



**Audit and Standards Advisory  
Committee**  
7 June 2022

**Report from the Director of Legal,  
HR and Audit & Investigations**

**Internal Audit Annual Report 2021-22**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not applicable
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	One Appendix 1 – Internal Audit Annual Report
<b>Background Papers:</b>	None
<b>Contact Officer(s): (Name, Title, Contact Details)</b>	Darren Armstrong, Head of Audit and Investigations <a href="mailto:Darren.Armstrong@Brent.gov.uk">Darren.Armstrong@Brent.gov.uk</a> 020 8937 1751

**1. Purpose of Report**

- 1.1 This report outlines the work undertaken by Internal Audit in respect of delivery of the 2021-22 Internal Audit Plan.
- 1.2 The report is intended to support the Audit and Standards Advisory Committee in obtaining assurance that the Council has a sound framework of governance, risk management and internal control. It does this by summarising delivery of the Internal Audit plan, updating on the performance of the function, highlighting areas where high priority recommendations have been made and commenting on the level of implementation of audit recommendations by management.
- 1.3 The report also includes the Head of Internal Audit's annual opinion on the Council's system of internal control.

**2. Recommendation**

- 2.1. The Committee is asked to note the contents of the report.

**3. 2021-22 Internal Audit Annual Report**

- 3.1 The Accounts and Audit Regulations 2015 require the Council to undertake an internal audit of its control systems, taking into account the Public Sector 2

Internal Audit Standards<sup>2</sup> (PSIAS). These require the Head of Audit to deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The annual report must incorporate:

- the opinion;
- a summary of the work that supports the opinion, and
- a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

3.2 The Internal Audit Annual Report for 2021-22 is attached at Appendix 1, and covers the following sections:

- Role of Internal Audit – *page 2*
- Delivery of the 2021-22 Plan – *pages 2-6*
- Follow-up activity – *page 6*
- Head of Audit Opinion – *pages 6-8*
- Quality Assurance and Improvement Plan – *pages 8-10*
- Appendix A – Status and delivery of the 2021-22 Plan
- Appendix B – Summary of audits completed in Q4 2021-22
- Appendix C – Summary of follow-up activity

#### **4. Financial Implications**

The report is for noting and so there are no direct financial implications.

#### **5. Legal Implications**

All Local Authorities are required to make proper provision for Internal Audit in line with the 1972 Local Government Act and Accounts and Audit Regulations 2011 (as amended). The Public Sector Internal Audit Standards 2017, also require proper planning of audit work.

#### **6. Equality Implications**

None

#### **7. Consultation with Ward Members and Stakeholders**

None

**Report sign off:**

**Debra Norman**

Director of Legal HR Audit and Investigations