

## REPORT TO AUDIT & GOVERNANCE COMMITTEE

Date of Meeting: 26 JULY 2023

Report of: AUDIT MANAGERS

Title: ANNUAL REPORT OF INTERNAL AUDIT FOR THE YEAR ENDED 31 MARCH 2023

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

### COUNCIL

#### 1. What is the report about?

The annual Internal Audit Report conforming to the Public Sector Internal Audit Standards and timed to inform the Council's Annual Governance Statement, including the quarterly update on the progress of Internal Audit work.

#### 2. Recommendations:

2.1 Members are recommended to note the contents of the Annual Internal Audit Report.

#### 3. Reasons for the recommendation:

3.1 To comply with the Public Sector Internal Audit Standards and Corporate Governance best practice.

#### 4. What are the resource implications including non financial resources.

None

#### 5. Section 151 Officer comments:

Members should take comfort from the overall opinion that the key systems are operating satisfactorily, however certain audits were completed that resulted in limited assurance. Action plans have been agreed with management and it should be noted that there were no instances where remedial action was not agreed. Internal Audit will follow-up all medium and high risk findings during the course of 2023-24.

#### 6. What are the legal aspects?

Non identified

#### 7. Monitoring Officer's comments:

Whilst it is pleasing to note that the audit team reports "*that the key systems are operating satisfactorily and that there are no fundamental breakdowns of control resulting in material discrepancy*", a number of areas have been highlighted as achieving only limited assurance. Internal audit has identified some areas of weaknesses around invoicing and debt collection of debt for all income streams which need to be addressed.

## **8. Report details:**

8.1 The Public Sector Internal Audit Standards (PSAIS), which came into effect in April 2013, require that:

- The Audit Manager must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement
- The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control
  
- The annual report must incorporate:
  - the opinion;
  - a summary of the work that supports the opinion; and
  - a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement Programme

8.2 The Annual Audit report is attached as Appendix A.

## **9. How does the decision contribute to the Council's Corporate Plan?**

9.1 Good governance contributes to the Council's purpose of a "Well Run Council".

## **10. What risks are there and how can they be reduced?**

N/A

## **11. Equality Act 2010 (The Act)**

11.1 Under the Act's Public Sector Equality Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

11.4.1 The report is for information only

**12. Are there any other options?**

N/A

**Helen Putt/Helen Kelvey  
Audit Managers**

**Local Government (Access to Information) Act 1972 (as amended)**

**Background papers used in compiling this report:-**

None

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