

REPORT OF: CHIEF EXECUTIVE
TO: ACCOUNTS & AUDIT COMMITTEE
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INTERNAL AUDIT – ANNUAL INTERNAL AUDIT REPORT

PURPOSE OF REPORT

1. The purpose of this report is to provide the Committee with the Annual Internal Audit Report for 2019/20 from Internal Audit.

RECOMMENDATIONS

2. That the Annual Internal Audit Report is considered and accepted.

REASONS FOR RECOMMENDATION

3. To ensure that Accounts and Audit Committee are aware of the activities of the Internal Audit Service during the 2019/20 financial year.

ISSUE

Background

4. The Public Sector Internal Audit Standards (PSIAS) 2013, updated in 2017 require the Chief Audit Executive (normally the Internal Audit Manager) to provide an annual opinion, on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control (i.e. the system of internal control). This opinion is based upon and limited to the work performed during the year.
5. In the absence of the Internal Audit Manager, who left the Council in March 2020, the Mersey Internal Audit Agency (MIAA) have been engaged to review the delivery of the Council's Internal Audit Plan in 2019/20 and to produce the Annual Internal Audit Report.
6. MIAA have concluded their work on this matter and their report is provided at **Appendix A** for the Committee to consider.

7. Based on the work undertaken, MIAA have concluded that:-

'The overall opinion for the period 1st April 2019 to 31st March 2020 provides Substantial Assurance; that while there is a basically sound system of control, there are weaknesses which may put the system objectives at risk.'

8. In the main, the outcome of each audit review undertaken was 'substantial assurance'. In the case of s106 Agreements, the outcome the audit was limited assurance due to the number of recommendations raised. This matter is being considered in more detail with the relevant Service Manager.

IMPLICATIONS

Policy

9. There are no policy implications arising directly from this report.

Financial

10. The financial implications are as given in the report.

Legal

11. There are no legal implications arising directly from this report.

Risk Management

12. There are no direct risk management implications arising from the contents of this report.

Health and Safety

13. There are no Health and Safety implications arising directly from this report.

Sustainability

14. There are no sustainability implications arising directly from this report.

Community Safety

15. There are no community safety issues arising directly from this report.

Equality and Diversity

16. There are no equality and diversity issues arising from the contents of this report.

APPENDICES / LIST OF BACKGROUND PAPER

Appendix A – Annual Internal Audit Report/Opinion 2019/20