

Audit Services Assurance Report 2007/08

1. Introduction

- 1.1 The Chartered Institute of Public Finance & Accountancy's (CIPFA's) Code of Practice for Internal Audit in Local Government (2006) requires the Chief Internal Auditor to formally submit an annual report to members. In line with good practice this Audit Services Assurance Report for 2007/08:
- a. Includes an opinion on the overall adequacy and effectiveness of the organisation's internal control environment.
 - b. Discloses any qualifications to that opinion, together with the reasons for the qualification.
 - c. Presents a summary of the audit work undertaken to formulate the opinion.
 - d. Draws attention to any issues the Chief Internal Auditor judges particularly relevant to the preparation of the Annual Governance Statement for the year.
 - e. Summarises the performance of the Audit Services team.
 - f. Comments on compliance with the CIPFA Code of Practice on Internal Audit in Local Government (2006) (referred to as the Code in this document).
- 1.2 The Accounts and Audit Regulations 2006 bestow a duty on the Council to ensure that: its financial management arrangements are adequate and effective, its system of internal control is effective and that its risk management arrangements are effective.
- 1.3 The Use of Resources assessment confers an obligation on the Council to include an Annual Governance Statement (AGS) in its annual statements of final account. The AGS sets out the framework within which governance (including internal control) is managed and reviewed and identifies the main components of the system including the arrangements for internal audit. This audit assurance report is part of the Council's governance framework and informs the preparation of the AGS.

2. Audit & Corporate Governance Committee

- 2.1 The Council established an Audit & Corporate Governance Committee in 2005 in order to comply with the Code. The Committee's detailed Terms of Reference are set out in the Council's Constitution (Part 9, section 9.8 refers). In summary, the Committee's key responsibilities are as follows:
- a. To provide independent assurance of the adequacy of the Council's internal control systems, risk management and governance arrangements.
 - b. To provide independent scrutiny of the Council's financial reporting process.

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- c. To review the Annual Governance Statement and any significant issues arising from internal or external audit work.
 - d. To consider the Chief Internal Auditor's annual assurance report together with a summary of planned and actual audit activity.
- 2.2 The Committee continued to develop its effectiveness as an independent assurance and scrutiny function in line with its Terms of Reference during 2007/08. It provides effective leadership on audit and governance issues. The Audit Commission commented positively on the Committee's progress in their Annual Audit and Inspection Letter 2008 by stating that *'the Audit & Corporate Governance Committee has shown real signs of improvement, there is positive interaction with the Chief Internal Auditor and challenge is good.'*
- 2.3 The Audit & Corporate Governance Committee met nine times during 2007/08. Extra meetings were scheduled in order that the Committee could closely monitor the Council's progress in addressing the issues arising from the Director of Resources' special review and the Crookall review.

3. Audit Approach

- 3.1 The Audit Services team provides management with an independent appraisal of the Council's systems of internal control. It objectively examines, evaluates and reports on the adequacy of internal control systems as a contribution to the proper, economic, efficient and effective use of resources.
- 3.2 The Audit Services team acts as an aid to management and produces reports as a result of each of the reviews undertaken. It works in partnership with management to find solutions to any issues identified and seeks its agreement to any recommendations for improvement. Recommendations are developed with managers to produce action plans.
- 3.3 The Audit Services team is generally well received and helps management to achieve its objectives within a culture of strong stewardship.
- 3.4 The Audit Services team has functional links with members, the Joint Management Team, Heads of Service and other colleagues across the Council and schools. The Audit Services team would like to take this opportunity to thank all our clients for their help and co-operation during audit visits.
- 3.5 A risk assessment based approach to developing the annual audit plan is used to ensure that resources are targeted at key risk areas within the Council's overall systems of internal control. The risk assessment is undertaken in line with the Council's risk management framework.
- 3.6 The annual audit plan is developed in consultation with the Joint Management Team to ensure that all of the Council's priorities have been fully considered. The Audit & Corporate Governance Committee approved the Audit Plan for 2007/08 on 13 April 2007 and a revised Audit Plan for 2007/08 on 16 November 2007.

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- 3.7 The Terms of Reference for the Audit Services team have been formally agreed by the Audit & Corporate Governance Committee in the form of an Audit Charter. The Charter establishes the Audit Services team's independence and sets out the reporting protocols.
- 3.8 The Audit Commission has completed its review of the Audit Services team's work for 2007/08. This involved comparing audit activity with the Code. The Audit Commission has reaffirmed its ability to place reliance on the work of the Audit Services team.

4. Action Taken on 2006/07 Key Issues

- 4.1 The Audit & Corporate Governance Committee considered the Audit Services Assurance Report for 2006/07 on 29 June 2007. This report informed the preparation of the Statement on Internal Control for 2006/07. The significant internal control issues identified in the revised Statement on Internal Control for 2006/07 are set out below, along with comments on progress in *italics*:

- a) The Commission for Social Care Inspection (CSCI) has judged the Learning Disabilities Service as not serving people well.

The Director of Adult Social Care advises that CSCI has approved an action plan agreed by Cabinet in consultation with the scrutiny committee. Robust project management arrangements are in place with progress regularly reviewed by the Director of Adult Social Care via her management team. Formal progress reports to Cabinet and the scrutiny committee are also planned. The Council has retained its one star status following the annual review meeting with the external inspectors.

- b) Three fundamental systems were given a **marginal** audit opinion (a number of areas have been identified for improvement) in 2006/07. These were:

- i) Education Transport.
- ii) Housing Benefit Payments.
- iii) Payroll in Children & Young People's Services.

*As in previous years, work in relation to the 2007/08 audit of fundamental systems includes follow up work on recommendations made in previous years. Audit work in 2007/08 on the Education Transport and Housing Benefit Payments systems resulted in a satisfactory audit opinion. Improvements were still required for the payroll system in Children & Young People's Services and a **marginal** audit opinion was given again in 2007/08. This service transferred to the Resources Directorate during the latter part of the year.*

- c) One fundamental system was given an **unsatisfactory** audit opinion (unacceptable risks identified, changes should be made) in 2006/07. This relates to the financial management and procurement system in ICT.

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Audit Services completed their follow-up work in relation to this audit in the early part of 2007/08. At that stage, some of the actions agreed in response to the 2006/07 audit recommendations had been actioned. However, nine recommendations had not been actioned, two of which were ranked as critical. One of the critical recommendations related to the reconciliation of the ICT financial management and procurement system to the corporate financial management system. This was not up to date at financial year-end. The Acting Head of Service took swift action in requesting support from Financial Services and they successfully reconciled the ICT financial management and procurement system to the corporate financial management system as at 31 March 2007. The other critical recommendation related to budget management. The Acting Head of ICT worked closely with Financial Services to ensure that expenditure for the year would be within budget after allowing for the unbudgeted revenue costs of the Siemens contract. The ICT finance team transferred to the Resources Directorate.

The Audit Services team was pleased to report a satisfactory audit opinion (minimal risk, a few areas identified where changes would be beneficial) as a result of the fundamental systems review work of these systems in 2007/08.

5. Use of Resources

5.1 The Council's overall Use of Resources score for 2007 (reported by the Audit Commission in February 2008) reduced from 3 to 2. The key reason for this was the impact of the serious financial governance issues in ICT uncovered in 2006/07 relating to the previous year of account. These issues had an adverse impact on the Council's scores for the Internal Control and Value for Money themes within the assessment. The Audit Commission has commended the Council for its detailed response to its latest Use of Resources assessment.

5.2 Comparison of the Use of Resources theme scores since 2005 is summarised in the following table:

Use of Resources Scores			
Theme	Score 2007	Score 2006	Score 2005
Financial Reporting	3	3	3
Financial Management	3	3	3
Financial Standing	2	2	2
Internal Control	1	2	2
Value for Money	2	3	3
Overall score	2	3	3

5.3 The standard scales used in the assessment are:

- 1 Below minimum requirements – inadequate performance.
- 2 Only at minimum requirements – adequate performance.
- 3 Consistently above minimum requirements – performing well.
- 4 Well above minimum requirements – performing strongly.

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6. Annual Governance Statement 2007/08

- 6.1 A separate report on the draft AGS will be presented to the Audit & Corporate Governance Committee in June 2008.

7. Summary of Audit Services Work in 2007/08

- 7.1 Delivery of the approved audit plan for the year was adversely affected by a number of issues that developed during the year. Additional audit days were required to meet the standards set out in the Department for Children, Schools & Families' (DCFS) financial management toolkit for schools. Additional audit days were required in respect of planned and ad hoc audit review work in connection with the financial governance issues identified in ICT and two other ICT related projects. A revised audit plan for 2007/08 reflecting the above was agreed by the Audit & Corporate Governance Committee on 16 November 2007.
- 7.2 Audit work that was originally planned for the year that was not completed due the pressures reported above related to non-fundamental systems. The Chief Internal Auditor advised that the slippage in the audit programme did not have an adverse impact on the level of work required for him to give a sound opinion on the Council's system of internal control for the year.
- 7.3 A summary of audits started during 2007/08 is provided at Annex 1 to this report.
- 7.4 The Audit Services team identifies those systems it considers to be fundamental to the production of accurate statements of final account or whose failure could lead to major disruption or loss of financial control. This list is agreed with the Audit Commission every year as they rely on the Audit Services team's work as part of their review activity.

Fundamental Systems Work

- 7.5 An audit review of each fundamental system is carried out at least annually. The audit opinions issued in 2007/08 for the fundamental systems in comparison to previous years are summarised in the following table:

Audit Opinion	2007/08 Number	2006/07 Number	2005/06 Number	2004/05 Number
Good	2	4	3	1
Satisfactory	14	10	10	10
Marginal	1	3	2	1
Unsatisfactory	0	1	0	0
Unsound	0	0	0	0
TOTAL	17	18	15	12

- 7.6 The Council has stated that it requires all fundamental systems to achieve at least a satisfactory audit opinion. The system that failed to achieve this target was the payroll system in Children & Young People's Services. The **marginal** opinion was given because there had been limited progress implementing agreed actions in response to the previous audit review and there was little evidence of improvement in the control environment. The service has been transferred to the Resources Directorate and has been amalgamated with the corporate payroll service. This should lead to an

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improvement in the control environment on the basis of the current audit opinion for the corporate payroll system.

Non-Fundamental Systems Work

- 7.7 An audit review of four non-fundamental systems was carried out in 2007/08. It was pleasing to note that one system was given a **good** audit opinion and the three others achieved a **satisfactory** audit opinion.

Governance Systems Work

- 7.8 Five audit reviews resulting in an audit opinion were carried out on various aspects of the Council's governance arrangements. Two were found to be **satisfactory**.
- 7.9 The Director of Children's Services requested an audit review of a project to provide schools with a virtual learning platform. A report summarising the new issues was prepared for the Director and an action plan is being agreed. The overall audit opinion for this review was **unsatisfactory**.
- 7.10 Two audit reviews resulted in an **unsound** opinion. The first relates to the review of the Use of Contractors in ICT. The scope of this planned review was extended to investigate anonymous allegations made about the financial governance arrangements in this part of the Council. The issues were reported by the Director of Resources in her special report (September 2007) and further examined by the Crookall review. Progress implementing the recommendations contained in these reports has been regularly reported to the Audit & Corporate Governance Committee and Cabinet.
- 7.11 An employee identified further concerns about the financial governance arrangements in ICT & Customer Services following publication of the Director of Resources' special report. These have been investigated thoroughly by the Audit Services team. The overall audit opinion was **unsound**. The issues not previously reported to members as part of the Director of Resources' special report or the Crookall review have been summarised in a report for the Deputy Chief Executive. An action plan in response to those issues has been drafted.
- 7.12 The Chief Internal Auditor advises that he is content with the progress being made to address the issues identified in the audit reviews of the elements of the governance system that led to an **unsatisfactory** or worse audit opinion.
- 7.13 The Audit Services team made a significant contribution to the review of the Council's Financial Procedure Rules and Contract Procedure Rules. The revised documents were considered in detail by the Audit & Corporate Governance Committee and agreed by Council in March 2008.
- 7.14 The Audit & Corporate Governance Committee was informed of the lack of progress in relation to action on recommendations by the Audit Services team as a result of special investigations carried out in 2005/06. The relevant Heads of Service attended Committee meetings to explain their lack of action. The required actions have been now completed.
- 7.15 The Council has a partnership checklist in place, which includes risk identification. Heads of Service are obliged to complete this for major partnerships.

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- 7.16 The Council has established a Standards Committee and has adopted a Code of Conduct for members incorporating the mandatory requirements of the model code. In addition, members have signed a formal declaration accepting the terms of the Code.
- 7.17 Directors, Heads of Service and other key managers have provided signed assurance statements throughout the year confirming that there are effective systems of internal control and risk management arrangements within their areas of responsibility. These officers have also provided signed confirmation that they have complied with their personal responsibilities for declaring gifts and hospitality offered whether accepted or not.
- 7.18 The Council took part in the latest National Fraud Initiative (NFI) data matching exercise. Fifty eight housing benefit cases were investigated resulting in eight formal cautions and five administrative penalties. One prosecution is complete with a further three cases pending. One case is still under investigation. Some £76,000 of overpayment was identified.

Performance Management

- 7.19 An audit review of the Council's Performance Management Framework has been completed and the draft report issued. A **satisfactory** audit opinion was given.
- 7.20 Five audit reports were produced in relation to twelve performance indicators. All the reports have been finalised with two being given a **satisfactory** audit opinion and three a **marginal** audit opinion. The findings in relation to the three receiving a **marginal** opinion are as follows:

Housing (BVPI 183a, 183b, 214 and Housing Strategy Statistical Appendix Return (HSSA))

- a. The main issue was the lack of supporting data for the figures provided. This was a particular problem for the RSL/Housing Association figures supplied for the HSSA return.
- b. The review highlighted the need for the outturn for BVPI 183a and 214 to be changed. It should be noted that the most of the errors were found to be in quarter 4 when a staff change occurred.
- c. Although not all of the data was supported, the Audit Services team was encouraged by the new checking and monitoring systems that the new Performance Improvement Manager has now put in place to prevent the same errors being repeated for 2007/08.

Pedestrian Crossings (BVPI 165)

- d. The Audit Services team was unable to verify the BVPI figure as the errors found in the sample test meant a further retest of most installations would be necessary prior to a recalculation and verification of the BVPI outturn.
- e. There was a need for procedures for carrying out inspections and the use of measuring equipment to be written. The procedure should contain a work plan to allow for supervisory checks of the inspections to be carried out.

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Cleanliness Performance (BVPI 199)

- f. The Audit Services team was able to verify the spreadsheet that formed the basis of the BVPI calculation and published BVPI figures. However there were a number of omissions and errors found within the source data. There needs to be a mechanism for the checking of survey forms and input into the spreadsheet.

Risk Management

- 7.21 The Council has an obligation under the Accounts and Audit Regulations 2006 to have sound risk management arrangements in place. This requirement is also a feature of the Use of Resources assessment. Cabinet approved a revised Risk Management Framework for the Council in October 2006. This was updated in 2008/09 to incorporate a joint approach with the PCT.
- 7.22 The Council's risk management arrangements are linked to its Performance Management Framework as there is a requirement for all service plans to identify risks and the action that will be taken to mitigate them. The Council has a Corporate Risk Manager whose role is to promote a consistent approach to risk management across the Council in line with its agreed strategy. Training has been provided and a further programme of risk management training for managers is being developed jointly with the PCT.
- 7.23 Cabinet reviews the corporate risk register as part of the bi-monthly Integrated Performance Report (IPR) process.
- 7.24 Directorate Management Teams (DMTs) are required to review their risk registers on a monthly basis in order to inform the continuous update of the corporate risk register. Not all DMT reviews were consistently documented.
- 7.25 The audit review of the Council's risk management arrangements resulted in a satisfactory audit opinion.
- 7.26 The Audit Commission's latest Annual Audit and Inspection Letter (February 2008) confirms that the Council's risk management arrangements have improved.

ICT Protocols and Controls

- 7.27 An external audit of the Council's ISO27001 accreditation was completed in November 2007. The ICT service retained their overall certification. The following summarises the external auditor's opinion on the key elements of the overall certification framework:
 - a. **Physical Security Audit:** Overall the auditor considers that there were good systems of control in place to protect the Council's equipment and data from disruption, loss and theft.
 - b. **Team Compliance Audit:** Non-compliance notes were raised where evidence could not be found to support controls that had been formalised. However, overall, the auditor found that staff were taking their information security duties and responsibilities seriously and considers that there were good systems of control and compliance in place to protect the Council's equipment and data from disruption, loss and theft.

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- c. **Business Continuity Scenario Testing:** Overall the auditor considers that there were systems of control in place to protect the Council's staff, equipment and data from serious disruption during an emergency. Where improvements could be made to the processes and continuity plans, these were highlighted as recommendations.
- d. **Risk Treatment Plan Review:** There was a formal process for logging risks and preventative and corrective action. However, improvements to the recording and monitoring of corrective action were suggested.

Establishment Audits

- 7.28 Work to assess financial management arrangements within secondary schools in line with Department for Children, Schools and Families (DCSF) standards is coming to an end. At the present time, all 14 reports have been finalised. Five schools met the required standard. Seven are on target to meet it. Follow-up work is planned and ongoing to ensure these seven schools meet their targets for improvement. It is unlikely that two schools will meet the standard in the short term. The lessons learned from carrying out the reviews in secondary schools will be used to improve the approach in primary schools.

Verification and Probity

- 7.29 The **unsatisfactory** opinion on the Drugs Forum was given on the basis that there was a need for some form of monitoring, feedback and assurance process to demonstrate that the forums were achieving satisfactory and desirable outcomes. Not all the recommendations made will apply to all the forums as some had better systems than others.
- 7.30 An **unsatisfactory** opinion was also given in relation to the review on how the Council manages the Drugs Forum Partnership. It is important to note that the Service Manager had some concerns in this area and requested this review. The key issues identified were the need for improvements in the commissioning system and improved monitoring arrangements. The Service Manager has agreed the action plan and the Audit Services team will be carrying out further follow up work.
- 7.31 The audit of ICT imprest accounts was undertaken at the request of the interim Head of Service who had some concerns regarding the previous management arrangements. The **marginal** opinion was given as there was a need for improvement in the administration of the imprest account. Recommendations have been made and positive action has been taken by the interim Head of Service.

Other Corporate Issues

- 7.32 Following the Director of Resources' special report, the Council commissioned an independent review of the financial governance issues identified by the Audit Services team. The Crookall review was presented to Cabinet and the Audit & Corporate Governance Committee on 15 and 16 November 2007 respectively. The principal findings of the Crookall review were:
 - a. There was poor financial governance in ICT.
 - b. There were major deficiencies in the contracting process.

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- c. There was poor management of both organisational and individual performance.
 - d. There was a lack of challenge in relation to major projects.
 - e. There was extensive delegation to directorates when tighter controls in some corporate areas were needed.
 - f. The Council's procedures and policies were not embedded.
- 7.33 Cabinet received a progress report on action taken by management as a result of the Director of Resources' special report and the Crookall review on 27 March 2008. It should be noted that a 12 month programme of policy and procedure reviews has been established to ensure that they are all fit for purpose. Future reporting arrangements are now in place with ongoing actions being incorporated into relevant service plans for 2008/09. Progress is being monitored through existing performance management arrangements, including a summary report within the bi-monthly Integrated Performance & Finance Report (IPFR) process for 2008/09.

Recommendations

- 7.34 The Audit Services team made 480 recommendations to management highlighting opportunities to improve the internal control environment identified through internal audit review. Management has agreed to action 454 or 95% of these recommendations.

Critical Recommendations

- 7.35 The Chief Internal Auditor brought all critical recommendations to the attention of the Audit & Corporate Governance Committee in line with agreed reporting protocols. These are recommendations where non-compliance is a high risk to the Council and where action is required urgently or within an agreed timescale.
- 7.36 The following critical recommendations were made in relation to the Use of Contractors in ICT:
- a. The Director of Corporate and Customer Services should ensure that the Directorate follows the formal tender process as laid down in standing orders for contractors and procurement where the estimated contract is in excess of £50,000. In order to achieve this, a strict appraisal of all business cases must be undertaken.
 - b. The Director of Corporate and Customer Services should ensure that contracts that have an estimated value in excess of the European limit are subject to appropriate protocols. In order to achieve this, a strict appraisal of all business cases must be undertaken.
 - c. The Director of Corporate and Customer Services should ensure there is compliance with the Code of Practice for the Regulation of Contracts.
 - d. The Director of Corporate and Customer Services should implement a protocol to monitor the budget and actuals for major projects in line with Council Regulations and Policies.

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- 7.37 The Director of Corporate and Customer Services submitted a report to the Audit & Corporate Governance Committee on 21 December 2007 outlining the action taken with regards to the critical recommendations.
- 7.38 The following critical recommendations were also made in relation to Customer Relations Management (CRM) Review (paragraph 7.11 refers):
- a. The Customer Services Strategy and business model needs to be reviewed. A report justifying future objectives and proposing options should be presented to the Council that includes a detailed analysis of the financial implications, benefits and risks. The options identified should include consideration of the links to the Herefordshire Connects programme and joint working arrangements with the Primary Care Trust (PCT).
 - b. Management should give consideration to using an independent resource to review the Customer Services Strategy to ensure complete objectivity.
- 7.39 The Deputy Chief Executive has commenced the scoping of a review of the Customer Services Strategy including consideration of the PCT's requirements and how the review will be carried out. This will enable the Council to consider relevant options over the next 6 - 9 months.
- 7.40 The following critical recommendation was made in relation to the Managed Learning Platform / Virtual Learning Environment project (paragraph 7.9 refers):
- a. The project board should seek urgent advice from Legal Services regarding the current contract negotiations.
- 7.41 Legal Services continues to meet with the contractor. The Director of Children's Services is due to meet head teachers on 19 June 2008.
- 7.42 Follow up action on the critical recommendations identified above will be carried out as part of planned audit activity in 2008/09. The outcomes will be reported to the Audit & Corporate Governance Committee in line with agreed reporting protocols.

Results of Recommendation Follow-Up

- 7.43 Recommendation follow-up featured in the audit plan for 2007/08. The outcome of this work is detailed in Annex 2 and summarised in the following table:

Summary of Recommendation Follow-Up				
Status	2007/08		2006/07	
	Number	%	Number	%
Fully/Substantially Implemented	403	73	127	66
Partly Implemented	67	12	17	9
Not Implemented	85	15	49	25
Total	555	100	193	100

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- 7.44 The number of recommendations not implemented by management has fallen to 15% compared to 25% in 2006/07. Further improvements will be required for 2008/09.

Audit Opinions

- 7.45 Most audit reviews result in an audit opinion being issued (Annex 1 refers). All audits rated as unsatisfactory or worse and any fundamental or major system found to be marginal or worse must be brought to the attention of the Audit & Corporate Governance Committee. Other than those previously mentioned there were no other audit reviews that met the above criteria.

Compliance with the CIPFA Code of Practice on Internal Audit

- 7.46 The Audit Commission has completed its review of the Audit Services team's work against the Code. Some issues around quality control and statements of auditor independence and recommendation follow-up reporting were identified. Action has been taken by the Chief Internal Auditor to address these issues.

Local Performance Indicators for the Audit Services Team

- 7.47 The Audit Services service plan for 2007/08 set out the targets for performance for the year. The following table summarises actual and planned performance for the year in comparison to 2006/07.

Local Performance Indicator Description	2007/08		2006/07	
	Target	Actual	Target	Actual
The half year assurance report is delivered to members	December 07	September 07	November 06	December 06
The end of year assurance report is delivered to members	June 07	June 07	June 06	June 06
% of service managers are satisfied with the Audit Service	90%	91.2%	90%	93.4%
% of SRDs are completed by 31st May	100	100	100%	100%
Management accepts 95% of level 1 & 2 recommendations	95	95	96%	97%
The Audit Plan is agreed by the start of the new financial year	April 07	April 07	April 06	April 06
Ensure that the Council's Statement of Internal Control for previous financial year is published	June 07	June 07	June 06	June 06

8. Audit Benchmarking

- 8.1 The Audit Services team took part in the 2007 CIPFA Benchmarking Club (Unitary Authorities) exercise. The findings are summarised below:

- a. **Pay cost per auditor** – below average.
- b. **Overhead cost per auditor** – below average.
- c. **Total cost per auditor** – below average.

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d. **Chargeable days per auditor** – above average.

e. **Cost per day** – below average.

9. Audit Opinion

9.1 I have used the Internal Control Audit Opinion Matrix agreed by the Audit & Corporate Governance Committee to form an objective opinion on the effectiveness of the Council's internal control environment for 2007/08. The application of the Internal Control Audit Opinion Matrix is informed by the matters I have brought to the Committee's attention in my Audit Services Assurance Report for 2007/08.

9.2 I am of the opinion that the Council's overall level of internal control was satisfactory in 2007/08.

9.3 The following table summarises the overall position for 2007/08:

Internal Control Audit Opinion	Range	Score 2007/08
Good	85 – 100	
Satisfactory	65 – 84	70
Marginal	51 – 64	
Unsatisfactory	31 – 50	
Unsound	0 - 30	

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CHIEF INTERNAL AUDITOR
JUNE 2008