

# Report to Audit and Risk Assurance Committee

18 July 2024

<b>Subject:</b>	Internal Audit Annual Report 2023/24
<b>Director:</b>	Alex Thompson Executive Director of Finance of Transformation
<b>Contact Officer:</b>	Peter Farrow Audit Services and Risk Management Manager, <a href="mailto:peter_farrow@sandwell.gov.uk">peter_farrow@sandwell.gov.uk</a>

## 1 Recommendation

- 1.1 That the Audit and Risk Assurance Committee review and comment upon the Internal Audit Annual Report 2023/24.

## 2 Reasons for Recommendation

- 2.1 To inform the Committee of the contents of the Internal Audit Annual Report for 2023/24, 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?

3.1 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)
- an assessment of the assurance need assigned to each auditable area (high, medium or low)
- the number and type of recommendations made as a result of each audit review.

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 2023/24. As such, there is no alternative option.

## 6 Implications

<b>Resources:</b>	There are no direct resource implications arising from this report.
<b>Legal and Governance:</b>	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.
<b>Risk:</b>	The agreed actions detailed in Internal Audit reports are designed to mitigate risks.
<b>Equality:</b>	It was not necessary to undertake an Equality Impact Assessment.
<b>Health and Wellbeing:</b>	There are no direct health and wellbeing implications from this report.
<b>Social Value</b>	There are no direct social value implications from this report.
<b>Climate Change</b>	There are no direct climate change implications from this report.
<b>Corporate Parenting</b>	There are no direct corporate parenting implications from this report.

## 7. Appendices

Appendix 1 – Internal Audit Annual Report 2023/2024

