

AUDIT AND STANDARDS COMMITTEE

27 July 2020

Title: Internal Audit Annual Report 2019/20	
Report of the Acting Deputy Chief Executive and Director of Law, Governance & HR	
Open Report	For Information
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Accountable Strategic Leadership Director: Fiona Taylor, Acting Deputy Chief Executive and Director of Law, Governance & HR	
Summary This report outlines the Internal Audit work carried out for the year ended 31 March 2020. The internal audit annual report contains the Head of Assurance Opinion based on the work undertaken in the year. This is “generally satisfactory with some improvements required”.	
Recommendation(s) The Committee is recommended to note the contents of the report.	
Reason(s) To provide an Internal Audit Opinion on the Council's framework of governance, risk management and control that helps to evidence the effectiveness of systems as set out in the Annual Governance Statement.	

1 Internal Audit Annual Report 2019/20

- 1.1 This report outlines the Internal Audit work carried out for the year ended 31 March 2020.
- 1.2 The report contains the Head of Assurance Opinion based on the work undertaken in the year. This is “*generally satisfactory with some improvements required*”. All 2019/20 audit reports were at final report stage prior to presenting this report.
- 1.3 The Internal Audit Annual Report is set out at Appendix 1.

2 Legal Implications

Implications completed by Dr Paul Feild, Senior Governance Solicitor

- 2.1 The Accounts and Audit (England) Regulations 2015 section require that: a relevant authority must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective; and includes effective arrangements for the management of risk.
- 2.2 Furthermore, the Director of Finance has a statutory duty, under Section 151 of the Local Government Act 1972 and Section 73 of the Local Government Act 1985, to ensure that there are proper arrangements in place to administer the Council's financial affairs.
- 2.3 The Local Government Act 1972 provides the Council with the ability to investigate and prosecute offences committed against it. We will enhance our provision further by making best use of existing legislation, for example the Proceeds of Crime Act 2002, to ensure that funds are recovered, where possible by the Council.

3 Financial Implications

Implications completed by: Katherine Heffernan, Group Manager, Service Finance

- 3.1 Internal Audit is fully funded as part of the Council's Finance Service. It is a key contribution to the overall management and control of the Council and its stewardship of public money. The recommendations and improvements as a result of its findings will be implemented from within existing resources. There are no further financial implications arising from this report.

4 Other Implications

- 4.1 **Risk Management** – Internal Audit activity is risk-based and therefore supports effective risk management across the Council.

Public Background Papers Used in the Preparation of the Report: None.

List of appendices:

- Appendix 1: Internal Audit Annual Report 2019/20