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

Date of Meeting:	13th July 2021
Subject:	INFORMATION REPORT – Internal Audit Year-End Report 2020/21
Responsible Officer:	Dawn Calvert, Director of Finance & Assurance
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – Internal Audit Year-end Report 2020/21

Section 1 – Summary and Recommendations

This report sets out the 2020/21 year end report for Internal Audit and includes the Head of Internal Audit's draft overall audit opinion on the control environment.

The report is presented to enable the Committee to fulfil the requirements of its Terms of Refence 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.

FOR INFORMATION

Section 2 – Report

Background

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

Internal Audit Year-End Report (Appendix 1)

2.2.   Overall the Internal Audit Team has achieved 92% of the 2020/21 annual internal audit plan exceeding the 90% target. This included 100% achievement of the core financial systems reviews. A total of 92 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 2020/21.

Risk Management Implications

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

Separate risk register in place? **No**

The 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	• 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. **Improving the environment and addressing climate change**

2. **Tackling poverty and inequality**

3. **Building homes and infrastructure**

4. **Addressing health and social care inequality**

5. **Thriving economy**

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: ~~YES*~~/ NO*, as it impacts on all Wards

Section 4 - Contact Details and Background Papers

Contact: Susan Dixson, Head of Internal Audit & Corporate Anti-Fraud, 02084241420

Background Papers: None.

If appropriate, does the report include the following considerations?

1.	Consultation	~~YES~~ / NO
2.	Priorities	YES / ~~NO~~