



OPEN REPORT

GOVERNANCE AND RESOURCES COMMITTEE

Governance and Resources 18th July 2024

Internal Audit Annual Report 2023/24

Report of the Director of Resources

Report Author and Contact Details

Jenny Williams – Head of the Internal Audit Consortium

Telephone: 01246 959770

Email: jenny.williams@chesterfield.gov.uk

Wards Affected

District Wide

Report Summary

The purpose of this report is to present the 2023/24 Internal Audit Annual Report for Derbyshire Dales District Council and the Head of Internal Audit's opinion on the adequacy of the Council's arrangements for governance, risk management and control.

The report enables the Governance and Resources Committee to obtain necessary assurances on the overall arrangements of governance, risk management and control systems.

Recommendation

That the 2023/24 Internal Audit Annual Report for Derbyshire Dales District Council and the overall assurance opinion on the Council's governance, risk management and control arrangements be accepted.

List of Appendices

Appendix 1 2023/24 Internal Audit Annual Report for Derbyshire Dales District Council

Background Papers

None

Consideration of report by Council or other committee

Not Required

Council Approval Required

No

Exempt from Press or Public

No

Internal Audit Annual Report

1. Background

- 1.1 The Public Sector Internal Audit Standards require that the Head of Internal Audit delivers an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement.

2. Report

- 2.1 The 2023/24 Internal Audit Annual Report that includes the 2023/24 audit opinion for Derbyshire Dales District Council is attached at Appendix 1.
- 2.2 The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and internal control. The work of internal audit over the year allows the Head of Internal Audit to form the annual internal audit opinion as required by the PSIAS.
- 2.3 The Head of Internal Audits opinion for 2023/24 set out in the attached annual report is that: -
- “Reasonable assurance can be provided on the overall adequacy and effectiveness of the council's framework for governance, risk management and control for the year ended 2023/24. Sufficient work has been completed and assurances ascertained to be able to provide an unlimited opinion on the systems of governance, risk management and control in place. This year 18 reports have been issued (5 substantial, 11 reasonable and 2 Limited assurance). Managers have either already implemented or are in the process of implementing the audit recommendations made”.
- 2.4 The annual report also provides a summary of the work undertaken by Internal Audit in 2023/24, information on the performance of the Internal Audit service, an assessment of conformance against the Public Sector Internal Auditing Standards and the results of the Quality Assurance and Improvement Programme (QAIP).

3 Options Considered and Recommended Proposal

- 3.1 N/A

4 Consultation

- 4.1 No public consultation is required.

5 Timetable for Implementation

- 5.1 N/A

6 Policy Implications

- 6.1 The Head of Internal Audits annual opinion helps to provide assurance that the council's resources and priorities are focused on achieving the objectives within

the council plan and that there are appropriate governance, risk and control arrangements in place.

7 Financial and Resource Implications

7.1 The annual report provides assurance to the Governance and Resources Committee on the governance, risk management and control arrangements in place.

8 Legal Advice and Implications

8.1 The core work of internal audit is derived from the statutory responsibility under the section 5 (1) of The Accounts and Audit Regulations 2015 requires the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account public sector internal auditing standards or guidance”.

8.2 Internal Audit provides a valuable service in reviewing procedures and processes against high standards of governance. Recommendations arising from specific reports help the organisation to learn, improve and mitigate risk. The legal risk associated with the recommended decision has been assess as low.

9 Equalities Implications

9.1 There are no equalities implications arising from this report.

10 Climate Change Implications

10.1 There are no climate change implications arising from this report.

11. Risk Management

11.1 The annual audit opinion provides assurance on the Council’s risk management arrangements.

Report Authorisation

Approvals obtained from: -

	Named Officer	Date
Chief Executive	Paul Wilson	10/07/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	10/07/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	08/07/2024