

AGENDA NO.

**REPORT TO
AUDIT &
GOVERNANCE
COMMITTEE**

30 JUNE 2025

**REPORT OF
ASSURANCE
MANAGER**

INTERNAL AUDIT ANNUAL REPORT

SUMMARY

This is the annual report of the Head of Internal Audit as required by the Public Sector Internal Audit Standards (PSIAS). The report includes the Audit & Risk Manager's annual opinion on the overall adequacy and effectiveness of the Council's internal control and governance processes. As such it forms an integral part of the formulation of the Council's Annual Governance Statement.

This report encompasses the reporting requirements specified in Standard 2450 of the PSIAS.

RECOMMENDATIONS

It is recommended that:-

1. That the Audit Committee receives the Annual Internal Audit Report for 2024/25 incorporating the Head of Internal Audit's opinion on the Council's control environment and the performance of the Internal Audit Section.

DETAIL

Background

1. Internal Audit is an independent appraisal function established by the Council to objectively examine, evaluate and report on the adequacy of internal controls. This role ensures that there is proper economic, efficient and effective use of resources. It also ensures that the Council has adequate accounting records and control systems.

Current Position

2. The attached report shows the current position in respect of the progress against the 2024/2025 planned work and the results of the work that has been undertaken.
3. The audit opinion has been prepared based on the completed testing to date. A minimum level of coverage has been set for each planning period and for the 12 months May 2024 to June 2025 the minimum level of coverage was 328 controls, at the end of May 2025 testing had been completed on 332 controls therefore, the minimum level of coverage has been achieved to enable an overall opinion to be given.
4. The projected resources required for the next 12 months shows a positive balance and there are sufficient resources available to complete the current planned work.

FINANCIAL AND LEGAL IMPLICATIONS

None

RISK ASSESSMENT

The results of the work undertaken by Internal Audit can be used by managers to assess their risk exposure, recommendations are made where there is perceived to be unacceptable risk.

CONSULTATION

This report has been submitted to the Corporate Governance Group

Name of Contact Officer: Andrew Barber, Assurance Manager

Telephone No: 01642 526176

Email Address: andrew.barber@stockton.gov.uk

Background Papers:

Internal Audit Charter
Counter Fraud Strategy

Ward(s) and Ward Councillors:

None

Property Implications:

None