

<b>Report to:</b>	<b>AUDIT COMMITTEE</b>
<b>Relevant Officer:</b>	Tracy Greenhalgh, Head of Audit and Risk
<b>Date of Decision/ Meeting</b>	13 June 2019

## ANNUAL AUDIT OPINION 2018/2019

### 1.0 Purpose of the report:

1.1 This report sets out the individual and collective outcomes of the audit reviews undertaken in the year ending 31 March 2019. It also provides an audit opinion on the control environment based on this audit work.

The Head of Audit and Risk's Annual Audit Opinion is one component that the Council takes into account when compiling its Annual Governance Statement.

The report also sets out the proposed programme for Heads of Service to report progress against audit recommendations to Audit Committee based on a random sample of audits.

### 2.0 Recommendation(s):

2.1 The Audit Committee is asked to consider the annual audit opinion for the year ending 31 March 2019.

### 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:

N/a

### 4.0 Council Priority:

4.1 The work of Risk Services contributes to the delivery of all of the Council's priorities.

### 5.0 Background Information

5.1 Blackpool Council's Head of Audit and Risk 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 opinions of other review bodies where appropriate.

The Audit Committee will continue to receive a sample of audit reports listed in the Annual Audit Opinion to gain assurance that all audit recommendations are implemented. The following is the timetable proposed to the Audit Committee for inclusion on the work programme:

<b>Audit Committee Date</b>	<b>Audit Report</b>	<b>Head of Service / Service Manager</b>
25 July 2019	Adult Safeguarding Enquires	Les Marshall
12 September 2019	Children’s Services Social Care Placements	Louise Storey
14 November 2019	Community Engagement	Chloe Shore
23 January 2020	School Improvement Board and Processes	Paul Turner
12 March 2020	Budgetary Control (Financial Control Assurance Testing)	Phil Redmond
30 April 2020	Business Loans Fund	Peter Legg

Does the information submitted include any exempt information?

No

**List of Appendices:**

Appendix 5a – Annual Audit Opinion 2018/2019

**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 N/a

**8.0 Equalities considerations:**

8.1 N/a

**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 adhere 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 approved by the Corporate Leadership Team on the 23 April 2019.

**13.0 Background papers:**

13.1 N/a