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Committee Report

Committee	AUDIT AND GOVERNANCE COMMITTEE
Date	31 JULY 2023
Title	INTERNAL AUDIT ANNUAL REPORT
Report of	CHIEF INTERNAL AUDITOR

EXECUTIVE SUMMARY

1. The Internal Audit Annual Report and Opinion for 2022/23 is attached as Appendix 1. The purpose of this reporting is to inform the council's Annual Governance Statement (AGS) and provide the committee with the necessary information to satisfy their remit, as set out in the committee's terms of reference in the constitution.
2. The work to inform the annual report and opinion undertaken has been performed in accordance with the agreed Internal Audit Plan for 2022/23. The results of the work performed allow an opinion to be given as to the adequacy and effectiveness of governance, risk management and control. In giving this opinion, it should be noted that assurance can never be absolute. The most that Internal Audit can provide is reasonable assurance that there are no major weaknesses in the system of internal control.
3. The committee is asked to note the report, seeking any clarifications necessary to satisfy their remit.

RECOMMENDATION

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| 4. That the report of internal audit be noted. |
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BACKGROUND

5. The Annual Report and Opinion for 2021/22 was presented to Audit Committee in July 2022. During the course of 2022/23 periodic reporting has been provided to Audit & Governance Committee, regarding progress with and high-level conclusions from the 2022/23 programme of reviews.

CORPORATE PRIORITIES AND STRATEGIC CONTEXT

6. Internal Audit is a statutory function, responsible for providing independent assurance over all areas of the council.

Responding to climate change and enhancing the biosphere

7. There are no direct impacts within this report that will affect this corporate priority.

Economic Recovery and Reducing Poverty

8. There are no direct impacts within this report that will affect this corporate priority.

Impact on Young People and Future Generations

9. There are no direct impacts within this report that will affect this corporate priority.

Corporate Aims

10. Supports the Corporate Plan core value of being “fair and transparent”.

CONSULTATION

11. Consultation takes place with the senior management team, both to inform the content of the annual Internal Audit programme of reviews and in year, to ensure that the work of Internal Audit is continuously aligned with the need of the council. Consultation also takes place with relevant managers for individual reviews, both to inform review scope and to confirm the accuracy of audit findings.

FINANCIAL / BUDGET IMPLICATIONS

12. There are no direct financial implications, audits are carried out within the approved budget.

LEGAL IMPLICATIONS

13. The council has an obligation under Regulation 5 of the Account and Audit Regulations 2015 to 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.

EQUALITY AND DIVERSITY

14. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. It is considered that there are no direct equality and diversity implications of this report for any of the protected groups.

PROPERTY IMPLICATIONS

15. There are no direct impacts within this report with property implications.

RISK MANAGEMENT

16. Risks associated with issues identified through the work of Internal Audit are clearly identified in all audit reports, regularly presented in summary form to Audit Committee.

APPENDICES ATTACHED

17. Appendix 1 – Internal Audit Annual Report and Opinion

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CLLR ANDREW GARRATT
*Chairman of the
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