

**REPORT TO THE MEETING OF THE  
AUDIT & STANDARDS COMMITTEE ON 27<sup>TH</sup> APRIL 2022**

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<b>Status:</b>	Public report
<b>Report Title:</b>	<b>Update of the Internal Audit Annual Report and Assurance Opinion 2020/21</b>
<b>Report Author:</b>	<ul style="list-style-type: none"><li>• Covering Report: Clive Mason, Director; Finance, ICT and Assets</li><li>• Appendix: Rachel Ashley-Caunt, Head of Internal Audit</li></ul>
<b>Appendices:</b>	1. Updated Internal Audit Annual Report and Assurance Opinion 2020/21
<b>Recommendation:</b>	That members note the report and comment as they consider necessary.

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1 **Purpose of Report**

- 1.1 To consider the updated Internal Audit Annual Report and Assurance Opinion 2020/21.

**Background**

- 1.2 As part of the annual governance review process of all local authorities, the Head of Internal is required to issue an annual Internal Audit Annual Report and Assurance Opinion (Opinion); the original 2020/21 opinion was considered by the Audit & Standards Committee (ASC) on the [21<sup>st</sup> July 2021](#). Further, this opinion has to be reflected in the Councils Annual Governance Statement (AGS) that is to be considered elsewhere on this agenda.
- 1.3 Considering that Internal Audit reported to ASC at the 2<sup>nd</sup> March 2022 meeting in respect of a review into Assets; it is appropriate that the Opinion is duly updated so the AGS can reflect the latest position in respect of 2020/21 (attached as **Appendix 1**).
- 1.4 The only section of the Opinion that has been updated is in respect of the Head of Internal Audit Opinion (paragraph 2) and the last two paragraphs. Members should note that the Head of Internal Audit has stated that:

*“.....Head of Internal Audit acknowledges the robust response from the Council’s management team in 2021/22 in dealing with these issues fully and promptly, with the greatest level of transparency that was possible under the circumstances. The actions taken to address all areas of weakness highlighted by the investigation suitably address the*

*recommendations raised and provide assurance over the robustness of controls that would be applied going forward.*

*On this basis, the assurance opinion for 2020/21 is caveated in that the Satisfactory Assurance rating does not extend to controls in relation to delivery of asset related major projects, upon which only Limited Assurance could be given.”*

## 2 Reasons for Recommendations

- 2.2 To ensure that members and stakeholders have received an updated Opinion that reflects circumstances since the original Opinion was approved by the ASC.

## 3 Corporate Priorities

- 3.1 The service provides foundation support to all Council services and therefore all corporate priorities.

## 4 Financial Implications

- 4.1 There are no direct financial implications arising from this report.

## 5 Risk Management Implications

- 5.1 The Opinion provides assurance to the Council in respect of the internal control framework operating within the authority.

## 6 Environmental Implications

- 6.1 There are no direct environmental implications arising from this report.

## 7 Legal Implications

- 7.1 There are no direct legal implications arising from this report.

## 8 Equality Implications

- 8.1 There are no direct equality implications arising from this report.

## 9 Community Implications

- 9.1 There are no direct community implications arising from this report.

## 10 Data Protection Implications

- 10.1 There are no direct data protection implications arising from this report.

11 Consultation

11.1 The Opinion is a consolidation of various audit activity over the preceding year, with each audit review having been discussed with respective officers, members and other stakeholders (as and when necessary). The Head of Internal Audits opinion, is their unfettered consideration and reflections of the control framework at the Council.

12 Options Considered

12.1 Not applicable in this context.

13 Background Papers/Previous Reports

13.1 As noted elsewhere in this report.

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**Information Issued Under Sensitive Issue Procedure: ~~Y~~/N**

**Ward Members Notified: ~~Y~~/N**