

AC7. Internal Audit Annual Assurance Report 2016/17

The committee considered a report by the Internal Audit Manager on the Internal Audit programme for 2016/17.

The report summarised:-

- Internal Audit work completed in 2016/17 and the overall assurance on the Council's control framework based on that work;
- Internal Audit's performance against established key performance indicators; and
- an update on Internal Audit's compliance with Public Sector Internal Audit Standards.

In response to a question on the Audit team's performance the Internal Audit Manager confirmed that the independent review by South Ayrshire Council would interrogate the team's performance. He also summarised the dialogue with Services following audits with particular reference to timescales for addressing action points.

Following a question on the governance arrangements around the Council of the Future (CoF) project, Mr O'Connor confirmed that he attended the CoF change group and detailed his role in regard to governance and challenge. In response to a question on the Audit Committee's role in ensuring that the CoF projects are delivered on time, Mr O'Connor confirmed that future progress reports would include information on his team's role in relation to the CoF project. Mr O'Connor then explained why a planned audit of housing rents in 2016/17 had been deferred. If necessary, targeted audit work could be picked up in 2017/18 using 'ad hoc' days within the audit plan.

In response to a question on the review of building security Mr O'Connor explained that at the time of the review 'no assurance' could be provided. Since then, with oversight from the Corporate Risk Management group there had been considerable work to improve security and embed good and consistent practice across the Council.

Decision

The committee noted that:-

- (1) sufficient Internal Audit work was undertaken to support a balanced assurance;**
- (2) Internal Audit can provide substantial assurance on the Council's arrangements for risk management, governance, and control for the year to 31 March 2017;**

- (3) Internal Audit met, or exceeded, each of its five key performance indicators; and**
- (4) self assessment against Public Sector Internal Audit Standards confirmed no material non-conformance with those Standards.**