

AUDIT COMMITTEE

25 June 2013

Subject Heading:

Annual Internal Audit Report

Report Author and contact details:

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To present a summary of the results of work completed by the Internal Audit team during 2012/13 as well as an opinion on the system of internal control.

Policy context:

Financial summary:

N/A

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	X
Excellence in education and learning	X
Opportunities for all through economic, social and cultural activity	X
Value and enhance the life of every individual	X
High customer satisfaction and a stable council tax	X

SUMMARY

This report presents the Committee with a summary of the work undertaken by the Internal Audit Team during 2012/13 as well as communicating key messages and an overall opinion on the system of internal control from the Internal Audit & Corporate Risk Manager as required by the Accounts and Audit Regulations 2011.

The information is contained within an Annual Report which is attached as Appendix 1 of this report.

RECOMMENDATIONS

To note the contents of the report.

REPORT DETAIL

In accordance with the Accounts and Audit Regulations 2011 this report details the work undertaken to review the system of internal control and provides Senior Management and Members with assurance that an adequate system of internal control is in place within the London Borough of Havering.

The reports summarises the work undertaken by the Internal Audit team that supports the assurance provided and well as formally communicating key messages and issues including:

- Organisational Change; and
- One Oracle.

The report aims to summarise overall themes, however the findings of individual audits have also been included within quarterly reports to Audit Committee during the year.

IMPLICATIONS AND RISKS

Financial implications and risks:

The annual report summarises the work of the internal audit team over the past financial year and highlights key messages regarding the finding of audit work. The findings of individual reports are reported to Audit Committee as part of the quarterly reporting cycle. Thus, any audit recommendations arising from audits undertaken, and the audit opinion, have previously been considered by the Committee. Any Internal Control issues identified as part of this process will have been raised with managers, who have the opportunity of commenting on these before they are finalised. Failure to either implement at all or meet target date may have control implications, although these would be highlighted by any subsequent audit. It must be noted that this assurance provided is only based on the work undertaken by the team. There are no financial implications or risks arising directly from this report.

Legal implications and risks:

None arising directly from this report.

Human Resources implications and risks:

None arising directly from this report.

Equalities implications and risks:

Equality and Social Inclusion are key factors to consider in the review of Council's Strategies and other related policies and procedures are assessed to ensure the impact is appropriately identified. Equality and Diversity risks are included in individual audits in the plan, where risk area has a sufficient rating. Corporate controls in this area are also reviewed periodically.

BACKGROUND PAPERS

2012/13 Internal Audit Reports
2012/13 Progress Reports to Committee