

**AUDIT COMMITTEE: 23 MARCH 2015**

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**EXECUTIVE SUMMARY REPORT, QUARTER 4, 2014-15**

**REPORT OF CORPORATE DIRECTOR RESOURCES**

**AGENDA ITEM: 8.1**

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**Appendix A of this report is not for publication as it contains exempt information of the description in paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972**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 Report**

1. A copy of Executive Summaries for audits where there is a “Limited” or “No” Assurance audit opinion are reported to Audit Committee throughout the year.
2. The reports provide Members of the Audit Committee with an overview of areas of concern and where it is considered the internal control environment merits improvement.

**Background**

3. For each audit undertaken and reported, the auditor provides an overall audit opinion. This reflects on the scope and original objectives set at the outset of the audit and provides an overview of audit findings in context. This opinion is based on both positive aspects of the audit, where there is evidence to show benchmark controls are in place and followed, and negative aspects, where there are gaps in control and non compliance with Council rules or best practice processes.
4. All final reports are issued to the appropriate Director or Chair of Governors, with associated managers copied in, and with the covering email making clear the audit opinion. Those with “Limited” or “No” Assurance are highlighted. Audit Management attend Governing Body meetings when a Limited assurance audit report is being considered.
5. For all audits where there is a “Limited” or “No” Assurance opinion, a follow up visit is undertaken within six months and a new opinion will be provided based on findings at that visit. A key factor in this assessment will be the extent to which previously agreed recommendations have been implemented.

## **Issues**

6. There is one audit report, relating to quarter 4, 2014-15, that has been given an audit opinion of Limited Assurance:
  - (a) Supervised Contact Service

There are none with No assurance.
7. The Executive Summary is attached and provides an introduction, outline purpose of the review, the main conclusions drawn from the audit, together with an overview of audit recommendations.
8. A further three audit reports issued in draft in recent weeks indicate a Limited Assurance audit opinion and Executive Summaries will be provided at the next meeting, should this opinion remain after discussing the report content and risks with client management.

## **Legal Implications**

9. There are no legal implications arising from this proposal.

## **Financial Implications**

10. There are no financial implications arising from this proposal.

## **Recommendations**

11. Audit Committee note the content of this report.

**Derek King/Bob Jones**  
**Audit Manager**  
March 2015

The following Appendix is attached:

**Appendix A:** Supervised Contact Service