

08 JULY 2021

Internal Audit Annual Report and Head of Internal Audit Opinion 2020/21

Ward(s): All

Portfolios: All

Purpose: For Information

1. Aim

- 11 The Accounts and Audit Regulations 2015 came into effect on 1st April 2015 and require councils to undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Auditing Standards (PSIAS) or guidance. The PSIAS requires that Internal Audit provide an annual report to the Audit Committee timed to support the Annual Governance Statement. This report meets that requirement.

2. Summary

- 2.1 This annual report covers the work we have undertaken for the year ended 31st March 2021, and incorporates our audit opinion on the adequacy and effectiveness of the council's framework of governance, risk management and internal control.

3. Recommendations

- 3.1 That Audit Committee receive and note the report.
- 3.2 That when considering the Annual Governance Statement, Audit Committee take into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.

4. Report detail – know

Control Environment

- 4.1 The Audit Committee's activities include ensuring that an effective internal control environment is maintained. This report supports the Audit Committee in exercising that role.

Assurance of Controls

- 4.2 Part of Internal Audit's role is to provide assurance in the council's performance and risk management arrangements. Internal Audit's programme of work is risk assessed to ensure areas most at risk are examined as a priority.

Strategic Risks/Annual Statements

4.3 The Internal Audit Plan for 2020/21 was considered and approved by the Audit Committee at its meeting on 27th July 2020. Both the risks in the Strategic Risk Register and the council's Covid-19 Risk Register informed this plan.

5. Financial information

5.1 Internal audit days provided is set out in the Internal Audit contract with Mazars. The work for 2020/21 was within budget and in line with the contract.

6. Reducing Inequalities

6.1 Internal Audit has full regard to equalities both within the internal audit service and in the services / activities under review.

7. Decide

7.1 The Committee may wish to comment on the Opinion prior to noting it.

8. Respond

8.1 All Internal Audit reports that were afforded priority 1 recommendations in 2020/21 were submitted to Audit Committee for consideration. The Audit Committee may, during 2021/22 called those relevant accountable senior managers to provide re-assurance that actions are being taken to address the identified weaknesses in control.

9. Review

9.1 Internal Audit will follow up on all priority 1 recommendations raised in 2020/21 and report progress back to Audit Committee during 2021/22.

Background papers

Internal audit plan 2020/21

Internal audit reports

Author

Sarah Knowles

Internal Audit Manager

✉ sarah.knowles@mazars.co.uk