

<b>SUBJECT:</b>	<b>ANNUAL INTERNAL AUDIT REPORT</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>JOHN SCOTT, AUDIT MANAGER</b>

## 1. Purpose of Report

- 1.1 To receive and comment upon the Annual Internal Audit Report

## 2. Executive Summary

- 2.1 The purpose of the annual internal audit report (Annex A) is to provide a summary of Internal Audit work undertaken during 2020/2021 timed to support the Annual Governance Statement by providing an opinion on the organisation's governance, risk management and internal control environment.

Overall our opinion in three areas, governance, risk and internal financial control, was working well: no concerns that significantly affect the governance framework and successful delivery of the Council priorities. Internal control was assessed as performing adequately – some improvements identified over the Council's Governance, Risk and Control framework. This included actions such as updating the IT security policy and associated guidance.

## 3. Annual Audit report

- 3.1 The Annual Internal Audit Report of City of Lincoln Council aims to present a summary of the audit work undertaken over the past year. In particular:
- Include an opinion on the overall adequacy of and effectiveness of the governance framework and internal control system and the extent to which the Council can rely on it;
  - Informs how the plan was discharged and of overall outcomes of the work undertaken;
  - Draws attention to any issues particularly relevant to the Annual Governance Statement.
- 3.2 In line with the corporate strategy responding to the pandemic, audit resources had been redeployed to deliver key services, supporting business and protecting the most vulnerable. This reduced the audit plan, however sufficient audit coverage across governance, risk and internal control was completed to issue an opinion in these areas. There were some areas of work that were deferred to 21-22, again mainly due to the impact of the pandemic. These are outlined in the annual report.

## 4. Organisational Impacts

- 4.1 Finance (including whole life costs where applicable)

There are no financial implications

4.2 Legal Implications including Procurement Rules

To ensure compliance with the Accounts and Audit regulations and Internal Audit standards an annual report should be produced

**5. Recommendation**

5.1 The Audit Committee should note the contents of the report and appendices

**Is this a key decision?** No

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** Two

**List of Background Papers:** None

**Lead Officer:** John Scott, Audit Manager  
Telephone (01522) 873321