

	<p style="text-align: center;"><b>Audit Committee</b></p> <p style="text-align: center;"><b>20 April 2017</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Internal Audit Annual Opinion 2016-17</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Caroline Glitre – Head of Internal Audit</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>N/A</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Internal Audit Annual Opinion 2016-17</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Caroline Glitre, Head of Internal Audit  <a href="mailto:caroline.glitre@barnet.gov.uk">caroline.glitre@barnet.gov.uk</a>            020 8359 3721</p>

## Summary

Each year the work of Internal Audit is summarised to give an overall opinion on the system of internal control and corporate governance within the Council. In 2016-17 the annual opinion overall is **Reasonable Assurance**.

Whilst this is positive there are still some underlying themes that should be considered for inclusion within the Annual Governance Statement, these being:

- Governance, accountability and roles and responsibilities
- Information Technology (IT)
- Contract management
- Quality Assurance systems supporting Social work practice
- Audit trails and documentation

## **Recommendations**

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| <b>1. That the Committee note the contents of the Annual Internal Audit Opinion 2016-17.</b> |
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### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Audit Committee's role in receiving this report is to note the overall assurance given and to focus on the improvement areas noted as themes for 2016-17. This is as per the approved Workplan of the Audit Committee.

### **2. REASONS FOR RECOMMENDATIONS**

- 2.1 As per the approved Workplan of the Audit Committee.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 N/A

### **4. POST DECISION IMPLEMENTATION**

- 4.1 N/A

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

- 5.1.1 All internal audit and risk management planned activity in 2015-16 was aligned with the Council's objectives set out in the Corporate Plan 2015-2020, and thus supported the delivery of those objectives by giving an auditor judgement on the effectiveness of the management of the risks associated with delivery of the service.

- 5.1.2 The Annual Internal Audit Opinion informs the Annual Governance Statement that is also presented to this Committee.

#### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 When risk, and assurances that those risks are being well managed, is analysed alongside finance and performance information it can provide management with the ability to measure value for money.

#### **5.3 Legal and Constitutional References**

- 5.3.1 There are no legal issues in the context of this report.

- 5.3.2 The Council's Constitution, Responsibilities for Functions - the Audit Committee terms of reference include "to consider the annual audit opinion".

#### **5.4 Risk Management**

- 5.4.1 All Internal Audit activity is directed toward giving assurance about risk management within the areas examined. By so doing the aim is to help

maximise the achievement of the Council's objectives. Internal Audit does this by identifying areas for improvement and agreeing actions to address the weaknesses.

- 5.4.2 Internal Audit work contributes to increasing awareness and understanding of risk and controls amongst managers and thus leads to improving management processes for securing more effective risk management.

## **5.5 Equalities and Diversity**

- 5.5.1 Effective systems of audit, internal control and corporate governance provide assurance on the effective allocation of resources and quality of service provision for the benefit of the entire community. Individual audits assess, as appropriate, the differential aspects on different groups of individuals to ensure compliance with the Council's duties under the 2010 Equality Act.

## **5.6 Consultation and Engagement**

- 5.6.1 N/A

## **6. BACKGROUND PAPERS**

- 6.1 Audit Committee 30th April 2015 (Decision Item 12). – The Committee approved the Work Programme for 2015-16, which included the Internal Audit Annual Opinion for inclusion at this meeting.

<http://barnet.moderngov.co.uk/documents/s22896/Committee%20Forward%20Work%20Programme.pdf>