

**Audit, Counter Fraud & Information Governance Monitoring Report**

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**Summary**

- 1 This report provides an update on progress made in delivering the internal audit workplan for 2011/12 and on current counter fraud and information governance activity.

**Background**

- 2 The work of internal audit is governed by the Accounts and Audit Regulations 2011 and the CIPFA Code of Practice for Internal Audit in Local Government. In accordance with the code of practice, the 2011/12 audit and fraud plan was approved by the Audit and Governance Committee on 19 April 2011. The plan included a programme of audit reviews, together with details of planned counter fraud and information governance activities.
- 3 It was also recognised that changes might need to be made to the audit plan through the year as a result of new or changed priorities and/or if new risks were identified. To reflect the contractual relationship between the council and Veritau, all proposed variations to the agreed audit plan arising as a result of emerging issues and/or requests from management are subject to a change control process. Where the variation exceeds 5 days then the change must be authorised by the Assistant Director - Financial Services who is the client manager for the service. All agreed variations are subsequently communicated to the Audit and Governance Committee for information.

## **2011/12 Internal Audit Plan – Progress to Date**

- 4 Two of the priorities for Veritau are to deliver at least 93% of the audit plan and to ensure that the service continues to operate to recognised professional standards (as determined by the Code of Practice).
- 5 Internal audit successfully delivered 95.3% of the 2010/11 audit plan. To date, 25.3% of the 2011/12 audit plan has been completed (compared to 20% at the same point last year). This figure is based on reports issued and does not take into account further audit fieldwork which has been completed. It is anticipated that the 93% target will be exceeded by the end of April 2012 (the cut off point for 2011/12 audits). Details of the audits completed and reports issued since the last report to this committee in June 2011 are given in annex 1.
- 6 As noted in paragraph 3 above, it has been necessary to make a number of variations to the audit plan. Details of the audit plan variations approved by the client manager since the beginning of the year are given in annex 2.

## **Counter Fraud**

- 7 Counter fraud work has been undertaken in accordance with the approved plan. Annex 3 provides details of the investigations completed to date and provides a summary of the work undertaken.

## **Information Governance**

- 8 The team provides ongoing support and advice to service departments in managing information governance issues. This includes measures to reduce the risk of data security breaches.
- 9 So far this year (to 31 August) the team has tracked 376 Freedom of Information requests, up from 273 in the same period last year (a 38% increase).

## **Breaches of Financial Regulations**

- 10 There have been no significant breaches of the council's financial regulations identified since the last report to this committee in June. However, a number of relatively minor

breaches have been noted. Details of these breaches are summarised in annex 4.

### **Consultation**

- 11 Not relevant for the purpose of the report.

### **Options**

- 12 Not relevant for the purpose of the report.

### **Analysis**

- 13 Not relevant for the purpose of the report.

### **Corporate Priorities**

- 14 This report contributes to the council's overall aims and priorities by helping to ensure probity, integrity and honesty in everything we do. In doing so it contributes to the corporate objective of making the council an effective organisation.

### **Implications**

- 15 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**

- 16 The council will fail to properly comply with the CIPFA Code of Practice for Internal Audit in Local Government if the results of audit work are not reported to those charged with governance.

### **Recommendation**

- 17 Members are asked to:

- (a) Note the progress made in delivering the 2011/12 internal audit work programme, and current counter fraud and information governance activity.

Reason

*To enable members to consider the implications of audit and fraud findings.*

- (b) Note the variations to the 2011/12 audit plan as set out in annex 2.

Reason

*To enable members to consider the delivery of the internal audit plan.*

## Contact Details

**Author:**

Max Thomas  
Head of Internal Audit  
Veritau Limited  
01904 552940

**Chief Officer Responsible for the report:**

Keith Best  
Assistant Director, Financial Services  
Telephone: 01904 551745

**Report  
Approved**



**Date** 15/9/11  
**e**

## **Specialist Implications Officers**

Not applicable

**Wards Affected:** Not applicable



**For further information please contact the author of the report**

## **Background Papers**

- 2011/12 Internal Audit & Counter Fraud Plan

## **Annexes**

Annex 1 – 2011/12 Audits Completed and Reports Issued

Annex 2 – Variations to the 2011/12 Audit Plan

Annex 3 – Counter Fraud Activity

Annex 4 – Summary of Breaches of Financial Regulations