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OXFORD CITY COUNCIL

To:	**Audit and Governance Committee**
Date:	7 July 2026
Report of:	Alistair Rush, Interim Group Finance Director (Section 151 Officer)
Title of Report:	Approval of the Internal Audit Annual Opinion 2025-2026

Summary and recommendations	
Decision being taken:	For the Committee to approve the Internal Audit Annual Opinion from the Council's Internal Auditor, BDO
Key decision:	No
Cabinet Member:	N/A
Corporate Priority:	A Well Run Council
Policy Framework:	None.

Recommendation(s): That the Audit and Governance Committee resolves to:
1. **Approve** the Internal Audit Annual Opinion for 2025-2026;

Information Exempt from Publication
N/A

Appendix No.	Appendix Title	Exempt from Publication
Appendix 1	Internal Audit Annual Opinion 2025-2026	No

Introduction and background

1. The Audit and Governance Committee is required to approve the Annual Opinion from the Council's Internal Auditor, BDO, as set out at Appendix 1 to the report.
2. The Annual Opinion considers the internal audit reports taken to the Audit and Governance Committee for the municipal year for 2025-2026 and provides an overall opinion about the operation of the internal control systems within Oxford City Council.

Legislative Requirements

3. The Global Internal Audit Standards (GIAS) came into effect from 2025, which replaced the existing PSIAS (Public Sector Internal Audit Standards), the mandatory elements of which are the basis for the current UK public sector internal auditing standards.
4. In response to the new GIAS, The Chartered Institute of Public Finance and Accountancy (CIPFA) have issued an Application Note which forms the basis of UK public sector internal audit effective from 1 April 2025. The effective date aligns the new standards with requirements for annual opinions and other relevant aspects of UK public sector governance which align with the financial year.
5. Following an amendment of the Council's Constitution in May 2026, the board, specified within the GIAS, has been designated as the Council's Audit & Governance Committee.

Alternative Options Considered

6. The Committee could choose not to approve the Internal Audit Opinion for 2025-2026 if there were material concerns about its accuracy, however this is unlikely since it is prepared by the council's independent internal auditors, who have delivered the approved internal audit plan for 2025-2026. The internal audit annual opinion provides an evidence based, overarching level of assurance in relation to the council's internal control system.

Implications of Local Government Reorganisation

7. This decision has no impact ahead of Local Government Reorganisation, the Council will be operating at least until May 2028.
8. Future Internal Audit Annual Opinions will be subject to the new unitary authority's processes and would be approved by a new committee with similar powers and responsibilities.

Financial implications

9. There are no direct financial implications arising from this report, whilst any actions arising from the report's findings will be delivered within existing budgets and resources.

Legal issues

10. The issues relevant are covered within the body of the report. The approval of the Annual Audit Opinion is a matter for Committee. (EJ/81313/3.6.26)

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Background Papers: None

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