

Report to Audit and Risk Assurance Committee

29 July 2021

Subject:	Internal Audit Annual Report 2020/21
Director:	Rebecca Maher Acting Section 151 Officer
Contact Officer:	Peter Farrow Audit Services and Risk Management Manager, peter_farrow@sandwell.gov.uk

1 Recommendation

1.1 Review and comment upon the Internal Audit Annual Report 2020/21.

2 Reasons for Recommendation

2.1 To inform the Committee of the contents of the Internal Audit Annual Report for 2020/21, which also provides an opinion on the adequacy and effectiveness of the council's governance, risk management and control processes.



3 How does this deliver objectives of the Corporate Plan?

Internal Audit operates across the council and helps it accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

4 Context and Key Issues

- 4.1 The main purpose of the report is to provide the Audit and Risk Assurance Committee and the Section 151 Officer with an opinion on the adequacy and effectiveness of the council's governance, risk management and control processes. The contents of the report also provide one element of the evidence that is required to underpin the council's Annual Governance Statement.
- 4.2 It summarises the audit work undertaken during the year in a tabular format. This includes:
- the areas subject to review during the year (Auditable Area)
 - the level of risk to the council assigned to each auditable area (high, medium or low)
 - the number of recommendations made as a result of each audit review
- details of other work undertaken outside of the original plan
- 4.3 Finally, it provides a summary of the key control issues that arose during the year that in the opinion of Audit Services should be brought to the attention of the Audit and Risk Assurance Committee and the Section 151 Officer.



5 Alternative Options

- 5.1 The purpose of the report is to inform the Audit and Risk Assurance Committee of the Internal Audit Annual Report for 2021/22. As such, there is no alternative option.

6 Implications

Resources:	There are no direct resource implications arising from this report.
Legal and Governance:	Internal audit is a statutory service in the context of the Local Government Accounts and Audit Regulations (Amendment)(England) 2015. The Act states that: <i>“A relevant authority 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”</i> . These Standards have been adopted by the council’s internal audit section.
Risk:	The agreed actions detailed in Internal Audit reports are designed to mitigate risks.
Equality:	It was not necessary to undertake an Equality Impact Assessment.
Health and Wellbeing:	There are no direct health and wellbeing implications from this report.
Social Value	There are no direct social value implications from this report.

7. Appendices

There are no appendices.

8. Background Papers

Internal Audit Annual Report 2020/21.

