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| MEETING: | Audit & Governance Committee |
| MEETING DATE: | 16 July 2015 |
| TITLE OF REPORT: | Internal audit annual report and opinion 2014/15 |
| REPORT BY: | Internal Audit – South West Audit Partnership |

Classification

Open

Wards Affected

County-wide

Purpose

The purpose of this report is to provide Herefordshire Council with a summary of the internal audit work undertaken in 2014/15 and to provide an overall internal audit opinion based on this work.

Recommendation

That subject to any comments the Audit and Governance Committee wishes to make the report be noted.

Alternative Options

- 1 This report is for information and therefore alternative options are not applicable.

Reasons for Recommendations

- 2 To ensure compliance with good practice as set out in the Public Sector Internal Audit Standards (PSIAS).

Key Considerations

- 3 The annual report is required to ensure that the Committee is informed of the internal audit work undertaken in 2014/15.

- 4 The report also provides the Council's Section 151 Officer (The Chief Financial Officer) with an opinion on the adequacy and effectiveness of the Council's governance, risk management and control processes.
- 5 Sufficient internal audit work has been carried out to enable the SWAP Director to draw a reasonable conclusion about the adequacy and effectiveness of the Council's risk management, control and governance processes.
- 6 In the opinion of the SWAP Director and having considered the balance of audit work, the assurance levels provided and outcomes together with the response from Senior Management and the Audit and Governance Committee the Director can offer 'Reasonable Assurance' in respect of the areas reviewed during the year, as most were found to be adequately controlled. Generally risks are well managed but some areas require the introduction or improvement of internal controls to ensure the achievement of objectives. However, as this is SWAP's first full annual report, the Director will keep this opinion under review as management's implementation of higher priority actions throughout the coming year are monitored.

Community Impact

- 7 The report does not impact on this area.

Equality and Human Rights

- 8 The report does not impact on this area.

Financial Implications

- 9 There are no financial implications.

Legal Implications

- 10 There are no legal implications.

Risk Management

- 11 There is a risk that the level of work required to give an opinion on the Council's systems of Internal Control is not achieved. This is mitigated by the regular active management and monitoring of progress against the agreed internal audit plan.

Consultees

- 12 The Chief Financial Officer (Section 151 Officer) was consulted in the drafting of this report.

Appendices

Appendix A – Annual Report and Opinion 2014-15

Background Papers

None identified.