

Report of:	Head of Internal Audit, Veritau
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Submitted to:	Corporate Affairs and Audit Committee
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Date:	6 October 2023
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Title:	Internal audit and counter fraud progress report
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Report for:	Information
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Status:	Public
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Strategic priority:	All
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Key decision:	No
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Why:	Not applicable
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Urgent:	No
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Why:	Not applicable
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Executive summary

This report provides the committee with an update on internal audit and counter fraud work undertaken.

Purpose

1. To provide Members with an update on the delivery of internal audit and counter fraud work and on reports issued and other work completed since the last update report to this committee.

Background and relevant information

2. Internal audit provide independent and objective assurance and advice on the Council's operations. It helps the organisation to achieve overall objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk management, control and governance processes.
3. The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. These include the Public Sector Internal Audit Standards (PSIAS), CIPFA guidance on the application of those standards in Local Government and the CIPFA Statement on the role of the Head of Internal Audit.
4. Fraud is a significant risk to the public sector. Annual losses are estimated as being as high as £58 billion in the United Kingdom. Veritau are engaged to deliver a counter fraud service for Middlesbrough Council. The service helps the Council to mitigate fraud risks and to take appropriate action where fraud is suspected.
5. The purpose of this report is to provide an update on internal audit and counter fraud work carried out in 2023/24. The Council's internal audit and counter fraud work programmes were approved by this Committee in June 2023.

Internal Audit Progress report

6. The internal audit progress report is contained in appendix 1. This includes a summary of current work in progress, internal audit priorities for the year, completed work, and follow-up of previously agreed audit actions.

Counter Fraud Progress report

7. The counter fraud progress report is contained in appendix 2. A range of work is detailed including activity to promote awareness of fraud, work with external agencies, and information on the level of fraud reported to date.

What decision(s) are being recommended?

That the Corporate Affairs and Audit Committee:

- Notes the latest update on internal audit and counter fraud work.

Rationale for the recommended decision(s)

8. Internal audit professional standards require that progress in delivering internal audit work, and the findings and outcomes from audit work are reported to the committee.

Other potential decision(s) and why these have not been recommended

9. This report is for information. There are no other options available.

Impact(s) of the recommended decision(s)

Legal

10. There are no specific impacts or implications.

Strategic priorities and risks

11. There are no specific impacts or implications.

Human Rights, Equality and Data Protection

12. There are no specific impacts or implications.

Financial

13. There are no specific impacts or implications.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
n/a	n/a	n/a

Appendices

1	Internal audit progress report October 2023
2	Counter fraud progress report October 2023

Background papers

Body	Report title	Date
n/a	n/a	n/a

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