

# CITY OF CARDIFF COUNCIL CYNGOR DINAS CAERDYDD

**AUDIT COMMITTEE: 22 JUNE 2015**

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**INTERNAL AUDIT ANNUAL REPORT 2014/15**

**REPORT OF THE AUDIT & RISK MANAGER**

**AGENDA ITEM: 9.1**

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**Appendix C to Annex 1 of the attached report is not for publication as it contains exempt information of the description in paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972**

## **Reason for this Report**

1. At the end of each financial year a report is prepared setting out the work undertaken by the Internal Audit Section over the past 12 months. This is shared with the Section 151 Officer and Audit Committee.
2. Following research of other "UK core cites", Members will notice the format of the Annual Audit report is more streamlined than previously, focusing on outcomes and the main matters arising from the work of the Section over the past twelve months.

## **Background**

1. The Annual Internal Audit Strategy/Plan for 2014-15 was reported to the Audit Committee in March 2014, outlining the work plan for the Audit Section, providing a yardstick by which performance could be measured.
2. Each quarter a progress report has been prepared for the Corporate Director Resources which outlines the work undertaken by Internal Audit and measures progress against the Plan. This provided an opportunity to discuss and review work undertaken and prioritise high risk assignments. These reports also provided feedback on some key performance indicators, client feedback and other initiatives with which Audit are engaged. During 2014-15 these reports were presented to Audit Committee at each meeting.
3. At the end of each financial year a report is prepared providing an overview of the approach adopted to audit assignments, and details the work undertaken by the various Audit teams over the past 12 months.

## **Issues**

4. The report for the financial year 2014 -15 is attached at Annex 1.
5. In addition to an overview of work undertaken and its outcomes, the report also provides information on new developments within the Section over the past 12 months and some useful performance monitoring information in relation to client interaction and feedback.

6. A key feature of this report is where the Audit & Risk Manager, in compliance with the Public Sector Internal Audit Standard (PSIAS) provides an opinion following an assessment of the effectiveness of the control environment and risk and governance arrangements within the Council, based on the work of the Audit teams.
7. The report also confirms that it is the Audit & Risk Manager's view that the work of his teams conforms to the PSIAS with no significant non-conformance to be reported.

### **Reasons for Recommendations**

8. To provide Audit Committee Members with an overview of Internal Audit activity during 2014-15.

### **Legal Implications**

9. There are no direct legal implications arising from this report.

### **Financial Implications**

10. There are no direct financial implications arising from this report.

### **RECOMMENDATIONS**

11. That the Committee note the report.

**DEREK J KING**  
Audit & Risk Manager  
June 2015

The following Annex is attached:

Annex 1 - Internal Audit Annual Report, 2014/15