

Audit and Governance Committee

Date: 30th July 2021

Agenda No: 8

<p>Title of Report:</p>	<p>Annual Report on Internal Audit Activity 2020/21</p>
<p>Purpose of Report:</p>	<p>To provide the Committee with an Annual Report on Internal Audit Activity which fully meets the Head of Audit Risk Assurance’s annual reporting requirements, as set out in the Public Sector Internal Audit Standards (PSIAS) 2017.</p>
<p>Recommendations:</p>	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> ➤ Assess, from the findings set out in this Internal Audit Annual Report 2020/21, whether it can take reasonable assurance that the internal control environment, comprising risk management, control and governance is operating effectively; ➤ Note that the performance of Internal Audit meets the required standards; and ➤ Note the Council wide counter fraud activity during 2020/21 which includes the fraud reporting requirements as mandated by the Local Government Transparency Code 2015 (paragraph ref 7b).
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<p>Context</p>	<p>The Accounts and Audit Regulations 2015 state that ‘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’.</p> <p>GCC Financial Regulations C: Risk Management and Internal Control states that ‘The Chief Financial Officer is responsible for conducting a continuous internal audit in accordance with the Accounts and Audit Regulations 2015’.</p> <p>The Audit and Governance Committee’s role is to monitor the adequacy and effectiveness of the Internal Audit service.</p>

Key Risks

Failure to deliver an effective Internal Audit service will prevent an independent, objective assurance opinion from being provided to those charged with governance that the key risks associated with the achievement of the Council's objectives are being adequately controlled.