

Report to:	Audit and Governance Committee	Date of Meeting:	Wednesday 15 September 2021
Subject:	Annual Report and Opinion of the Chief Internal Auditor		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

This report summarises the work of internal audit during 2020/21 and provides the Chief Internal Auditor's opinion on the overall control environment operating within the Council during the year. This report is a key requirement of the Public Sector Internal Audit Standards.

The report outlines that the opinion for the 2020/21 financial year is adequate with adequate prospects for improvement.

Recommendation(s):

Members are requested to:

(1) Review and note the work of internal audit during 2020/21 and the overall opinion on the control environment of the Council during that period.

Reasons for the Recommendation(s):

To provide the Committee with an overall view of the internal control environment in operation, so as to inform the Annual Governance Statement 2020/21.

Alternative Options Considered and Rejected: (including any Risk Implications)

None

What will it cost and how will it be financed?

(A) Revenue Costs – There are no direct revenue costs associated with the report.

(B) Capital Costs – There are no direct capital costs associated with the report.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): There are no direct resource implications associated with the report.	
Legal Implications: There are no legal implications associated with the report	
Equality Implications: There are no equality implications.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
There are no direct Climate Emergency implication arising from the report. Any climate emergency implications arising from matters referred to in this report would have been contained in reports when they were presented to Members during the previous year; or will be contained in future reports during the forthcoming year as the focus of the report is providing a summary of actions that have been undertaken during 2020/21 on governance, risk and control.	

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: Positive
Facilitate confident and resilient communities: Positive
Commission, broker and provide core services: Positive
Place – leadership and influencer: Positive
Drivers of change and reform: Positive
Facilitate sustainable economic prosperity: Positive
Greater income for social investment: Positive
Cleaner Greener: Positive

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6515/21.) and the Chief Legal and Democratic Officer (LD.4716/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

None.

Implementation Date for the Decision

Immediately following the Committee / Council meeting.

Contact Officer:	David Eden
Telephone Number:	0151 934 4053
Email Address:	david.eden@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

- Annual Report and Opinion of the Chief Internal Auditor

Background Papers:

The following background papers, which are not available elsewhere on the Internet can be accessed on the Council website:

- Internal Audit Plan 2020/2021 (as approved by this Committee on 16 September 2020)

1. Introduction/Background

- 1.1 During 2020/21, the Internal Audit Service delivered the Internal Audit Plan as approved by this Committee on 16 September 2020 which was subsequently amended and approved by Members in December 2020. During the early part of the financial year due to the March 2020 meeting not being quorate as the first effects of Covid-19 impacted on the Council the Internal Audit Team focused on the audits within the draft audit plan, which was due to be presented to the March meeting as well as emerging risks.
- 1.2 One of the key responsibilities of the Chief Internal Auditor is to provide an annual report that summarises the work undertaken during the preceding financial year, and to report an overall opinion on the robustness of the Council's control environment which has been derived from this work. This is necessary not only to meet the Public Sector Internal Audit Standards, but also to feed into the Annual

Governance Statement, and to provide members and officers of the Council with a clear view of the value added by this work and how this can shape the control environment of the Council in the future.

- 1.3 The report notes the significant impact of Covid-19 for the 2020/21 financial year on the opinion, through the delivery of the audit plan and discusses the potential effects the pandemic will have for the 2021/22 financial year on the delivery of the Annual Audit Plan.

2. Recommendation

- 2.1 Members are requested to:

Review and receive the work of internal audit during 2020/21 and the overall opinion on the control environment of the Council during that period