

## **REPORT TO AUDIT & GOVERNANCE COMMITTEE**

**Date of Meeting: 28 JULY 2021**

**Report of: AUDIT MANAGERS**

**Title: ANNUAL REPORT OF INTERNAL AUDIT FOR THE YEAR ENDED 31 MARCH 2021**

### **Is this a Key Decision?**

No

\* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

### **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:**

This report sets out the view of the control framework under which the Council operates. It will be comforting for members to note that the overall opinion in respect of the control framework is that the key systems are operating satisfactorily and that there are no fundamental breakdowns of control resulting in material discrepancy. The impact of Covid-19 has meant that certain audit areas have been deferred to 2021/22.

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

None identified.

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

Internal audit provide independent assurance that Exeter City Council's risk management, governance and internal control processes are operating effectively. Where they are not, their advice on how to improve the Council's systems, procedures and processes is invaluable in supporting the Council in its activities and the aim of continual improvement in the delivery of its services, aims and objectives.

## **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. Carbon Footprint (Environmental) Implications:**

12.1 Not applicable

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

13.1 Not applicable.

**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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