

<b>Report to:</b>	<b>AUDIT COMMITTEE</b>
<b>Relevant Officer:</b>	Tracy Greenhalgh, Chief Internal Auditor
<b>Date of Meeting</b>	22 June 2017

## ANNUAL AUDIT OPINION 2016/2017

### 1.0 Purpose of the report:

- 1.1 To set out the individual and collective outcomes of the audit reviews undertaken in the year ended 31 March 2017. The report also provides an audit opinion on the control environment based on this audit work.
- 1.2 The Chief Internal Auditor's Annual Audit Opinion is one component that the Council takes into account when compiling its Annual Governance Statement.

### 2.0 Recommendation(s):

- 2.1 To consider the annual audit report for the year ended 31 March 2017.

### 3.0 Reasons for recommendation(s):

- 3.1 The completion of an Annual Audit Opinion is a requirement of the Public Sector Internal Audit Standards and a key component when formulating the Annual Governance Statement.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

### 4.0 Council Priority:

4.1 The relevant Council Priorities are:

- "The economy: Maximising growth and opportunity across Blackpool"
- "Communities: Creating stronger communities and increasing resilience"

## **5.0 Background Information**

5.1 Blackpool Council's Chief Internal Auditor is responsible for the delivery of an annual audit opinion and report that can be used by the Council to inform its Annual Governance Statement. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving this opinion assurance can never be absolute and therefore, only reasonable assurance that there are no major weaknesses in the processes reviewed can be provided. In assessing the level of assurance to be given the opinion has been given based on:

- Internal audit assurance statements issued throughout the year as part of the annual audit plan.
- Reports provided as a result of advice / consultancy work undertaken by the internal audit team.
- The implementation of recommendations made by internal audit linked to high risks throughout the year.
- The extent of resources available to deliver the annual internal audit plan.
- The quality and performance of the internal audit service and the extent to which it complies with the Public Sector Internal Audit Standards.
- Whether the target for delivery of the internal audit plan has been achieved.
- The results of other review bodies where appropriate.

Does the information submitted include any exempt information?

No

### **List of Appendices:**

Appendix 6(a) – Annual Audit Opinion 2016/2017

## **6.0 Legal considerations:**

6.1 All work undertaken by Risk Services is in line with relevant legislation and professional standards.

## **7.0 Human Resources considerations:**

7.1 None.

## **8.0 Equalities considerations:**

8.1 None.

**9.0 Financial considerations:**

9.1 All work has been delivered within the agreed budget for Risk Services.

**10.0 Risk management considerations:**

10.1 The primary role of Risk Services is to provide assurance that the Council is effectively managing its risks and provide support to all services in relation to risk and control. Where high risk areas have been identified as part of audit reviews these are subject to a follow-up process to ensure that effective controls are implemented.

**11.0 Ethical considerations:**

11.1 All staff in the internal audit service adheres to the Code of Ethics as set out in the Public Sector Internal Audit Standards.

**12.0 Internal/ External Consultation undertaken:**

12.1 The report was presented to the Corporate Leadership Team on the 3 May 2017 and the Good Governance Group on the 17 May 2017.

**13.0 Background papers:**

13.1 None.