

WIRRAL COUNCIL

AUDIT AND RISK MANAGEMENT COMMITTEE

30 JUNE 2008

REPORT OF THE DIRECTOR OF FINANCE

INTERNAL AUDIT ANNUAL REPORT

1 EXECUTIVE SUMMARY

- 1.1 The Internal Audit Section of the Finance Department plans and completes audits to review all relevant areas of risk.
- 1.2 Reports, including recommendations produced following audits are presented to managers. An overall report is produced annually.
- 1.3 This report presents the Annual Internal Audit Report for 2007/08.

2. BACKGROUND

- 2.1 The Accounts and Audit Regulations require that a local authority "shall maintain an adequate and effective system of internal audit".
- 2.2 In order to meet the statutory requirements the Internal Audit Section has conducted audits to review the operation of the internal control systems. The work has been conducted in accordance with professional standards set by the Audit Practices Board, CIPFA and the Institute of Internal Auditors.
- 2.3 The Audit Commission has reviewed the operation of Internal Audit and indicated satisfaction with the service and concluded that there are no major issues to be reported

3. ANNUAL INTERNAL AUDIT REPORT 2007/08

- 3.1 The Internal Audit Annual Report attached at Appendix 1 specifies the Internal Audit opinion on key areas of Council activity in 2007/08.
- 3.2 The audits conducted during the year were principally planned to review the financial control systems in compliance with the requirements of the Accounts and Audit Regulations. However significant attention was paid to the following areas:

Performance Management,
Comprehensive Performance Assessment,
Local Public Service and Area Agreements,
Corporate Governance,
Risk Management,
Financial Management Standards In Schools,
Service Delivery aspects.

3.3 The Audit Plan was compiled on a risk assessment basis that included consideration of the sensitivity and complexity of all risks identified. Client requests, systems being developed, and the availability of resources were also other factors taken into account during the year (Appendix 1A).

3.4 The Internal Audit Plan for 2008/09 was approved by this Committee on 7 April 2008 (Appendix 1B).

4 FINANCIAL AND STAFFING IMPLICATIONS

4.1 There are no financial and staffing implications.

5. LOCAL MEMBER SUPPORT IMPLICATIONS

5.1 There are no local Member support implications.

6. LOCAL AGENDA 21 STATEMENT

6.1 There are no Local Agenda 21 implications.

7. PLANNING IMPLICATIONS

7.1 There are no planning implications.

8. EQUAL OPPORTUNITY IMPLICATIONS

8.1 There are no equal opportunity implications.

9. COMMUNITY SAFETY IMPLICATIONS

9.1 There are no community safety implications.

10 HUMAN RIGHTS IMPLICATIONS

10.1. There are no human rights implications.

11. BACKGROUND PAPERS

11.1 Code of Practice for Internal Audit in Local Government: CIPFA.

11.2. Accounts and Audit Regulations 2006.

12. RECOMMENDATION

12.1 That this report be noted.

IAN COLEMAN
DIRECTOR OF FINANCE