

## Audit Committee

13 April 2026

### Part 1 - Public

#### Matters for Information



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|---------------------|---|
| Cabinet Member      | Cllr Martin Coffin, Deputy Leader, Cabinet Member for Finance, Waste and Technical Services |
| Responsible Officer | Paul Worden – Head of Finance and Section 151 Officer                                       |
| Report Author       | Karen Herbert, Audit Lead<br>Lee Jones, Chief Audit Executive                               |

#### Internal Audit and Counter Fraud Progress Report 2025/26

##### 1 Summary and Purpose of Report

- 1.1 This report provides Members with an update on the work of both the Internal Audit function and the Counter Fraud function.

##### 2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The provision of Internal Audit and Counter Fraud Services provides assurance on council procedures and policies.

##### 3 Introduction and Background

- 3.1 The Accounts and Audit Regulations 2015 require the Council to undertake an adequate and effective Internal Audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control. Proper practice is defined by the Global Internal Audit Standards (GIAS) and CIPFA's Local Government Application Note to the PSIAS.
- 3.2 The GIAS requires Internal Audit to report periodically to senior management and the board on the Internal Audit activity's purpose, authority, responsibility, and performance relative to its plan.

#### **4 Internal Audit and Counter Fraud Progress Report**

- 4.1 This Progress Report, contained at **[Annex 1]**, provides the Audit Committee with an accumulative summary view of the work undertaken by Internal Audit for the period January 2025 to March 2025, together with the resulting conclusions where appropriate.
- 4.2 This Progress Report also provides details of the Council's activity in preventing and detecting fraud and corruption during the third quarter of the financial year of 2025/26.

#### **5 Financial and Value for Money Considerations**

- 5.1 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 finances of the Council.
- 5.2 Fraud prevention and detection is an area subject to central government focus with initiatives such as the National Fraud Initiative and Local Government Counter Fraud and Corruption Initiative. The message coming from these initiatives is that effective fraud prevention and detection releases resources and minimises losses to the Council through fraud.

#### **6 Risk Assessment**

- 6.1 This report, summarising the work of the Internal Audit function, provides a key source of assurance for the Council on the adequacy and effectiveness of its framework for governance, risk management and control.
- 6.2 Failing to have an efficient and effective Counter Fraud function could lead to an increased level of fraud. This report, summarising the work of the Counter Fraud function, provides a key source of assurance for the Council on the adequacy and effectiveness of its counter fraud arrangements.

#### **7 Legal Implications**

- 7.1 The Accounts and Audit Regulations place a statutory requirement on local authorities to undertake an adequate and effective Internal Audit of systems of risk management, governance, and control processes.
- 7.2 The Council also has a legal duty under s151 of the Local Government Act 1972 and the Accounts and Audit Regulations to ensure that there are appropriate systems in place to prevent and detect fraud.
- 7.3 The Local Government Act 1972 provides the Council with the ability to investigate and prosecute offences committed against them.

## 8 Consultation and Communications

8.1 Management Team has considered these documents. The Audit Committee are invited to review and NOTE them.

## 9 Implementation

9.1 The Internal Audit and Counter Fraud Plan 2025/26 continues to direct the work undertaken by the Team for the period.

## 10 Cross Cutting Issues

10.1 Climate Change and Biodiversity

10.1.1 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

10.2 Equalities and Diversity

10.2.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

10.3 Other If Relevant

- None

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| Background Papers | None   |
| Annexes           | Annex 1 – Internal Audit and Counter Fraud Progress Report |