

Classification: Part A

Key Decision: No

Gravesham Borough Council

Report to: Finance & Audit Committee

Date: 13 March 2018

Reporting officer: James Larkin, Head of Audit & Counter Fraud Shared Service
(Chief Audit Executive)

Subject: Audit & Counter Fraud 2018-19 Work Plan

Purpose and summary of report:

To present for approval the Audit & Counter Fraud 2018-19 Plan for Gravesham.

Recommendations:

Members approve the Audit & Counter Fraud 2018-19 Plan for Gravesham presented at Appendix 2.

1. Background

- 1.1 The Public Sector Internal Audit Standards (Standards) require that: *The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.* A risk based plan has been prepared for the authority to meet this requirement. Since 1 March 2016 the council's internal audit activity has been delivered by the Audit & Counter Fraud Shared Service with Medway Council.

2. Review of the Charter

- 2.1 The plan has been prepared in line with the requirements of the Standards and is based on a risk assessment to ensure the team's resources are directed to the highest areas of risk. This assessment includes;
- 2.1.1 Review of the council's priorities as set out in the Corporate Plan 2015-19,
 - 2.1.2 Review of the council's key risks as set out in the Corporate Risk Register,
 - 2.1.3 Review of the council's financial plans and budgets,
 - 2.1.4 Review of service plans and service risk registers,
 - 2.1.5 The results of previous internal audit work (including the results of the follow up process) and other sources of assurance to the council,

- 2.1.6 The results of a horizon scanning exercise to identify local and national issues and risks,
- 2.1.7 Identification and risk assessment of those activities key to the delivery of the council's priorities and the management of its identified risks,
- 2.2 This risk assessment is matched to the resources available in the team to produce the plan presented at Appendix 2.

3. Reporting against the Audit & Counter Fraud Plan

- 3.1 The Audit & Counter Fraud Team report to Management Team and the Finance & Audit Committee on a quarterly basis, providing details of the team's outputs, findings and performance against agreed indicators.
- 3.2 In addition, the Audit & Counter Fraud Plan will be subject to a quarterly review to ensure that it continues to reflect the best use of the available resources. As such, it will be possible to revise the plan to add work on new/emerging risks and issues as they arise.

4. BACKGROUND PAPERS

- 4.1 Nil

IMPLICATIONS		APPENDIX 1	
Legal	The Accounts & Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. The Section 151 Officer of a local authority is responsible for establishing the internal audit service. Gravesham Borough Council has delegated this responsibility to the Section 151 Officer of Medway Council to deliver internal audit services through the Shared Service to both authorities. The Public Sector Internal Audit Standards are supported by CIPFA's Local Government Application Note to the Public Sector Internal Audit Standards.		
Finance and Value for Money	An adequate and effective internal audit function provides the council with assurance on the proper, economic, efficient and effective use of council resources in delivery of services, as well as helping to identify fraud and error that could have an adverse effect on the financial statements of the council.		
Risk Assessment	The Public Sector Internal Audit Standards require that: The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals. The Audit & Counter Fraud Plan is intended to ensure that the work of the team is effectively directed and is in line with the organisation's goals. Member approval of the plan ensures the status of the plan is maintained.		
Equality Impact Assessment	Screening for Equality Impacts		
	Question	Answer	Explanation
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	No impact
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	No impact
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		N/A
<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>			

Corporate Business Plan	The work of the Audit & Counter Fraud Team supports the council in achieving all of its objectives set out in the Corporate Business Plan but is particularly relevant to Objective 4: Sound & self-sufficient council.
Crime and Disorder	The Audit & Counter Fraud Team provides an independent and objective opinion to the organisation on the control environment, by evaluating its effectiveness in achieving the organisations' objectives. The work of the team combined with a sound internal control environment has a positive contribution to community safety in its broadest sense.
Information Governance	There are no direct digital or website implications to this report.
Safeguarding	There are no direct safeguarding implications to this report.