

Report title: Internal Audit and Counter Fraud Plan 2022/23	
Report to: Audit, Governance and Standards Committee	
Report author: Paula Clowes, Head of Assurance	
Date: 21 March 2022	For: Approval
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County Divisions affected: All Essex	

1. Everyone's Essex

- 1.1 The Council is required under the Accounts and Audit Regulations 2015 to maintain an adequate and effective system of internal audit. The Internal Audit and Counter Fraud Team provide independent and objective assurance that the system of governance, risk management and control is operating effectively to ensure that the council remains resilient and critical services are delivered effectively and efficiently.
- 1.2 The full Internal Audit and Counter Fraud plan is attached at Appendix A.

2. Recommendations

- 2.1 That the 2022/23 Internal Audit and Counter Fraud Plan be approved in the form annexed to the report.

3. Background

- 3.1.1 The proposed activity of the Internal Audit and Counter Fraud Service is captured in an annual plan (see Appendix 1). Coverage within the plan, combined with other sources of assurance, should be sufficient to enable the Head of Assurance in her capacity as the chief audit executive to provide the Audit, Governance and Standards Committee with an independent, objective, and evidence based opinion on the overall adequacy and effectiveness of the Council's system of internal control. The planned coverage will also inform the Council's Annual Governance Statement.
- 3.1.2 The Internal Audit and Counter Fraud Plan for 2022/23 is fully risk based and to ensure it is appropriately focussed we have considered the following
 - Risk Registers, including the ECC Strategic Risk Register
 - Key Documents, including the organisational strategy Everyone's Essex, operational business plans, budgets and savings targets, programmes and projects and future known commercial activity.

- External Horizon Scanning such as guidance produced by CIPFA and the Institute of Internal Auditors
- Other sources of Assurance

3.1.3 The proposed audits are broken down by Function in a 'plan on page summary' and in-depth explanations regarding audit coverage are also provided.

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4. Links to our Strategic Ambitions

4.1 Internal Audit and Counter Fraud activity is critical in ensuring that the Council successfully controls its risks in all areas of work and that the public purse is protected to ensure that available resources reach those most in need. This report links to the following aims in the Essex Vision.

- Enjoy life into old age
- Provide an equal foundation for every child
- Strengthen communities through participation
- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone

4.2 This report links to the following strategic priorities in 'Everyone's Essex':

- A strong, inclusive and sustainable economy
- A high quality environment
- Health wellbeing and independence for all ages
- A good place for children and families to grow

5. Financial implications

5.1 There are no financial implications as the Internal Audit and Counter Fraud activity 2021/22 will be met within existing resources.

6. Legal implications

6.1.1 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. This report seeks to update the Audit, Governance and Standards Committee on the activities of the Council's Internal Audit and Counter Fraud service for the purposes of providing further assurance.

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.

8 List of Appendices

Appendix A - Internal Audit and Counter Fraud Plan 2022/2023.

9 List of Background papers

Strategic Risk Register
Internal Audit reports