

**Open Report on behalf of Pete Moore, Executive Director of Resources and Community Safety**

Report to:	<b>Audit Committee</b>
Date:	<b>11 July 2011</b>
Subject:	<b>Internal Audit Annual Report - 2011</b>

**Summary:**

This report gives the Head of Internal Audit's opinion on the adequacy of the Council's governance and control environment and delivery of the Internal Audit Plan for 2011.

**Recommendation(s):**

That the Committee consider the content of the Head of Audit Annual Report and any actions it may wish to make.

**Background**

1. The Annual Internal Audit Report aims to present a summary of the audit work undertaken over the past year. In particular:
  - Include an opinion on the overall adequacy of and effectiveness of the governance framework and internal control system and the extent to which the Council can rely on it;
  - Inform how the plan was discharged and of overall outcomes of the work undertaken;
  - Draw attention to any issues particularly relevant to the Annual Governance Statement.
2. The report is attached in Appendix A.

**Conclusion**

Our internal audit service continues to work with the Audit Committee and Management to help the Council maintain effective governance, risk and control processes.

During 2010/11 there have been a number of areas within Adult Social Care where we have identified the need for improved compliance and strengthening of the control processes. On that basis we have recommended that this area be included in the Council's Annual Governance Statement.

For the 12 months ended 31 March 2011, based on the work we have undertaken and information from other sources of governance my opinion regarding the adequacy and effectiveness of Lincolnshire County Council's arrangements for governance, risk management and control is **Limited**.

We have also delivered out audit plan to agreed performance targets.

## Consultation

### a) Policy Proofing Actions Required

Not applicable

## Appendices

These are listed below and attached at the back of the report	
Appendix A	Internal Audit Annual Report - 2011

## Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Internal Audit Annual Plan -2010/11	Audit Committee minutes and papers

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