



Open Report on behalf of Andrew Crookham, Executive Director of Resources

Report to:	Audit Committee
Date:	19 June 2023
Subject:	Internal Audit Annual Report 2022/23

Summary:

This report shares the Head of Internal Audit's opinion on the adequacy of the Council's governance, risk and control environment and delivery of the internal audit plan for 2022/23.

Recommendation(s):

That the Committee:

1. Consider the content of the Head of Internal Audit Annual Opinion and Report and any actions it may wish to take.
2. Review the results of internal audit work and delivery of the internal audit plan, evaluating the overall effectiveness of the internal audit function in discharging its statutory responsibilities and meeting the Council's 'third line of defence' assurance needs.

Background

The Annual Internal Audit Report aims to present a summary of the audit work undertaken over the past year, in particular:

- Includes an opinion on the overall adequacy and effectiveness of the governance framework, the internal control system and the extent to which the Council can rely on it.
- Informs how the plan was discharged and outcomes of the work undertaken.
- Draw attention to any issues relevant to the Annual Governance Statement.

Assurances being sought by the Audit Committee:

- Gain an understanding of the level of assurances being provided by the Head of Internal Audit over the Council's governance, risk and internal control arrangements with supporting reasons.
- Consider how well the internal audit function has performed.

Conclusion

Annual Opinion

Our internal audit service continues to work with the Audit Committee and management to help the Council maintain effective governance, risk and control processes.

In forming this opinion, the Head of internal Audit has drawn upon other assurance intelligence in the Council.

Taking all information into account, the Head of Internal audit has made the following assessment (details to support this are included in appendix A).

Governance	Performing Well - No concerns that significantly affect the governance, risk and control framework and successful delivery of the Council priorities.
Risk	Performing Well - No concerns that significantly affect the governance, risk and control framework and successful delivery of the Council priorities.
Internal Control	Performing Adequately - Some improvement required to manage a high risk in a specific business area and medium risks across the Council.
Financial Control	Performing Well - No concerns that significantly affect the governance, risk and control framework and successful delivery of the Council priorities.

Consultation

Risks and Impact Analysis

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Internal Audit Annual Report 2022/2023

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge (HIA for 2022/23). The current HIA can be contacted on 07557 498932 or via claire.goodenough@lincolnshire.gov.uk.

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