

Annual Report and Opinion 2019/20

Summary:

This report concludes on the Internal Audit Activity undertaken during 2019/20, it provides an Annual Opinion concerning the organisation's framework of governance, risk management and control and concludes on the Effectiveness of Internal Audit and provides key information for the Annual Governance Statement.

Conclusions:

On the basis of Internal Audit work performed during 2019/20, the Head of Internal Audit is able to give a reasonable (positive) opinion on the framework of governance, risk management and control at North Norfolk District Council.

Recommendations:

1. Receive and consider the contents of the Annual Report and Opinion of the Head of Internal Audit.
2. Note that a reasonable audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2020.
3. Note that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration, when developing and reviewing the Council's Annual Governance Statement for 2019/20.
4. Note the conclusions of the Review of the Effectiveness of Internal Audit.

Cabinet member(s):

All

Contact Officer, telephone number, and e-mail:

Ward(s) affected:

All

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1. Background

1.1. In line with the Public Sector Internal Audit Standards, which came into force from 1 April 2013; an annual opinion should be generated which concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control;

- A summary of the work that supports the opinion should be submitted;
- Reliance placed on other assurance providers should be recognised;
- Any qualifications to that opinion, together with the reason for qualification must be provided;
- There should be disclosure of any impairments or restriction to the scope of the opinion;
- There should be a comparison of actual audit work undertaken with planned work;
- The performance of internal audit against its performance measures and targets should be summarised; and,

- Any other issues considered relevant to the Annual Governance Statement should be recorded.

1.2. This report also contains conclusions on the Review of the Effectiveness of Internal Audit, which includes;

- The degree of conformance with the PSIAS and the results of any quality assurance and improvement programme;
- The outcomes of the performance indicators; and,
- The degree of compliance with CIPFA's Statement on the Role of the Head of Internal Audit.

2. Overall Position

2.1 The Annual Report and Opinion and the Review of the Effectiveness of Internal Audit are shown in the report attached.

3. Conclusion

3.1 On the basis of Internal Audit work performed during 2019/20, the Head of Internal Audit is able to give a **reasonable** opinion on the framework of governance, risk management and control at North Norfolk District Council.

3.2 The outcomes of the Effectiveness Review confirm that Internal Audit:

- Is compliant with the Public Sector Internal Audit Standards;
- Is continually monitoring performance and looking for ways to improve; and,
- Is compliant with CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations.

3.3 These findings therefore indicate that reliance can be placed on the opinions expressed by the Head of Internal Audit, which can then be used to inform the Council's Annual Governance Statement.

4. Recommendation

4.1 Consider and note the contents of the Annual Report and Opinion of the Head of Internal Audit.

4.2 Note that a **reasonable** audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2020.

4.3 Note that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration, when developing and reviewing the Council's Annual Governance Statement for 2019/20.

4.4 Note the conclusions of the Review of the Effectiveness of Internal Audit.

Appendices attached to this report:

Annual Report and Opinion 2019/20.