



Report of: **Corporate Director Resources**

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	23 rd January 2018		

Delete as appropriate		Non-exempt	
-----------------------	--	------------	--

SUBJECT: Internal Audit Interim Report 2017-18

1. Synopsis

- 1.1. The provision of a continuous internal audit service provides independent and objective assurance on the control environment that supports the delivery of the Council's objectives.
- 1.2. This report is intended to support the Committee in obtaining assurance that the Council has a sound framework of governance, risk management and internal control. It does this by demonstrating that the Internal Audit plan is being delivered also highlights how responsive management have been in implementing recommendations.

2. Recommendations

- 2.1. Committee is requested to note the content of this report and the information provided in Appendix A.

3. Background

- 3.1. The provision of a continuous internal audit service assists the Council in ensuring it has an effective control environment and so supports the delivery of the Council's objectives.

3.2. The Internal Audit Programme (Annual Audit Plan) was approved by Committee in March 2017. The findings from the execution of that work programme to October 2017 are attached as Appendix A.

The Internal Audit service continues to operate as a shared service with the London Borough of Camden. The shared service operates a co-sourced model, meaning that Internal Audit services are provided jointly by in-house staff and a co-sourced provider. In August 2014 the shared Internal Audit service, along with four other boroughs (Barnet, Enfield, Harrow and Lambeth), entered a framework agreement with a co-sourced provider. London boroughs currently accessing the framework agreement have formed a Cross Council Assurance Service (CCAS). Officers across CCAS meet bi-monthly to share intelligence, best practice and audit tools across the boroughs, with the objective of enhancing Internal Audit services.

4. Implications

4.1. Financial implications

The programme of audit work was met from within the existing Internal Audit revenue budget.

4.2. Legal Implications

The Local Audit and Accountability Act 2014 sets out the regulatory framework for the audit of local authorities. The Council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance (Accounts and Audit Regulations 2015 (SI 2015/234), regulation 5). The Public Sector Internal Audit Standards 2017 provide a set of public sector internal audit standards, which are supplemented for local government by CIPFA standard setting guidance.

5. Conclusion and reasons for recommendations

This report indicates the level of work being undertaken by Internal Audit in order to provide assurance surrounding the Council's control environment.

Appendices:

Appendix A – Internal Audit Interim Report 2017/18

Final report clearance:

Signed by:

Mike Curtis



Corporate Director Resources

Date 21/12/17

Report Author: Nasreen Khan, Head of Internal Audit, Investigations and Risk Management

Tel: 0207 974 2211

Email: nasreen.khan@islington.gov.uk

Financial Implications Author: Alan Layton

Email: alan.layton@islington.gov.uk

Legal Implications Author: Peter Fehler