

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 13 JUNE 2013

CHIEF INTERNAL AUDITOR'S ANNUAL REPORT AND ASSURANCES 2012-2013

REPORT BY SERVICE MANAGER - GOVERNANCE

ABSTRACT

This report presents the Chief Internal Auditor's Annual Report and independent assurance opinions in relation to both the overall corporate governance arrangements and internal controls for 2012-13.

1. RECOMMENDATION

It is recommended that the Committee:

- (i) note the contents of the attached Chief Internal Auditor's annual report for 2012-13 and provide any commentary thereon

2. BACKGROUND

The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom (2006) indicated the Chief Internal Auditor (CIA) must provide a written report to those charged with governance timed to support the Annual Governance Statement.

The above code also indicates the annual report should include an opinion on the overall adequacy and effectiveness of the internal control environment; present a summary of the audit work from which the opinion is derived (including reliance placed on others); draw attention to any issues the CIA judges relevant to the Annual Governance Statement and present quality and performance information in relation to the internal audit function.

In support of the overall governance arrangements of the Council, the Local Code of Corporate Governance requires that the CIA also provide assurances in relation to compliance, efficiency and effectiveness of the Local Code. In addition the Head of Finance requires a specific opinion on the internal financial controls in support of his Section 95 duties.

3. CHIEF INTERNAL AUDITORS ANNUAL REPORT AND ASSURANCES

The Chief Internal Auditor's Annual Report (attached at [Appendix I](#)) provides the information and assurances in relation to the matters discussed in section 2.

Members are invited to note that in terms of overall corporate governance it is the Chief Internal Auditor's opinion that although there is still a few areas of work to be completed for full compliance with the local code, the overall governance arrangements of the council are considered sound.

In addition to the overall corporate governance statement, the Chief Internal Auditor is also required to provide an independent opinion on the Council's internal controls including financial controls. While there are some matters in relation to discharging internal audit recommendations the Chief Internal Auditor has indicated that internal financial control arrangements and the framework within which the Council operates is generally sound.

As a result of the management restructure, the Chief Internal Auditor has changed role to that of Service Manager, Governance. However as this change did not take place until 1 April 2013, it is felt appropriate that the annual assurances be reported under the arrangements in place in the year under review.

4. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with the terms of this report.

5. HUMAN RIGHTS IMPLICATIONS

There are no human rights implications associated with this report.

6. EQUALITIES IMPLICATIONS

The issues contained in the report fall within an approved category that has been confirmed as exempt from an equalities perspective.

7. CONSULTATION

The Chief Executive, Strategic Directors of Communities, People and Resources, Head of Finance and Head of Law and Administration have been consulted in the preparation of this report.

JANINE WILSON
SERVICE MANAGER - GOVERNANCE

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

Gov/JW/DV

Appendices
Chief Internal Auditor's Annual Report and Assurances