

Arun District Council

REPORT TO:	Audit & Governance Committee 25 July 2023
SUBJECT:	Annual Internal Audit Report & Opinion 2022-2023
LEAD OFFICER:	Antony Baden, Group Head of Finance and Section 151 Officer
LEAD MEMBER:	Cllr Dr James Walsh
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: An annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control is a requirement of the Public Sector Internal Audit Standards (PSIAS)	
DIRECTORATE POLICY CONTEXT: The annual internal audit opinion is an important source of assurance that supports the Council's Annual Governance Statement	
FINANCIAL SUMMARY: n/a	

For general release

The main body of the report and Appendix 1 are for general release.

Not for publication

Appendix 2 of this report contains exempt information as defined in paragraph 7 of Schedule 12A to the Local Government Act 1972 (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime).

1. PURPOSE OF REPORT

- 1.1. The purpose of this paper is to provide the Audit and Governance Committee with the annual audit opinion (2022-23) summarising internal audit's opinion on the Council's framework of governance, risk and control.

2. RECOMMENDATIONS

- 1.2. That the Committee approves the annual internal audit report and opinion for the year 2022-23.

2. EXECUTIVE SUMMARY

- 2.1. The Annual Internal Audit Report & Opinion provides a summary of audit work undertaken during the year (2022-23) to obtain all information and explanations considered necessary to provide sufficient assurance that the control environment is both reasonable and effective. Whilst no assurance can ever be absolute, on the basis of audit work completed, it is the Chief Internal Auditor's opinion that the Council's framework of governance, risk management and control is 'reasonable'.

3. DETAIL

- 3.1. The Accounts and Audit (England) Regulations 2015 state:

'a relevant body 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'

The Chief Internal Auditor 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 also include a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

In accordance with the Standards the annual internal audit report and opinion should be approved by senior management and the Audit and Governance Committee.

4. CONSULTATION

- 4.1. N/A

5. OPTIONS / ALTERNATIVES CONSIDERED

- 5.1. The report is for information only.

6. COMMENTS BY THE GROUP HEAD OF FINANCE AND SECTION 151 OFFICER

- 6.1. There are no financial implications arising from this report.

7. RISK ASSESSMENT CONSIDERATIONS

- 7.1. In not producing an annual internal audit report and opinion the Council would not be operating in accordance with the Accounts & Audit Regulations 2015.

8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 8.1. As explained earlier in the report, an annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control is a requirement of the Public Sector Internal Audit Standards (PSIAS).

9. HUMAN RESOURCES IMPACT

- 9.1. There are no impacts.

10. HEALTH & SAFETY IMPACT

- 10.1. There are no impacts.

11. PROPERTY & ESTATES IMPACT

- 11.1. There are no impacts.

12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 12.1. There are no impacts.

13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 13.1. There are no impacts.

14. CRIME AND DISORDER REDUCTION IMPACT

- 14.1. There are no impacts.

15. HUMAN RIGHTS IMPACT

- 15.1. There are no impacts.

16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

- 16.1. Appendix 2 of the report contains information that has been classed as exempt under the Local Government Act 1972. It will also be classed as exempt under Section 31 of the Freedom of Information Act 2000.

CONTACT OFFICER:

Name: Stephen Pearse
Job Title: Internal Audit Manager
Contact Number: 01903 737561

BACKGROUND DOCUMENTS: N/A