

Audit Committee – 27 June 2025

Annual Internal Audit Conclusion Report 2024-25

Purpose	For information
Classification	Public
Executive Summary	<p>In accordance with the Public Sector Internal Audit Standards and the Council's Internal Audit Charter, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of Council's framework of risk management, internal control and governance which can be used to inform the production of the Annual Governance Statement.</p> <p>The Annual Internal Audit Conclusion Report 2024-25 provides the Chief Internal Auditor's opinion on the effectiveness of the framework of governance, risk management and control and summarises audit work from which that opinion is derived.</p> <p>The Audit Committee's attention is drawn to the following points:-</p> <ul style="list-style-type: none">• Internal audit was compliant with the Public Sector Internal Audit Standards;• the internal audit plan has been substantially delivered; and• the Council's framework of governance, risk management and management control is considered to be 'Reasonable' and audit testing has demonstrated controls to be working in practice.
Recommendation(s)	The Audit Committee are requested to note the Annual Internal Audit Conclusion Report 2024-25.
Reasons for recommendation(s)	The Audit Committee has a responsibility to note the Annual Internal Conclusion in accordance with the Public Sector Internal Audit Standards.

Ward(s)	All Wards
Portfolio Holder(s)	Councillor Jeremy Heron – Finance and Corporate
Strategic Director(s)	Alan Bethune, Strategic Director of Corporate Resources and Transformation. S151 Officer
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Introduction and background

- Under the Accounts and Audit (England) Regulations 2015, the Council is responsible for:
 - ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of functions and includes arrangements for the management of risk; and
 - undertaking an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.
- In accordance with the Public Sector Internal Audit Standards and the Council's Internal Audit Charter, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of Council's framework of risk management, internal control and governance which can be used to inform the production of the Annual Governance Statement.
- The Annual Internal Audit Conclusion Report for 2024-25 (attached as Appendix A) provides the Chief Internal Auditor's opinion and summarises the audit work from which that opinion is derived.

Corporate plan priorities

4. The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively. The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

Options appraisal

5. No alternative options have been considered as this report is a requirement under relevant legislation and standards.

Consultation undertaken

6. This report has been discussed with the Executive Management Team.

Financial and resource implications

7. The audit plan consisted of 400 audit days including 18 audit days provided to the New Forest National Park Authority under the current Service Level Agreement. The Council's budget for 2024-25 reflected these arrangements.

Legal implications

8. There are no additional implications arising from this report.

Risk assessment

9. No formal risk assessment is required.

Environmental / Climate and nature implications

10. There are no additional implications arising from this report.

Equalities implications

11. There are no additional implications arising from this report.

Crime and disorder implications

12. There are no additional implications arising from this report.

Data protection / Information governance / ICT implications

13. There are no additional implications arising from this report.

Appendices:

Appendix A – Annual Internal Audit
Conclusion Report 2024-25

Background Papers:

Internal Audit Plan 2024-25
Internal Audit Charter 2024-25