

MIDDLESBROUGH COUNCIL	
------------------------------	--

Report of:	Head of Internal Audit, Veritau
Submitted to:	Audit Committee
Date:	25 June 2026
Title:	Head of Internal Audit Annual Report 2025/26
Report for:	Information
Status:	Public
Council Plan priority:	Delivering Best Value

Executive summary	
This report provides the committee with:	
<ul style="list-style-type: none">• A summary of internal audit work undertaken during 2025/26• An opinion on the Council's framework of governance, risk management and control	

1 Purpose

- 1.1 To provide the committee with a summary of internal audit work undertaken during 2025/26 and an opinion on the Council's framework of governance, risk management, and control.

2 Recommendations

- 2.1 That the Audit Committee
- Notes the results of internal audit work undertaken
 - Notes the opinion of the Head of Internal Audit on the adequacy and effectiveness of the Council's framework of governance, risk management and internal control
 - Notes the internal audit quality assurance and development arrangements and the confirmation that the internal audit service conforms with the Global Internal Audit Standards in the UK Public Sector which came into effect on 1 April 2025.

3 Background and relevant information

- 3.1 The work of internal audit is governed by the Global Internal Audit Standards in the UK Public Sector and the council's audit charter.
- 3.2 These standards require the Head of Internal Audit to bring an annual report to the Audit and Governance Committee. The report must include an opinion on the adequacy and effectiveness of the council's framework of governance, risk management and control.
- 3.3 To assist the committee in interpreting the annual report, it should also include:
- any qualifications to the opinion, together with the reasons for those qualifications (including any impairment to independence or objectivity)
 - any particular control weakness judged to be relevant to the preparation of the annual governance statement
 - a summary of work undertaken to support the opinion, including any reliance placed on the work of other assurance bodies
 - an overall summary of internal audit performance and outcomes from the internal audit service's quality assurance arrangements, including a statement on conformance to professional standards.

Head of Internal Audit report

- 3.4 To conform with professional standards and the Council's internal audit charter, the Head of Internal Audit must provide an opinion on the strength of the Council's framework of governance, risk management, and control. The annual opinion is a key source of independent assurance for the Council when preparing the Annual Governance Statement.
- 3.5 The opinion is contained in the Annual Report of the Head of Internal Audit included at appendix 1. The opinion of the Head of Internal Audit on the framework of governance, risk management and control operating at the Council is that it provides

Reasonable Assurance. The basis for the annual opinion is the body of internal audit work performed during 2025/26. A summary of internal audit work undertaken during the year, and relevant to the opinion, is also included in appendix 1.

3.6 In addition to providing an opinion, the Head of Internal Audit is also required to report on the outcomes of the internal audit service's quality assurance and development arrangements. This is to provide the committee with reassurance that work continues to conform to professional standards. Appendix 1 includes details of Veritau's quality assurance arrangements and confirms its conformance to the Global Internal Audit Standards in the UK Public Sector during 2025/26.

4 Other potential alternative(s) and why these have not been recommended

4.1 This report is for information. There are no other options available.

5 Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	There are no specific impacts or implications.
Legal	There are no specific impacts or implications.
Risk	There are no specific impacts or implications.
Human Rights, Public Sector Equality Duty and Community Cohesion	There are no specific impacts or implications.
Climate Change / Environmental	There are no specific impacts or implications.
Children and Young People Cared for by the Authority and Care Leavers	There are no specific impacts or implications.
Data Protection	There are no specific impacts or implications.

Appendices

1	Head of Internal Audit Annual Report 2025/26
---	--

Contact: Stuart Cutts
Email: stuart.cutts@veritau.co.uk