

Audit, Governance and Standards Committee

30 March 2021

INTERNAL AUDIT AND COUNTER FRAUD PROGRESS REPORT 2020/21

Report of Corporate Director, Resources (s151 Officer)

**All Wards
Key Decision N**

1.0 Purpose of Report

- 1.1 The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards.
- 1.2 The Audit, Governance and Standards Committee approved the internal audit and counter fraud plans for 2020/21 at its meeting held on the 20 July 2020. This plan was amended at the meeting on 29 September 2021 because of the impact of the Covid pandemic. The purpose of this report is to inform members of the progress made to date in delivering internal audit and counter fraud work.

2.0 Decisions Sought

- 2.1 The Audit, Governance and Standards Committee is asked to consider the work undertaken by internal audit and the counter fraud team to date.

3.0 Link to Corporate Priorities

- 3.1 This reports links to the council priority of being a 'Fit for Purpose' council.

4.0 Internal Audit and Counter Fraud Progress Report

- 4.1 The reports enclosed in **Annexes 1 and 2** summarise internal audit and counter fraud work undertaken in 2020/21, respectively.
- 4.2 This is the second progress report to be received by the committee covering 2020/21 audit work. Progress on planned work has been restricted due to the Covid-19 pandemic. Audit work in some areas has been delayed allowing key officers within the Council to concentrate on the response to the pandemic. In the period to 28 February 2021 work has commenced on 11 audits, although no audits have been issued in draft at this stage. We have cancelled 2 audits from the plan following requests from service managers and these audits will be included in the 2021/21 plan of work. The remaining two audits to be completed will commence in March 2021. Continued assistance and prioritisation by officers from now until the end of April 2021 is essential to help us complete our plan of work.
- 4.3 Counter fraud work has been disrupted by the Covid-19 pandemic; however the team continues to address new and existing fraud issues for the Council. The team are currently involved in a post-payment assurance exercise, requested by central government, examining Covid-19 related payments made during the first period of

lockdown. **Annex 2** provides more detail and a summary of the work undertaken so far in 2020/21.

5.0 Recommendations

5.1 It is recommended that the progress on the delivery of the audit and counter fraud plans is noted.

6.0 Corporate Implications

Scrutiny Consultation	Not applicable
Community Engagement	None
Environment & Sustainability	Not applicable
Financial Implications	Failure to prevent and detect fraudulent activity will lead to additional cost to the council, and the possibility that the final accounts are not approved by the council's external auditors.
Legal Implications	There are no legal implications associated with report but the council has a duty to protect the public purse.
Risk Implications	There are no major risks associated with this report.
Human Resource Implications	None
Equalities Implications	None
Health & Safety Implications	None

7.0 Further Information

7.1 Background Papers – 2020/21 Internal Audit and Counter Fraud Plans
Public Sector Internal Audit Standards
Audit Charter

7.2 File Reference – None/Reference

7.3 Appendices - **Appendix 1** – Internal Audit Progress Report 2020/21
- **Appendix 2** – Counter Fraud Progress Report 2020/21

Contact Officers: Ian Morton, Assistant Director – Audit Assurance (Veritau)
Jonathan Dodsworth, Assistant Director – Counter Fraud (Veritau)

Email/Extension: Ian.Morton@veritau.co.uk
Jonathan.Dodsworth@veritau.co.uk