

Agenda Item No. 8

Title: **Annual Internal Audit Report 2008/2009**

Lead Member: **Cllr J Osborn - Chair of Audit Committee**

Reporting Officer: **Ian Jamieson - Corporate Director
(Chief Finance Officer)**

Purpose

To consider the Internal Audit Annual Report for 2008/2009.

Background

This report outlines the internal audit work carried out by KPMG in accordance with the agreed audit plan 2008/2009. The plan is designed to allow an opinion to be given on the adequacy and effectiveness of the Council's risk management, control and governance processes.

Key Issues

In total 13 assignments were carried out, generating 11 recommendations

Each internal audit assignment is risk rated as either good, satisfactory, weak or unacceptable. The majority of assignments were rated good with three as satisfactory. All satisfactory rated audit reports are presented in detail.

Recommendations are prioritised as high, medium or low. All recommendations have been accepted. There were no high priority, three medium and eight low.

All recommendations from the previous year 2007/2008 have been implemented. There were five low that were part implemented. Where recommendations have not been implemented in full the auditors are satisfied that there are alternative compensatory arrangements in place and operational.

This enabled the following Internal Audit opinion to be given for 2008/2009:

Based on the reviews undertaken during 2008/09, in our opinion the Council has adequate and effective risk management, control and governance processes to manage the achievement of its objectives. Notwithstanding our overall opinion, our work identified a number of opportunities for improving controls and procedures.

Effect on strategies and codes

The internal audit opinion supports the 'sound financial management' principle.

Risk Management implications

These are contained within the report.

Financial and performance implications

There are no financial implications.

Legal and human rights implications

There are no direct legal or human rights implications.

Next steps

Recommendations will be implemented as detailed in the individual internal audit report action plans.

This report will be passed to the new Wiltshire Council to ensure implementation of recommendations is followed up.

Recommendations

The Audit Committee:

- Considers the annual internal audit report and opinion for 2008/2009.