

EDUCATION THROUGH REGIONAL WORKING (ERW)

Head of Internal Audit Annual Assurance Opinion 2016-17

1.0 Introduction

- 1.1 The Public Sector Internal Audit Standards came into effect on the 1st April 2013 and require the Head of Internal Audit to “deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement”.
- 1.2 The purpose of the annual internal audit opinion is to contribute to the assurances available to the Section 151 Officer and the Joint Committee which underpin the Joint Committee’s own assessment of the effectiveness of the system of internal control. The audit work undertaken has been based on a risk assessment and the Joint Committee will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

2.0 Internal Audit Work 2016-17

- 2.1 The Internal Audit Plan for 2016-17 was a fully risk-based audit plan, which was agreed with the Managing Director and the Section 151 Officer and approved by the Joint Committee on the 2 November 2016.
- 2.2 The Internal Audit Plan for 2016-17 consisted of the following:
- Follow-up of Previous Recommendations
 - Governance Arrangements
 - Grant Funding Arrangements and Financial Management
 - Support to Schools
 - Planning and Strategy Development

3.0 Head of Internal Audit Opinion

- 3.1 In order to form an opinion on each audit review, the Internal Audit Service have to obtain sufficient evidence on which to base their opinion, and by necessity this results in testing on a sample or selected basis and having to place reliance on assurances provided by management. Due to this, Internal Audit are unable to provide absolute assurance that all the governance, internal control, risk management and financial management arrangements in place in the areas audited are fully adequate and effective.

3.2 Based on the work undertaken by the Internal Audit Service during 2016-17, and agreement by management to implement the recommendations made following audit reviews, it is my opinion that overall, subject to variation between areas audited and the need for further improvement and development in some areas, generally substantial assurance can be given on the effectiveness of governance, internal control, risk management and financial management arrangements in place.

4.0 Delivery of the Audit Plan

4.1 The internal audit plan has been delivered in accordance with the schedule agreed by the Managing Director, Section 151 Officer and the Joint Committee.

4.2 Our quality assurance and improvement programme has confirmed compliance with the mandatory requirements of the Public Sector Internal Audit Standards.

4.3 Substantial assurance was given on the adequacy and effectiveness of arrangements in place. Whilst no significant governance issues were identified, opportunities for improvement with the governance and risk management arrangements, school support and aligning the business plan to funding, should be considered as priorities for improvement in the Annual Governance Statement.