



## Internal Audit Annual Report 2019/20

<b>Corporate Priority:</b>	N/A
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

1.1 The Public Sector Internal Audit Standards (the Standards) require the Head of Internal Audit to provide an annual Internal Audit report and opinion on the overall adequacy and effectiveness of the Council’s governance, risk and control framework (i.e. the control environment) that can be used by the organisation to inform its Annual Governance Statement. This report provides a copy of the Annual Report which contains the annual opinion and the basis for this, for the Committee’s attention.

### 2 Recommendation(s)

**2.1 That the Committee receive and note the Internal Audit Annual Report and Assurance Opinion for 2019/20.**

### 3 Reason for Recommendations

3.1 To provide the Council with an assurance on internal controls that helps to evidence the effectiveness of the system of internal control, as set out in the Annual Governance Statement (AGS).

## **4 Background**

### **Internal Audit opinion**

- 4.1 Based upon the work undertaken by Internal Audit during 2019/20, the Head of Internal Audit's overall opinion on the Council's control environment is that Satisfactory Assurance can be given that there is generally a sound system of internal control, designed to meet the organisation's objectives and that controls are generally operating effectively in practice. However, no systems of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.
- 4.2 Appendix A to this report provides a copy of the Annual Report which includes the detailed Head of Internal Audit opinion on the Council's control framework for 2019/20 and the basis for this opinion.

## **5 Main Considerations**

### **Internal Audit performance**

- 5.1 The report includes details of the delivery of the Internal Audit Plan for 2019/20 and achievement of the service's performance indicators. The team has delivered 100% of the agreed assignments from the Internal Audit Plan for the year and performed well against performance indicators.
- 5.2 An assessment of the Internal Audit service against the Public Sector Internal Audit Standards has concluded that the Internal Audit service operates in general conformance with the Standards.

## **6 Options Considered**

- 6.1 Not applicable.

## **7 Consultation**

- 7.1 Not applicable

## **8 Next Steps – Implementation and Communication**

- 8.1 If approved, the Internal Audit plan for 2019/20 will be delivered in accordance with the Charter and Strategy.

## **9 Financial Implications**

- 9.1 There are no financial or other resource implications arising directly from this report

**Financial Implications reviewed by: Director for Corporate services**

## **10 Legal and Governance Implications**

10.1 There are no legal implications arising directly from this report.

**Legal Implications reviewed by: Director for Governance and Regulatory Services**

## **11 Equality and Safeguarding Implications**

11.1 There are no equalities or safeguarding implications arising directly from this report.

## **12 Community Safety Implications**

12.1 There are no community safety implications arising directly from this report.

## **13 Environmental and Climate Change Implications**

13.1 There are no environmental and climate change implications arising directly from this report.

## **14 Other Implications (where significant)**

14.1 There are no other implications arising directly from this report.

## **15 Risk & Mitigation**

15.1 The annual Internal Audit report forms part of the evidence that supports the Council's Annual Governance Statement and provides assurance over the adequacy and effectiveness of the Council's internal controls to manage the key risks and inform risk management arrangements.

## **16 Background Papers**

16.1 Not applicable.

## **17 Appendices**

17.1 Appendix 1: Annual Internal Audit Report 2019/20

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