the adequacy of the Council's Corporate Governance arrangements. Reports issued by Internal Audit are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended. This Half Year report issued by Internal Audit concludes that:

From the work undertaken in line with the Risk Based Audit Plan, Internal Audit has reached the opinion that key systems are operating soundly and that there are no fundamental breakdown of controls resulting in material discrepancy.

In arriving at this conclusion Internal Audit also considers other key sources of assurance provided by the system of internal audit at Leeds City Council, in particular through the work of members of the Corporate Governance Board.

1.0 Purpose Of This Report

- 1.1 This report brings to the attention of the Corporate Governance and Audit Committee those issues raised by Internal Audit in the half year annual report for 2008/09 (attached at Appendix 1).
- 1.2 By reviewing, challenging and monitoring such reports the Committee itself is demonstrating sound governance arrangements and enables it to take appropriate action if needed. It should be noted that Internal Audit will also issue interim reports to the Committee if any significant matters arise which would warrant immediate attention.

2.0 Main Issues

- 2.1 The report contains an overall opinion on the internal control environment and attaches a summary of completed jobs along with their individual opinions.

3.0 Implications For Council Policy And Governance

- 3.1 The terms of reference of the Corporate Governance and Audit Committee require the committee to review the adequacy of the Council's corporate governance arrangements. This report forms part of the suite of assurances that provides this evidence to the Committee.

4.0 Legal And Resource Implications

- 4.1 None.

5.0 Conclusions

- 5.1 There are no issues identified by Internal Audit that would necessitate direct intervention by the Corporate Governance & Audit Committee.
- 5.2 The report provides interim evidence that can be used by the Committee to support the conclusions reached in the Annual Governance Statement at the end of the year.

6.0 Recommendations

- 6.1 That Corporate Governance and Audit Committee receives the Half Year Internal Audit Report 2008/2009.