

Report of the Deputy Chief Executive and Director of Resources

Report to Corporate Governance and Audit Committee

Date: 23rd January 2012

Subject: Internal Audit Report December 2011

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| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Summary of main issues

1. The Corporate Governance and Audit 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.
2. This report provides a summary of internal audit activity for the period September – December 2011 and highlights the incidence of any significant control failings or weaknesses.

Recommendations

3. The Corporate Governance and Audit Committee is asked to receive the Internal Audit December 2011 report and note the work undertaken by Internal Audit during the period covered by the report.

1 Purpose of this report

- 1.1 This purpose of this report is to provide a summary of internal audit activity for the period September – December 2011 and highlight the incidence of any significant control failings or weaknesses.

2 Background information

- 2.1 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.

3 Main issues

- 3.1 The report details the work undertaken by the Internal Audit section. The report also contains a summary of completed reviews along with their individual audit opinions.
- 3.2 The report includes progress made in terms of actual days for each assurance block of the Internal Audit operational plan 2011/12. This will continue to be monitored throughout the year and key issues reported to the Deputy Chief Executive & Director of Resources and the Chief Officer (Audit & Risk). The Head of Audit will report key issues arising from this work to the Committee in the bi-monthly and annual reports.
- 3.3 Internal Audit will continue to undertake a follow up audit on audit reports where the impact has been determined as either 'Major' or 'Moderate' to ensure the revised controls are operating well in practice.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 This report did not highlight any consultation and engagement considerations.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 This report does not highlight any issues regarding equality, diversity, cohesion and integration.

4.3 Council Policies and City Priorities

- 4.4 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.

4.5 Resources and Value for Money

- 4.5.1 In relation to use of resources and value for money, the Internal Audit work plan includes a number of value for money reviews and a number of initiatives in line with the council's value of spending money wisely.

4.6 Legal Implications, Access to Information and Call In

- 4.7 None.

4.8 Risk Management

- 4.8.1 The Internal Audit plan is subject to constant review throughout the financial year to ensure that audit resources are prioritised and directed towards the areas of highest risk. This process incorporates a review of information from a number of sources, one of these being the corporate risk register.

5 Conclusions

- 5.1 There are no issues identified by Internal Audit in the December 2011 Internal Audit Report that would necessitate direct intervention by the Corporate Governance & Audit Committee.

6 Recommendations

- 6.1 The Corporate Governance and Audit Committee is asked to receive the Internal Audit December 2011 report and note the work undertaken by Internal Audit during the period covered by the report.

7 Background documents

- 7.1 None.