

**Agenda Item 5**  
**AGS/20/22**

<b>Report title:</b> Update on audit recommendation on Personal Budgets, Families (Direct Payments)	
<b>Report to:</b> Audit, Governance and Standards Committee	
<b>Report author:</b> Paul Turner, Director, Legal and Assurance	
<b>Date:</b> 27 June 2022	<b>For:</b> Discussion
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<b>County Divisions affected:</b> All Essex	

**1. Everyone's Essex**

- 1.1 The Audit Governance and Standards Committee has a role to maintain oversight and to monitor the effectiveness of internal controls, governance and risk management arrangements as well as the work of Internal Audit.
- 1.2 This report provides the Committee with the current position regarding activity in relation to the outstanding audit recommendation on Personal Budgets, Families (Direct Payments). Gaye Cole, Director Local Delivery (Children and Families) has been invited to the committee to provide an update.

**2. Recommendations**

- 2.1 That the progress in relation to the audit recommendation on Personal Budgets, Families (Direct Payments) be noted.

**3. Background**

- 3.1 At the March 2022 meeting of the Committee it was reported that there was an outstanding Major audit recommendation on 'Personal Budgets, Families (Direct Payments)' which was over a year since the target completion date.

**4. Links to our Strategic Ambitions**

- 4.1 Internal Audit and Counter Fraud activity is critical in ensuring that the Council successfully mitigates its risks in all areas of work and that the public purse is protected to ensure that available resources reach those most in need.

## **5. Financial implications**

- 5.1 It is important to implement internal audit recommendations in order to ensure that our risks, including financial risks are managed.

## **6. Legal implications**

- 6.1 Internal Audit is a key way in which councillors can be assured that the Council is using its resources effectively and that the Council is discharging its fiduciary duties concerning taxpayers' money. It helps services to design systems which have appropriate controls and also helps identify and respond to breaches if they occur.
- 6.2 The Accounts and Audit Regulations 2015 require the authority to have adequate systems of internal control and internal audit is a way of demonstrating this.

## **7. Equality and Diversity Considerations**

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
  - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The equality impact assessment indicates that this report will not have a disproportionately adverse impact on any people with a particular characteristic.