

COMMITTEE: AUDIT & GOVERNANCE **REF NO:** AG/17/06
DATE: 27 JUNE 2017
SUBJECT: ANNUAL INTERNAL AUDIT REPORT 2016/17
PORTFOLIO HOLDER: COUNCILLOR MARTIN COOK
CHIEF EXECUTIVE: RUSSELL WILLIAMS

Short description of report content and the decision requested:

This report details the work undertaken by the Internal Audit Service for the year 2016/17 in accordance with the plan for the year presented to Audit & Governance Committee on 1 March 2016.

This Annual Report provides Councillors with an overview of the Internal Audit Service for 2016/17 as part of the Council's responsibility to ensure it has an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account the Public Sector Internal Auditing Standards (PSIAS) or guidance as required by the Accounts and Audit Regulations 2015.

This report includes the Head of Internal Audit's Opinion on work for the year ended 31 March 2017. This 'Opinion' is required by Chartered Institute of Public Finance and Accountancy (CIPFA) and is an objective and evidence based opinion on all aspects of governance, risk management and internal control.

The Audit & Governance Committee is required to comment upon the report and the Head of Internal Audit's Opinion for the year.

Ward(s) affected:

Not Applicable

List of Appendices included in this report:

Appendix 1 – Head of Internal Audit's Annual Audit Opinion 2016/17

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This report was prepared after consultation with:

Internal consultees

Finance Portfolio Holder – is finance the correct wording?

Head of Resource Management

Section 151 Officer

Internal Audit staff

External consultees

Ernst & Young (External Auditors)

The following policies form a context to this report:

(all relevant policies must also be referred to in the body of the report)

Building a Better Ipswich 2017 , Finance Strategy

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(papers relied on to write the report but which are not published and do not contain exempt information)

1. 2016/17 Annual Audit Plan – previously reported to Audit & Governance Committee on 1 March 2016.
2. Progress reports presented to the Audit & Governance Committee and Internal Audit reports presented to the Audit & Governance Committee relating to the 2016/17 year.
3. Internal Audit Services database.

1. Introduction

- 1.1 The Internal Audit Plan for 2016/17 was approved by the Audit and Governance Committee at its meeting on 1 March 2016. The Head of Internal Audit (Audit Partnerships Manager) routinely monitors progress against the Plan and reports to Committee the progress achieved against the Plan on a regular basis.
- 1.2 This Annual Report provides the Committee with an overview of the Internal Audit Service for 2016/17, in accordance with the Public Sector Internal Audit Standards 2013 (amended 2016 and 2017) (PSIAS), detailing the following:
- The role/definition of Internal Audit Services.
 - Update on Audit Partnership arrangements.
 - An account of Internal Audit Resourcing in 2016/17.
 - The effectiveness of Internal Audit Services.
 - Conformance with the Public Sector Internal Audit Standards.
 - Organisational independence and objectivity of Internal Audit.
 - Performance / out-turn for 2016/17.
 - An opinion on the adequacy of Management responses to Internal Audit advice and recommendations made in 2016/17.
 - Whistleblowing investigations.
 - Issues the Head of Internal Audit judged particularly relevant to be included in the Annual Governance Statement.
- 1.3 **Appendix 1:** Head of Internal Audit's Annual Opinion for 2016/17 on the overall adequacy and effectiveness of the Council's internal control environment.

2. The Role/Definition of Internal Audit Services at the Council

- 2.1 Internal Audit is an independent assurance function that provides objective opinion to the organisation on the control environment, by evaluating its effectiveness in achieving the organisation's objectives. Internal Audit independently and objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources. In addition, Internal Audit undertakes consultancy work designed to add value and improve the Council's efficiency and effectiveness, particularly relevant in a time of such extensive changes in demand and the way in which the Council continues to deliver its services.
- 2.2 The Audit Partnerships Manager in a local authority plays a critical role in delivering the authority's strategic objectives by championing best practice in governance, objectively assessing the adequacy of governance and management of existing risks, commenting on responses to emerging risks and proposed developments, which support the statutory Annual Governance Statement.

- 2.3 The Council has to complete an Annual Governance Statement in advance of its end-of-year financial statements and is required to:
- Identify how the risk management processes are maintained and developed to ensure continuing effectiveness.
 - Disclose significant internal control issues.
 - Provide documented evidence of the assessment of the effectiveness of internal control and assurance that issues arising are being addressed.
 - Adhere to the CIPFA/Society of Local Authority Chief Executives (SOLACE) governance framework.
 - Audit reports completed during 2016/17 provide essential evidence for the Corporate Management Team to prove the existence and adequacy of the internal control environment.
- 2.4 Internal Audit Services also investigate potential or identified internal frauds and irregularities that may arise.
- 2.5 Internal Audit Services are members of the Suffolk Audit Partnership Board / Working Audit Partnership. This gives the service an opportunity to network, benchmark and discuss best practice to ensure the service can provide the Council with the best advice.

3. Update on Audit Partnership Arrangements

- 3.1 A legal contract exists between Ipswich Borough Council (IBC) and Suffolk Coastal District Council (SCDC) for the delivery of Internal Audit and Corporate Fraud Services. SCDC also manages Waveney District Council's (WDC) Internal Audit and Corporate Fraud teams. The whole service is known as the Audit Partnership under the direction of one Head of Internal Audit.
- 3.2 A legal agreement also exists between IBC and the Shared Revenues Partnership (made up of IBC, Babergh District Council (BDC) and Mid Suffolk District Council (MSDC)) which procures services from the Audit Partnership, i.e. to deliver Internal Audits over SRP revenue and benefit key systems.
- 3.3 There is a drive for continuous improvement within the partnership environment. Cost effective shared professional training events have taken place in the year and specialist skills drawn upon. Joint Internal Audit and Corporate Fraud meetings and implementation of shared working practices is now embedded across all three Councils.

4. An Account of Internal Audit Resourcing in 2016/17

- 4.1 The Audit Partnerships Manager directs three teams delivering Internal Audit and Corporate Fraud Services within the Audit Partnership.

- 4.2 All engagements have been performed with proficiency (knowledge and skills needed to perform the work with senior direction as required) and due professional care, with built in quality reviews and use of an internal audit electronic records management system.
- 4.3 During the year, IBC have provided SCDC with 40 computer audit days. SCDC provided 20 audit days to IBC in accordance with the Partnership Agreement. This arrangement allows both authorities to call upon a very wide skills base, and enables allocation of individual audits to the most suitably qualified and experienced officers whilst providing staff with career development opportunities.
- 4.4 The Council's Internal Audit staffing structure at the year-end equates to 6.0 full time equivalent, details are as follows:
- Audit Partnerships Manager (Head of Internal Audit) (P/T), 40%
 - Audit Manager (P/T) 80%
 - Principal IT Auditor (F/T)
 - Senior Auditor (P/T – 15 hours per week)
 - Senior Auditor (P/T – 18 hours per week)
 - Senior Auditor (P/T – 30 hours per week)
 - Trainee Auditor* (F/T – 37 hours per week)
 - Trainee Auditor* (F/T – 37 hours per week)

*both Trainee Auditor posts are career grade posts, resulting in progression to the role of Auditor on successful completion of professional Internal Audit qualifications.

- 4.5 The Audit Partnership continues to apply a lean auditing risk based approach to planning and operational work.
- 4.6 The IBC Internal Audit team is a satisfactory size (capacity) to enable the Audit Partnerships Manager to lead and direct an Internal Audit Service that is adequately resourced to ensure it is fit for purpose in accordance with the PSIAS.
- 4.7 The Audit Partnership continues to provide a functional service that is efficient, effective and provides added value to the Council's operations. The Audit Partnership aims to achieve best practice and continues to take account of the issue of affordability at a time when all partner authorities are looking to make substantial reduction in costs.

5. The Effectiveness of Internal Audit Services

- 5.1 For an internal audit function to be considered effective, all PSIAS principles should be present and operating effectively. The Internal Audit Charter describes the core principles and along with Annual Audit Planning process and individual team development plans this annual output report demonstrates the operation of integrity. Integrity is demonstrated where auditors have performed work with honesty,

diligence and responsibility, and have respected and contributed to the legitimate and ethical objectives of the organisation. The Internal Audit Service abides by the PSIAS Code of Ethics (and had been tested upon these in the year), along with other necessary professional body codes of ethics.

- 5.2 The Council's External Auditors (Ernst & Young) can place reliance upon the work of Internal Audit for 2016/17. The ability for External Audit to place reliance on the work of Internal Audit results in a direct benefit to the Council as this achieves audit efficiency, resulting in a reduction of the testing and examination of processes undertaken by External Auditors.
- 5.3 There are detailed performance monitoring processes within the team, including the application of a competency framework applied to all staff as part of the appraisal process. Local performance indicators have been developed through consultation with other authorities and are monitored on a regular basis.
- 5.4 One of these performance indicators monitors the quality, effectiveness and the value added by the service by asking Managers to complete a Client Questionnaire. The results of the questionnaire also contribute towards an Auditors' annual appraisal and personal development evaluation. Heads of Service and Operational Managers are invited to comment upon a number of quality issues and then provide an overall assessment on the audit review.
- 5.5 Client Questionnaires were issued to clients after each item of audit work and the results are summarised below:

Audit Year	No. of Final Reports issued	% satisfaction scored (Very satisfied, Satisfied, Dissatisfied, Very Dissatisfied)
2016/17	21	All responses received were at a satisfied or very satisfied level.

- 5.6 All Internal Auditors complete compulsory professional body continuous professional development assessments each year to maintain professional accounting and auditing status. In addition, appraisals assess competency against CIPFA's guidance entitled 'The Excellent Internal Auditor – A Good Practice Guide to Skills and Competencies'. A training budget is also aligned to the team's professional/technical update programme.

6. Conformance with the Public Sector Internal Audit Standards 2013 (amended 2016 & 2017)

- 6.1 The Relevant Internal Audit Standard Setters (i.e. Chartered Institute of Public Finance and Accountancy in respect of local government across the UK) have adopted a common set of Public Sector Internal Audit Standards (PSIAS) from 1 April 2013. The PSIAS encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) as follows: Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing.
- 6.2 The objectives of the PSIAS are to: define the nature of internal auditing within the UK public sector; set basic principles for carrying out internal audit in the UK public sector; establish a framework for providing internal audit services, which add value to the organisation, leading to improved organisational processes and operations, and establish the basis for the evaluation of internal audit performance and to drive improvement planning.
- 6.3 The PSIAS apply to all internal audit service providers, whether in-house, shared services or outsourced.
- 6.4 The standards require periodic self-assessments and an assessment by an external person every five years.
- 6.5 An external review was completed in November 2016, carried out through a process of interview and document review by the Chartered Institute of Public Finance and Accountancy.
- 6.6 The review identified near full compliance within the 300 plus tests; with no areas of non-compliance within the standards that would affect the overall scope or operation of the internal audit activity.

7. Organisational Independent and Objectivity of Internal Audit

- 7.1 In accordance with the PSIAS the internal audit activity must be independent and internal auditors must be objective in performing their work. An interpretation of independence can be described as the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the Head of Internal Audit has direct and unrestricted access to senior management and the Audit and Governance Committee. This can be achieved through a dual-reporting relationship. Threats to independence must be managed at the individual auditor, engagement, functional and organisational levels.
- 7.2 Objectivity is unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgement on

audit matters to others. Threats to objectivity must be managed at the individual auditor, engagement, functional and organisational levels.

- 7.3 The Head of Internal Audit must report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities. The Head of Internal Audit must confirm to the Audit and Governance Committee, at least annually, the organisational independence of the internal audit activity. In the UK public sector this can be achieved by ensuring that the chief executive undertakes, countersigns, and contributes feedback to or reviews the performance appraisal of the Head of Internal Audit and that feedback is also sought from the Chair of the Audit and Governance Committee.
- 7.4 The Council's Constitution, Financial Standing Orders, Audit Charter and the job description of the Head of Internal Audit along with the positioning of the Internal Audit Service within the Council demonstrates the independence of the Internal Audit Service along with the practical application of its independence within the organisation.

8. Performance / Outturn for 2016/17

- 8.1 The table below constitutes a summary of the audit work undertaken in the year, which is aligned to the Council's strategic objectives, and has enabled the Audit Partnership Manager to provide an Annual Audit Opinion set out at Appendix A, on the overall adequacy and effectiveness of the Council's internal control environment.
- 8.2 A risk based assurance opinion upon each area reviewed is provided which aims to be insightful, practical and future-focused, and promotes organisational improvement, accompanied (when appropriate) with tracked actions to be completed, which are owned and monitored by the Audit and Governance Committee.
- 8.3 This table below compares the work actually undertaken during the year to the planned audit coverage for 2016/17 (as presented to the Audit and Governance Committee on 1 March 2016). For completeness, also listed is the work completed for 2015/16 which spread in to 2016/17.

Ref.	2015-16 Audit Reports Completed in 2016-17	Type	Assurance Level	Comments
1	Integrated Management Housing System - ICT Key Controls 2015-16	Computer Audit	Adequate	Final report issued May 2016
2	Housing Maintenance & Repairs	Compliance	Adequate	Final report issued June 2016
3	PSE ICT Key Controls 2015-16	Computer Audit	Adequate	Final report issued June 2016
4	Information	Compliance	Adequate	Final report issued June

	Governance			2016
5	Council Tax 2015-16	Key System	Good	Final report issued August 2016
6	Sport & Leisure Financial Management	Compliance	Limited	Final report issued August 2016
7	Parking Services	Assurance	Unsatisfactory	Final report issued September 2016
8	Creditors 2015-16	Key System	Adequate	Final report issued September 2016
9	Debtors 2015-16	Key System	Good	Final report issued September 2016
10	Payroll 2015-16	Key System	Adequate	Final report issued September 2016
11	National Non Domestic Rates 2015-16	Key System	Good	Final report issued September 2016
12	Housing Rents 2015-16	Key System	Adequate	Final report issued October 2016
13	Housing Revenue Account - Financial Sustainability	Assurance	Adequate	Final report issued October 2016
14	Housing Benefit 2015-16	Key System		Final report issued November 2016
15	CCTV	Probity	Limited	Final report issued November 2016
16	Treasury Management 2015-16	Key System	Limited	Final report issued December 2016
17	Agency & Consultancy Spend	Probity	Limited	Final report issued March 2017
Ref.	2016-17 Audit Reports	Type	Assurance Level	Comments
18	Establishment Cash Checks 2016-17	Probity	Adequate	Final report issued March 2017
19	Agresso ICT Key Controls 2016-17	Computer Audit	Good	Final report issued April 2017
20	Introductory Tenants Review Process	Probity	Adequate	Final report issued April 2017
21	Paris ICT Key Controls 2016-17	Computer Audit	Good	Final report issued April 2017
22	PSE ICT Key Controls 2016-17	Computer Audit		Draft report issued April 2017
23	Contract Management	Probity		Draft report issued April 2017
24	Bank and Cash Reconciliations	Key System		Draft report issued March 2017
25	Section 106 Agreements	Probity		Draft report issued April 2017
26	Choice Based Lettings	Probity		Draft to be issued June 2017
27	Council Tax 2016-17	Key System		Final issued May 2017
28	Payroll 2016-17	Key System		Draft issued May 2017
29	Debtors 2016-17	Key System		Final issued May 2017
30	Creditors 2016-17	Key System		Draft issued May 2017
31	Housing Rents 2016-17	Key System		Draft to be issued June 2017

32	Housing Benefits 2016-17	Key System		Draft to be issued June 2017
33	Public Health Funerals	Consultancy		In Progress
34	NNDR 2016-17	Key System		Draft issued May 2017
35	Benefits procedural changes	Assurance	Advice	June 2016
36	ID Verification	Assurance	Advice	July 2016
37	Disposal of ICT equipment	Assurance	Advice	July 2016
38	Disabled Facilities Grant – Capital Grant Determination	Assurance	Advice	September 2016
39	Paying in books	Assurance	Advice	October 2016
40	Payroll process review	Assurance	Advice	October 2016
41	Partnership documentation	Assurance	Advice	October 2016
42	IBC Records Store	Assurance	Advice	October 2016
43	Taxi Licensing lost property	Assurance	Advice	February 2017
44	Agresso upgrade – reconciliation reports	Assurance	Advice	March 2017
45	Rent Accounting	Assurance	Advice	March 2017
Deferred from 2016-17 Audit Plan; included in 2017-18 Audit Plan				
D1	Asset Management implementation	Probity		
D2	Data Sharing Agreements	Probity		
D3	Maintenance & Contracts review processes	Probity		Risk base auditing approach

8.4 Audits removed from the plan of work and previously reported to the Audit & Governance Committee:

- Income Generation
- Replacement HR & Finance system
- TEEP policy review
- Waste Governance
- Planning application process

8.5 Full reports are circulated to all Members of the Audit and Governance Committee. Copies are also sent to the Chief Executive, relevant Head of Service and the relevant Portfolio Holder, as well as those members of staff who assisted in the completion of the review.

8.6 We have four categories against which we classify our overall level of assurance of the processes examined and, also, the adequacy of the individual key control areas. They are defined as follows:

- **Good** – All controls are being applied consistently and effectively. This means that all the control areas in the audit are being properly managed and the associated risks are being mitigated.

- **Adequate¹** – Controls exist but there is some inconsistency in their application. This means that a few of the risks in the audit brief may need attention.
- **Limited** – Some controls do not exist. This means that a reasonable number of risks in the audit need attention.
- **Unsatisfactory** – A significant number of controls do not exist and/or there are major omissions in the application of controls. This means that a significant number of risks in the audit are not being properly managed.

8.7 Recommendations are classified in three ways. They are defined as follows:

- **High** – A top priority due to the absence of or non-compliance with a fundamental control process, creating the risk that significant error or malpractice could go undetected. These recommendations should normally be implemented within 1 to 3 months.
- **Medium** – An important issue, which is needed to bring the internal control system up to an adequate standard or eliminate a serious level of non-compliance with an existing control process. These recommendations should normally be implemented within 1 to 6 months.
- **Low** – An issue, which, if addressed, would contribute towards raising the standard of internal control to a level higher than adequate or help to reduce a less serious level of non-compliance with an existing control process. These recommendations should normally be implemented within 12 months.

9. An Opinion on the Adequacy of Management Responses to Internal Audit Advice and Recommendations made in 2016/17

9.1 From the audit reports produced, recommendations for improvement ranging from high to low were proposed by Internal Audit and accepted by Management. There were no instances of recommendations relating to significant internal control issues not accepted by Management. Whilst the implementation of audit recommendations is the responsibility of management, Internal Audit Services actively monitors the implementation of recommendations. Any instances of serious delay or failure to meet the due date without good cause will be reported to Corporate Management Team, and then if necessary, to this Committee.

9.2 Internal Audit Services is satisfied that Management has acted upon the advice and recommendations put forward throughout the year. Where responses have been received evidence has been forthcoming.

¹An Adequate or Good Assurance Opinion directly relates to the term ‘Reasonable Assurance’ in the Head of Internal Audits Opinion.

At the year-end a number of recommendations remain outstanding and these are being actively followed up.

9.3 There are three status levels for recommendations made by Internal Audit Services:

- Complete – the audit recommendation has been fully implemented.
- Pending – the agreed date for implementation has not yet been reached.
- Overdue – the agreed date for implementation has not been complied with.

9.4 The failure to implement agreed recommendations may have a detrimental effect on the Council's internal control environment and any shortcomings will adversely impact on the Annual Audit Opinion and warrant reporting in the next Annual Governance Statement.

9.5 A detailed report is presented to the Audit and Governance Committee setting out the status of all outstanding Internal Audit recommendations.

10. Whistleblowing Investigations

10.1 The Council adheres to the Public Interest Disclosure Act 1998, commonly referred to as Whistleblowing. There have been no whistleblowing investigations carried out in 2016-17. A number of issues have been raised with the Audit Partnership Manager, but these have been directed to the correct corporate approach e.g. Disciplinary or Grievance Procedures or criminal investigation.

10.2 Five suspected internal staff frauds were reported during the year. One has gone forward for prosecution. One is ongoing and three have been concluded with no employee, civil or criminal breaches identified.

11. Issues the Head of Internal Audit judged particularly relevant to be included in the Annual Governance Statement

11.1 Internal Audit Services wishes to highlight two key areas where governance and controls require improvement:

1. Parking Services – Management controls require improvement.
2. Asset Management – The Asset Management Strategy requires updating and aligning to the Council's Corporate Plan.

12. Financial and Governance Implications

- 12.1 Internal Audit recommendations and advice strive to create a robust corporate governance foundation to support a sustainable service to all its stakeholders. Delivering the Internal Audit Plan in addition to the reactive work performed during the year is an essential element in mitigating the risk of losses arising from error, irregularity and fraud.
- 12.2 Efficiency, effectiveness and economy reviews form part of the work undertaken in the year. The work of Internal Audit represents a fundamental function in delivering the Council's Corporate Governance responsibilities.
- 12.3 The Local Government Act 1972 and the Accounts and Audit Regulations 2015 require principal local authorities to ensure they have an effective Internal Audit to evaluate the effectiveness of their risk management, control and governance processes, and taking into account PSIAS or guidance.
- 12.4 The implications and benefits of agreed recommendations produced by the audit work undertaken in the year affect all these areas by improving controls and processes, contributing towards the efficient and effective management of services.

13. Risk Management

13.1

Risk Description	Consequence of risk	Risk Controls	Probability of risk occurring taking account of controls (scale 1-6) 1 – almost impossible 6 – very high	Impact of risk, if it occurred taking account of actions (scale 1 – negligible; 4 – catastrophic)	Actions to mitigate risk
Poor governance, risk management and internal controls.	Ineffective use of public funds. Failure of Section 151 Officer to meet legislative requirements. Failure to comply with the Public Sector Internal Audit Standards. Failure to meet statutory	Adoption of a risk based methodology in the production of Annual and Strategic Plans.	2	3	Adoption of a risk based planning process and regular monitoring of progress against the plan. Adoption of an Internal/External Audit Protocol and regular liaison meetings to ensure reliance can be placed on the work of Internal

Risk Description	Consequence of risk	Risk Controls	Probability of risk occurring taking account of controls (scale 1-6) 1 – almost impossible 6 – very high	Impact of risk, if it occurred taking account of actions (scale 1 – negligible; 4 – catastrophic)	Actions to mitigate risk
	requirements within the Accounts and Audit Regulations 2015.				Audit. Maintaining an Internal Audit service that can demonstrate compliance with PSIAS compliance, including adequate provision for quantity and quality of resources. Maintaining flexibility to respond to changes in corporate priorities and demands.

13.2 The chances of these risks occurring are not significant given that the Council has established an Internal Audit Service which continues to deliver the Annual Audit Plan. The benefits arising from working in partnership with SCDC and WDC provide flexibility to react to changes in priorities or direction.

13.3 To reduce the likelihood of these risks happening and to minimise any effect if they do, the Council has strong mechanisms in place to monitor, report, review and redirect its Internal Audit resources to ensure that the maximum coverage is achieved and assurance given.

14. Environmental Impact Assessment

14.1 There are no direct or indirect environmental impacts arising from this report.

15. Equalities and Diversity Implications

15.1 There are no Equality and Diversity implications arising from this report.

16. Financial Considerations

- 16.1 The delivery of the Internal Audit Plan was achieved within the original, approved budget.

17. Legal Considerations

- 17.1 There are no legal considerations arising from this report.

18. Performance Monitoring

- 18.1 Internal Audit monitors progress against the Annual Audit Plan on a regular basis through contact with audit staff and the application of regular work plans. A formal progress update is regularly presented to this Committee. Internal Audit continues to develop local performance indicators in consultation with other authorities. These are monitored on a regular basis.

19. Conclusions

- 19.1 For the 2016/17 year, the Head of Internal Audit's Annual Audit Opinion states that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's internal control system. There is no formal qualification to this opinion but it has been highlighted that significant improvements are required in the areas set out at section 11.

20. Recommendations

- 20.1 That the Committee note and comment upon, as required, the Internal Audit performance / outturn for the 2016/17 year.**
- 20.2 That the Committee note and comment upon, as required, the Head of Internal Audit's Annual Audit Opinion for 2016/17.**