

NORTH YORKSHIRE COUNCIL

AUDIT COMMITTEE

16 MARCH 2026

INTERNAL AUDIT AND COUNTER FRAUD PROGRESS REPORT

1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the progress made to date in delivering the 2025/26 internal audit programme of work, and the other related services provided to the Council by Veritau (information governance and counter fraud).

2.0 BACKGROUND

- 2.1 The work of internal audit in local government is governed by the Global Internal Audit Standards in the UK Public Sector. These comprise the Institute of Internal Auditors' Global Internal Audit Standards (GIAS) and the Application Note: Global Internal Audit Standards in the UK Public Sector. The new standards came into effect on 1 April 2025
- 2.2 In accordance with these standards, periodic reports on internal audit work are presented to the Audit Committee. These reports will highlight any emerging significant risks and/or control issues.

3.0 PROGRESS

Internal Audit

- 3.1 The 2025/26 internal audit work programme was approved by this Committee at its meeting on 17 March 2025.
- 3.2 **Annex 1** to this report provides an update on the progress made in the period to 20 February 2026, to complete the work programme. The annex includes details of completed audits and work in progress.
- 3.3 Five audits have been finalised since our last report to the Committee. Two audits are at draft report stage, and fieldwork has been completed for a further three audits. Nineteen audits are in progress with a number of these nearing the final stages of fieldwork at the time of writing this report.

Counter Fraud

- 3.5 The Council engages Veritau to deliver a counter fraud service. The service helps to mitigate fraud risk. The service also investigates suspected fraud and takes appropriate action when it is detected. **Annex 2** provides a report on the range of counter fraud activity conducted in the year to date.

- 3.6 Investigative work has helped the Council to achieve £237k in savings in 2025/26 to date. The counter fraud team has received 470 reports of potential fraud and reviewed each to determine the appropriate course of action. In total, 71 investigations have been completed.

Information Governance

- 3.7 Veritau's Information Governance Team (IGT) continues to handle a significant number of information requests received in accordance with the Freedom of Information Act 2000 (FOI) and Data Protection Act 2018 (DPA). The number of FOI requests received in the 10 months to 31 January 2026 is 1,906 compared with 1,667 received during the corresponding period in 2024/25 (a 14% increase). The number of requests received in 2025/26 and answered within 20 working days is currently 81% (2024/25 – 81%). The IGT also coordinates the Council's subject access requests (SARs) and has received 430 such requests between 1 April 2025 and 31 January 2026 compared to 350 requests received during the corresponding period in 2024/25 (a 23% increase).
- 3.8 Veritau acts as the Council's Data Protection Officer and provides advice and support to the Council on all aspects of data protection. The IGT also reviews compliance with the legislation and liaises with the regulator, the Information Commissioner's Office (ICO). Other work includes reviewing data protection impact assessments, preparing data sharing agreements, recording data security incidents and investigating serious data security incidents. Further details about the work of the IGT will be included in the annual information governance report.

4.0 IMPLICATIONS

- 4.1 This report is for information only. There are no local member, financial, human resources, legal, equalities or climate change implications.

5.0 RECOMMENDATIONS

- 5.1 Members are asked to note the progress made in delivering the 2025/26 Internal Audit programme of work and the other assurance-related services provided by Veritau.

MAX THOMAS
Chief Executive - Veritau

Report prepared by Stuart Cutts and Daniel Clubb, and presented by Max Thomas, Chief Executive – Veritau.

Veritau - Assurance Services for the Public Sector
County Hall
Northallerton

5 March 2026