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| DECISION-MAKER: | GOVERNANCE COMMITTEE | | |
| SUBJECT: | ANNUAL INTERNAL AUDIT OPINION 2018-19 | | |
| DATE OF DECISION: | 29TH JULY 2019 | | |
| REPORT OF: | CHIEF INTERNAL AUDITOR | | |
| <u>CONTACT DETAILS</u> | | | |
| AUTHOR: | Name: | Elizabeth Goodwin | Tel: 023 8083 4616 |
| | E-mail: | Elizabeth.Goodwin@southampton.gov.uk | |
| Director | Name: | John Harrison | Tel: 023 8083 4897 |
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| STATEMENT OF CONFIDENTIALITY | | | |
| N/A | | | |
| BRIEF SUMMARY | | | |
| <p>On an annual basis and in accordance with the Public Sector Internal Audit Standards the Chief Internal Auditor is required to provide an opinion on the adequacy and effectiveness of the Council's framework of risk management, internal control and governance.</p> <p>The annual opinion for 2018-19 is that 'limited assurance' can be provided. Four audit opinion levels are in place and these are: no assurance, limited assurance, reasonable assurance and full assurance.</p> <p>During the course of the year 60 high risk exceptions were raised along with 59 medium and 15 low. The details of all work carried out can be found in Appendix A.</p> <p>In addition to the opinion an update is provided on the work carried out since the last reporting period.</p> | | | |
| RECOMMENDATIONS: | | | |
| | (i) | That the Governance Committee notes the Chief Internal Auditor's Annual Audit Opinion for 2018-19. | |
| REASONS FOR REPORT RECOMMENDATIONS | | | |
| 1. | In accordance with proper internal audit practices (Public Sector Internal Audit Standards) and the Internal Audit Charter, the Governance Committee is required to receive the Chief Internal Auditor's Annual Report & Opinion for 2018-19. | | |
| ALTERNATIVE OPTIONS CONSIDERED AND REJECTED | | | |
| 2. | None | | |
| DETAIL (Including consultation carried out) | | | |
| 3. | The opinion has been shared with the s151 Officer only in order to maintain internal audit independence. | | |

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| RESOURCE IMPLICATIONS | |
| <u>Capital/Revenue</u> | |
| 4. | None |
| <u>Property/Other</u> | |
| 5. | None |
| LEGAL IMPLICATIONS | |
| <u>Statutory power to undertake proposals in the report:</u> | |
| 6. | The Accounts and Audit (England) Regulations 2015 state 'a relevant body must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the Public Sector Internal Auditing Standards. |
| <u>Other Legal Implications:</u> | |
| 7. | None |
| RISK MANAGEMENT IMPLICATIONS | |
| 8. | Failure to maintain an effective internal audit functions would result in a failure of the organisation meeting its statutory responsibilities in relation to the Annual Governance Statement and Annual Audit Opinion. |
| POLICY FRAMEWORK IMPLICATIONS | |
| 9. | None |
| KEY DECISION? | No |
| WARDS/COMMUNITIES AFFECTED: | None |
| <u>SUPPORTING DOCUMENTATION</u> | |
| Appendices | |
| 1. | Annual Internal Audit Opinion for 2018-19 |
| Documents In Members' Rooms | |
| 1. | None |
| Equality Impact Assessment | |
| Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out. | No |
| Data Protection Impact Assessment | |
| Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out. | No |
| Other Background Documents | |
| Other Background documents available for inspection at: Internal Audit Office, Civic Centre, Municipal, 1st floor, Rm 219. | |
| Title of Background Paper(s): Results of work carried out to date. | Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable) |

