

# ***Report to the Audit and Governance Committee***



**Epping Forest  
District Council**

***Report reference:***

***Date of meeting: 29 September 2022***

**Portfolio: Leader of the Council**

**Subject: Internal Audit Monitoring Report September 2022**

**Responsible Officer: Sarah Marsh (01992 564446).**

**Democratic Services: Laura Kirman (01992 564243)**

## **Recommendations/Decisions Required:**

- (1) The Committee notes the summary of the work of Internal Audit and the Corporate Fraud Team for the period June to September 2022**

## **Executive Summary:**

This report updates Members on the work completed by Internal Audit and the Corporate Fraud Team since the June 2022 Audit and Governance Committee and provides the current position in relation to overdue recommendations.

## **Reasons for Proposed Decision:**

Monitoring report as required by the Audit and Governance Committee Terms of Reference.

## **Other Options for Action:**

No other options.

## **Report:**

### **2022/23 Internal Audit Plan**

- Progress is being made on the 2022/23 Audit Plan as shown in Appendix 1.
- Three audits have been added to the Audit Plan as detailed below:
  - Safes- requested by the S151 Officer to ensure the Council holds an accurate record of safes, and assets held within them are fully insured
  - Right to Buy (RTB) - to review the RTB conveyancing processes to ensure they have been properly carried out
  - Agency Staff- requested by Senior Leadership Team to ensure there is appropriate

oversight of agency workers and consultants procured by the Council.

- No final reports have been issued since the Committee received its last update in June 2022.

**Recommendation Tracker**

- The Audit and Governance Committee continues to receive details of all overdue recommendations, plus any high priority recommendations from final reports regardless of whether they are overdue or not.
- The current overdue tracker is shown at Appendix 2 and contains seven medium and one low priority recommendations which have passed their due date. There are no high priority recommendations.

Table 1. Summary of tracker in September 2022

Recommendation type	Number (September 2022)	Number (June 2022)	Number (March 2022)	Number (January 2022)	Number (November 2021)	Number (September 2021)
High Priority not yet passed its due date	0	0	0	0	1	2
High Priority passed its due date	0	0	0	1	1	2
Medium Priority passed its due date	7	7	8	12	9	4
Low Priority passed its due date	1	1	1	3	5	4
<b>Total</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>16</b>	<b>16</b>	<b>12</b>

**Other Internal Audit activities**

- Internal Audit has continued to provide advice and guidance in several business areas:

**Risk Management:** The Risk Management Working Group has revised the Risk Management Policy, Strategy and Framework and is communicating these across the Council. These will be formally rolled out once approved by senior management.

**Health and Safety (H&S):** Internal Audit is assisting in strengthening the H&S framework through assurance mapping.

**Information Governance:** Internal Audit is actively involved in both the Strategic Information Governance Group (SIGG) and the operational Information Asset Owners Group, feeding back to the Corporate Governance Group. Internal Audit resource is being provided to lead on a range of actions in the SIGG workplan.

**National Fraud Initiative (NFI):** Preparations are underway for the 2022/23 NFI exercise. The NFI Protocol has been reviewed and updated and timetable issued to relevant staff.

**Corporate Fraud Team (CFT) Update**

7. Four Right to Buy applications have been stopped or withdrawn following interviews by CFT officers, and a property has been successfully recovered following an investigation into a suspected fraudulent succession application. The property was surrendered by the applicant just prior to the scheduled first court hearing.
8. An Internal Investigation has been carried out resulting in the termination of an agency worker's contract and good progress is being made on the first data analytics exercise.
9. Headway has been made with regards to the provision of a shared anti-fraud resource with Harlow Council and the CFT have been tasked to provide Anti-Fraud training to members of Harlow Council.

**Legal and Governance Implications:**

None

**Safer, Cleaner and Greener Implications:**

None

**Consultation Undertaken:**

Corporate Governance Group

**Background Papers:**

2022/23 Audit Strategy and Plan

**Risk Management:**

Failure to achieve the audit plan and poor follow up of audit recommendations may lead to a lack of assurance that internal controls are effective and risks properly managed, which ultimately feeds into the Annual Governance Statement.

**Equality Analysis:**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided at Appendix 3 to the report.