

Brighton & Hove City Council

Audit & Standards Committee

Agenda Item 49

Subject: Internal Audit and Counter Fraud Quarter 3 Progress Report 2022/23

Date of meeting: 18th April 2023

Report of: Executive Director Governance, People and Resources

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 The purpose of this report is to provide Members with an update on all internal audit and counter fraud activity completed during quarter 3 (2022/23), including a summary of all key audit findings. The report also includes an update on the performance of the Internal Audit Service during the period.

2. Recommendations

2.1 That the Committee note the report.

3. Context and background information

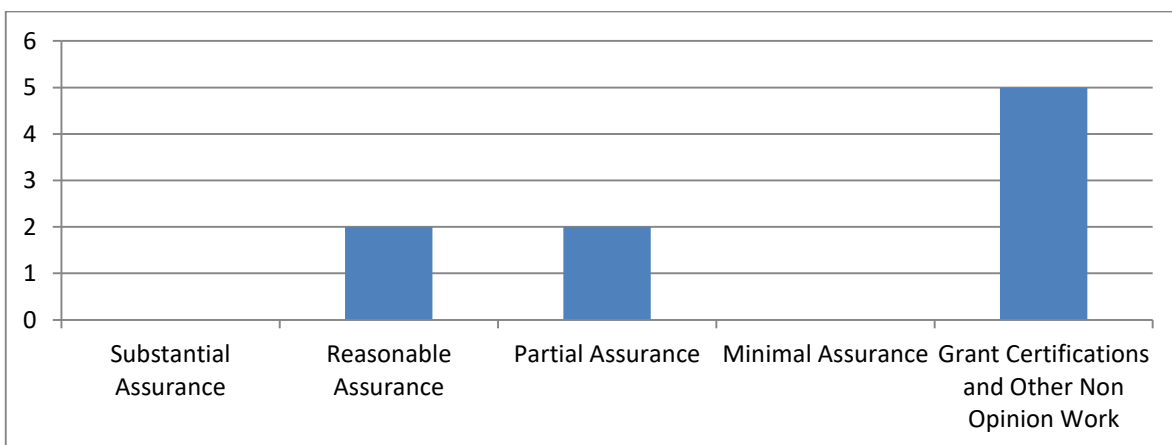
3.1 The current annual plan for internal audit is contained within the Internal Audit Strategy and Annual Plan 2022/23 which was approved by the Audit and Standards Committee on 19 April 2022.

3.2 This report provides an update on progress against that plan and includes a narrative summary of all audits that have been finalised during the quarter as well as details of counter fraud and other activity delivered during the period.

4. Analysis and consideration of alternative options

4.1 Full details of both the audit and non-audit work delivered during quarter 3 are detailed in Appendix 1, together with our progress against our performance targets.

- 4.2 The opinions given are summarised in the chart below. There were two partial assurance and two reasonable assurance reports finalised during the quarter. In addition, there were three grant certifications, which have been included under the category “Grant Certifications and Non-Opinion work”.
- 4.3 Due to the timing of the end of this quarter and the availability of officers to deal with requests for information, some delays have been experienced in finalising audit reports. It should, however, be noted that at the end of quarter 3, five audit reports had been issued as draft that will be reported within the quarter 4 progress report.
- 4.4 Internal Audit resources have also been utilised in providing ongoing advice and support to the replacement of the back-office systems (ERP) and the housing repairs works management system programmes.



5. Community engagement and consultation

- 5.1 The annual report has been informed by internal audit and counter fraud work carried out during the year which has included extensive engagement with officers and members.

6. Conclusion

- 6.1 The Committee is asked to note the report.

7. Financial implications

- 7.1 It is expected that the Internal Audit Annual Plan 2022/23 will be delivered within existing budgetary resources. Progress against the plan and action taken in line with actions support the robustness and resilience of the council’s practices and procedures in support of the council’s overall financial position.

Name of finance officer consulted: James Hengeveld Date consulted 28/03/2023

8. Legal implications

- 8.1 The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Audit Standards. It is an important part of the Audit and Standards Committee's role to review the level of work completed and planned by the Council's internal audit function.

Name of lawyer consulted: Victoria Simpson Date consulted 21.3.23

9. Equalities implications

- 9.1 There are no direct equalities implications.

10. Sustainability implications

- 10.1 There are no sustainability implications.

11. Other Implications

- 11.1 There are no other implications.

Supporting Documentation

1. Appendices

1. Internal Audit and Counter Fraud Quarter 3 Progress Report

