

	<h2>Audit Committee</h2> <h3>22 July 2014</h3>
<p style="text-align: right;">Title</p>	<p>Head of Internal Audit Annual Opinion 2013-14</p>
<p style="text-align: right;">Report of</p>	<p>Caroline Glitre – Head of Internal Audit</p>
<p style="text-align: right;">Wards</p>	<p>Not applicable</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A: Internal Audit Annual Opinion 2013-14</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Caroline Glitre, Head of Internal Audit caroline.glitre@barnet.gov.uk 020 8359 3721</p>

<h2>Summary</h2>
<p>This report summarises the work that Internal Audit has undertaken during 2013-14 and the key internal control environment weaknesses and high priority recommendations identified during the year.</p> <p>The majority of Internal Audit reports received satisfactory assurance resulting in an overall satisfactory assurance opinion.</p> <p>Schools’ financial management continues to receive satisfactory assurances around schools that we have direct responsibility for. Broadly schools are performing consistently in respect of financial management capability, compared to the previous year. It is important to note that we are on a three year cycle with the auditing of schools and we are not comparing the same schools year on year.</p> <p>The Audit Committee’s role in receiving this report is to note the overall assurance given for the financial year and to focus on the areas noted as themes for 2013-14 for improvement, which are:</p> <ul style="list-style-type: none"> • Systems need to ensure the integrity and security of data • Business Continuity and Resilience • Roles, Responsibilities and Accountabilities

- Contract Management Framework and Benefits Realisation

These issues have been considered and incorporated with the Annual Governance Statement for inclusion within the Statement of Accounts for 2013-14.

Recommendations

1. That the Committee note the contents of the Annual Opinion / Report.

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 2013-14. 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 Not applicable.

4. POST DECISION IMPLEMENTATION

- 4.1 Not applicable.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 All internal audit and risk management planned activity is aligned with the Council's objectives set out in the Corporate Plan 2013-2016, and thus supports 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 Internal Audit Annual Opinion forms part of 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 under Responsibility for Functions - The Audit Committee's terms of reference includes" 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 Not applicable.

6. BACKGROUND PAPERS

6.1 Audit Committee 29th April 2014 (Decision Item 9). – The Committee approved the Work Programme for 2014-15, which included the Internal Audit Annual Opinion for inclusion at this meeting.

<http://barnet.moderngov.co.uk/documents/s14503/Work%20Programme%202014-15%20Report.pdf>