



LONDON BOROUGH OF
HARROW

**Report for: GOVERNANCE, AUDIT
 AND RISK
 MANAGEMENT AND
 STANDARDS
 COMMITTEE**

Date of Meeting: 20 September 2023

Subject: INFORMATION REPORT – Internal
 Audit Year-End Report 2022/23

Responsible Officer: Sharon Daniels, Interim Director of
 Finance & Assurance

Exempt: No

Wards affected: All

Enclosures: Appendix 1 – Internal Audit Year-End
 Report 2022/23

Section 1 – Summary and Recommendations

This report sets out the 2022/23 year-end report for Internal Audit and includes the Head of Internal Audit's overall audit opinion on the control environment.

The report is presented to enable the Committee to fulfil the requirements of its Terms of Reference to:

- To consider reports from the Head of Internal Audit on internal audit's performance at mid-year and year-end, including the performance of external providers of internal audit services.

Recommendations:

- The Committee is requested to note the Internal Audit Year-End Report 2022/23

Section 2 – Report

Background

2.1. Annually the GARMS Committee considers mid and full year reports from Internal Audit covering progress against the agreed annual plan to help fulfil its purpose in accordance with its Terms of Reference.

Internal Audit Year-End Report (Appendix 1)

2.2. Overall, Internal Audit has achieved 97% of the 2022/23 annual internal audit plan which has exceeded the target of 90%. A total of 49 recommendations were made to management to improve internal controls of which 100% were agreed for implementation exceeding the 95% target.

2.3 Appendix 1 details the Head of Internal Audit's draft Opinion, provides a summary of all the work undertaken during the year, covers the direction of assurance travel and the performance of Internal Audit against the agreed key performance indicators.

Legal Implications

Accounts & Audit Regulations 2015

Internal Audit

5.(1) A relevant authority must 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 or guidance.

Financial Implications

There are no financial implications to this report, the Internal Audit service was delivered within budget for 2022/23.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

Relevant risks contained in the register are attached/summarised below - **N/A**

The main risk relating to the performance of the internal audit service is as follows:

Risk Description	Mitigations	RAG Status
Insufficient work is undertaken during the year to enable an overall audit opinion to be produced by the Head of Internal Audit	<ul style="list-style-type: none">• Production of an annual plan to guide the work of the team• Performance management of the team• Performance management reporting to GARMS Committee• An adequately resourced IA team and/or appropriate working methods to ensure adequate coverage	

Equalities implications / Public Sector Equality Duty

N/A

Council Priorities

- 1. A council that puts residents first**
- 2. A borough that is clean and safe**
- 3. A place where those in need are supported**

The work of the Internal Audit service supports the delivery of the Council's priorities by providing assurance on the effectiveness of risk management, control and governance processes, and making recommendations to improve these processes, increasing the likelihood of the achievement of the priorities.

Section 3 - Statutory Officer Clearance

As this is an information report Legal / Finance / Corporate Director clearances are not necessary.

Mandatory Checks

Ward Councillors notified: No, as it impacts on all Wards

Section 4 - Contact Details and Background Papers

Contact: Tracy Barnett, Interim Head of Internal Audit & Corporate Anti-Fraud

Background Papers: None.

If appropriate, does the report include the following considerations?

- | | |
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| 1. Consultation | NO |
| 2. Priorities | YES |