

## **AUDIT COMMITTEE**

**29 JUNE 2023**

### **INTERNAL AUDIT AND COUNTER FRAUD ANNUAL SURVEYS 2023**

Report from: James Larkin, Head of Audit & Counter Fraud Shared Service  
(Chief Audit Executive)

#### Summary

This report informs Members of the results of the surveys aimed at identifying the level of satisfaction with the services provided by the Internal Audit & Counter Fraud Teams.

1. Budget and policy framework
  - 1.1. Council delegates responsibility for the oversight and monitoring the effectiveness of the Internal Audit and Counter Fraud Shared Service to the Audit Committee.
2. Background
  - 2.1. The Public Sector Internal Audit Standards (Standards) require that: *The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.*
  - 2.2. On 17 March 2022, the Audit Committee approved the Quality Assurance & Improvement Programme (QAIP), prepared to meet this requirement in 2022-23, which included a target for 'customer satisfaction with overall service'.
  - 2.3. A survey was issued to Senior Managers and Members within the organisation to determine client satisfaction with the internal audit services provided.
  - 2.4. The key performance indicators that form part of the annual counter fraud plan also include a target for 'customer satisfaction with overall service'. Accordingly, a separate survey was issued to all staff and Members in relation to counter fraud activity to determine client satisfaction with the service and also the level of fraud awareness across the organisation.

### 3. Internal Audit and Counter Fraud Surveys 2023

3.1. The internal audit survey was designed to determine satisfaction with services provided and also take a more detailed look at specific areas, including,

- Awareness of internal audit services,
- The internal audit workplan,
- Compliance with the Chartered Institute of Internal Auditors (IIA) Core Principles, and
- Overall satisfaction with internal audit services

3.2. Appendix 1 provides the detailed results of the responses received in relation to the internal audit survey.

3.3. The counter fraud survey was also designed to determine satisfaction with services provided and take a more detailed look at specific areas, including,

- Awareness of counter fraud services,
- Fraud awareness,
- Counter fraud activity,
- Compliance with core principles, and
- Overall satisfaction with counter fraud services.

3.4. Appendix 2 provides the detailed results of the responses received in relation to the counter fraud survey.

### 4. Risk management

4.1. The work of Internal Audit & Counter Fraud provides a key source of assurance for the council on the adequacy and effectiveness of its internal control arrangements.

### 5. Climate change implications

5.1. There are no climate change implications in this report.

### 6. Financial implications

6.1. An adequate and effective Internal Audit & Counter Fraud 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 financial statements of the council.

## 7. Legal implications

- 7.1. The Accounts and Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control, and governance processes, taking into account public sector internal auditing standards or guidance. The Section 151 Officer of a local authority is responsible for establishing the internal audit service; Gravesham Borough Council has delegated this responsibility to the Section 151 Officer of Medway Council.

## 8. Recommendations

- 8.1. The Committee is recommended to note the results of the Internal Audit & Counter Fraud satisfaction surveys.

### Lead officer contact

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### Appendices

Appendix 1 – Internal Audit satisfaction survey results 2023

Appendix 2 – Counter Fraud satisfaction survey results 2023

### Background papers

None