

Internal audit & counter fraud plans 2022/23

Summary

- 1 This report seeks the committee's approval for the planned programme of internal audit work to be undertaken in 2022/23. It also includes the proposed plan for counter fraud work, for information.

Background

- 2 The council's internal audit service has to comply with the Public Sector Internal Audit Standards, and the council's own Internal Audit Charter. The standards and charter require that the Head of Internal Audit gives an annual opinion on the adequacy and effectiveness of the council's framework of governance, risk management, and control. The basis for the opinion is the programme of work that internal audit carries out. An indicative risk based audit work programme is drawn up at the start of each year, setting out proposed priorities for audit work over the coming twelve months. The work programme will be revisited and updated throughout the year, to ensure it remains aligned with current risks and priorities.
- 3 The work programme is required to be approved by this committee as part of its responsibility for overseeing the work of internal audit. This report seeks approval for the outline programme of internal audit work for 2022/23.
- 4 In addition to internal audit, Veritau also provides the council with specialist counter fraud services. While formal approval of the counter fraud plan is not required, the proposed areas of work are set out in this report for the committee's information.

2022/23 Internal Audit Plan

- 5 The internal audit programme in annex 1 outlines priorities for work in 2022/23. It includes proposed areas of audit coverage and is based on a risk assessment undertaken by Veritau. The work programme is also informed by discussions with senior officers and members, risk management arrangements, and by plans for development and change within the council. The internal audit work programme is a flexible working document and variations will be made throughout the year to reflect changes in risks and priorities, and to address any issues that arise.
- 6 Total planned internal audit days for 2022/23 are 1,023. This is a reduction of 72 days from 2021/22, and is due to the council's budget savings. The reduction is not expected to impact on the ability of internal audit to deliver its annual opinion.

2020/23 Counter Fraud Plan

- 7 Proposed areas of counter fraud work for 2022/23 are set out in annex 2. No estimate of time is made for each area as this will depend on levels of suspected fraud reported to the team. Reactive investigations (determined by allegations of fraud received) account for the largest proportion of work. Priorities for work in the remaining areas will be determined in accordance with the council's Counter Fraud Strategy and Counter Fraud Risk Assessment (last reported to the committee in January 2022).
- 8 Total planned days for 2022/23 are 983 – the same as for 2021/22.

Consultation

- 9 In preparing the audit and counter fraud plans consultation takes place with the Audit and Governance Committee and key officers across the council.

Options

- 10 Not relevant for the purpose of the report.

Analysis

11 Not relevant for the purpose of the report.

Council Plan

12 The work of internal audit and counter fraud supports overall aims and priorities by promoting probity, integrity and accountability and by helping to make the council a more effective organisation.

Implications

13 There are no implications to this report in relation to:

- **Finance**
- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**

Risk Management Assessment

14 The council's internal audit service will not meet the requirements of the Public Sector Internal Audit Standards if the internal audit plan is not approved by the committee.

Recommendation

15 Members are asked to

- approve the 2022/23 internal audit plan and note the proposed counter fraud plan.

Reason

In accordance with the committee's responsibility for overseeing the work of internal audit and the counter fraud service.

Contact Details

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**Report
Approved**



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Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All

For further information please contact the author of the report

Background Papers

Annexes

Annex 1 – 2022/23 Internal Audit Work Programme
Annex 2 – 2022/23 Counter Fraud Plan