

Internal Audit & Counter Fraud Quarterly Report

2023/24

Quarter 1 April to June 2023

1. Introduction

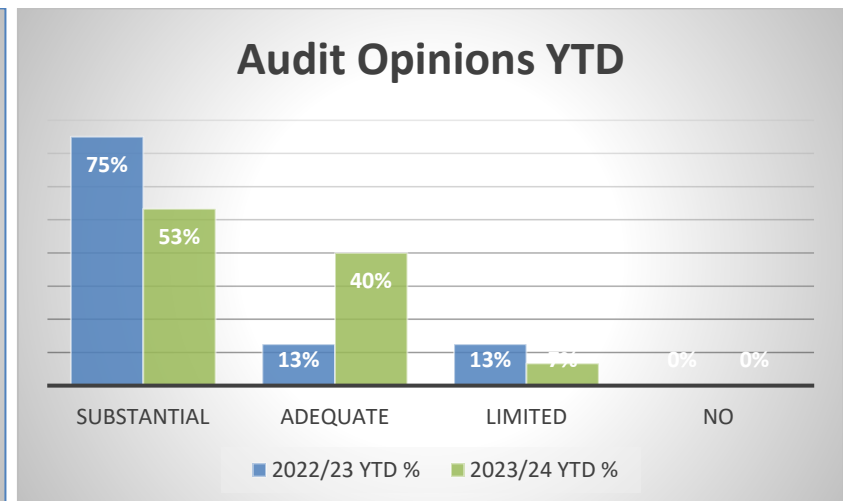
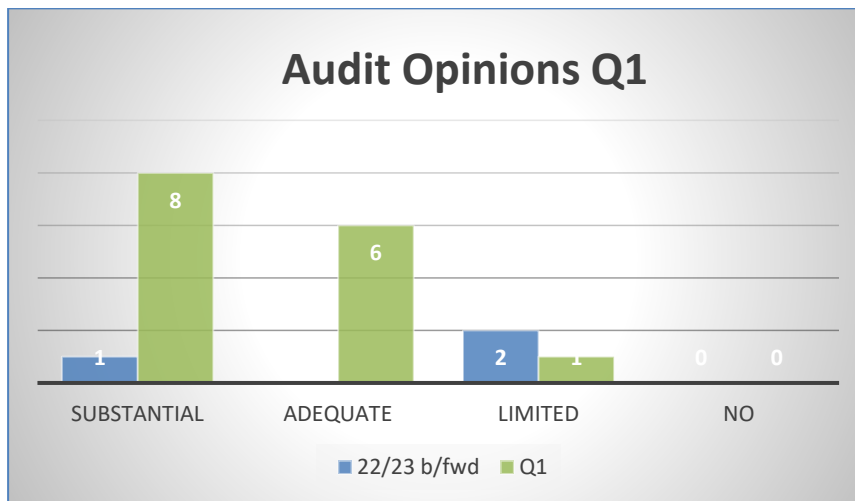
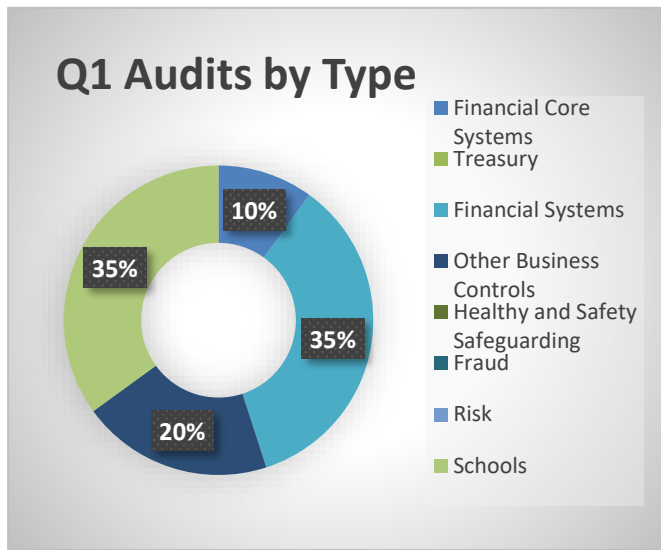
This report sets out the work of Internal Audit completed in the period shown above, including the remainder of work relating to last year's Plan plus that for the current one approved at the April meeting. All work included has reached a finalised state and, except where shown otherwise, management have accepted the findings and agreed to implement the recommendations or, in the case of employee investigations, any disciplinary action has been through the required stages and any appeal time.

Where an assurance opinion was appropriate these reflected the standard framework below

Opinion	Definition - Control Adequacy	Definition - Control Application
Substantial Assurance	A robust framework of all key controls exists that is likely to ensure that objectives will be achieved.	Controls are applied continuously or with only minor lapses.
Adequate Assurance	A sufficient framework of key controls exists that is likely to result in objectives being achieved but the overall control framework could be stronger.	Controls are applied but with some lapses.
Limited Assurance	Risk exists of objectives not being achieved due to the absence of a number of key controls in the system.	Significant breakdown in the application of a number of key and/or other controls.
No Assurance	Significant risk exists of objectives not being achieved due to the absence of key controls in the system.	Serious breakdown in the application of key controls.

All audit work attracts recommendations intended to achieve at least an adequate level of control. All audits resulting in a negative - "limited assurance" or "no assurance" - opinion are followed up as a matter of course, whereas confirmation of progress in implementing agreed recommendations in other reports is sought periodically.

2 Internal Audit Quarterly Dashboard



3 Planned Audit Work Completed in the Period

3.1 Financial System and Service Audits

	<u>Audit</u>	<u>Opinion</u>	<u>Recommendations</u>		
			Fundamental	Significant	Merits Attention
	<u>Financial Systems</u>				
101	Rent Setting	Substantial Assurance		1	
102	Income Management Systems	Adequate Assurance		2	1
	<u>Other Financial System and Process Audits</u>				
103	22/23 Adult Clients' Finances	Limited Assurance – See details below		8	6
	<u>Adult Social Care Operations</u>				
104	Domiciliary Care	Adequate Assurance - Overall contract management of this large area of expenditure was operating well, although arrangements re the use of spot suppliers and seeking more proactive assurance from suppliers about aspects of their processes were two areas of development.		4	3
	<u>Customer and Communities</u>				
105	Registration Services	Adequate Assurance		4	4
	<u>Finance</u>				
106	Non-Domestic Rate Billing	Substantial Assurance		1	
107	Revenues Debt Write-offs	Substantial Assurance		1	2

108	Blue (Parking) Badge Assessment	Adequate Assurance – arrangements for the recover the badges from deceased persons were a concern, albeit they are cancelled on the system which would be noted by civil enforcement officers if they queried a badge's validity.		4	
	Highways & Streetscene				
109	22/23 - Winter Maintenance	Limited Assurance			
	Adult				
110	22/23 - Adult Clients' Finances	Limited Assurance			

NB. There were no major or special investigations to report for this period.

3.2 Business Risk Audits

	<u>Audit</u>	<u>Opinion</u>	<u>Recommendations</u>		
			Fundamental	Significant	Merits Attention
	<u>Legal, Governance & Commissioning</u>				
111	NHS Toolkit Self-Assessment	Substantial Assurance			2

3.3 Follow - Up Audit Work Completed in the Period

	<u>Follow Up Audit</u>	<u>Opinion</u>	<u>Outstanding Recommendations</u>		
			Fundamental	Significant	Merits Attention
112	Environmental Strategy & Climate Change - Taxi Licencing Enforcement	Adequate Assurance			
113	Homes & Neighbourhoods - 22/23 Building Services Procurement of Works	Substantial Assurance			

THE FOLLOWING IS POTENTIAL CONTENT FOR A FUTURE REPORT

	<u>Service</u>	<u>Outstanding Recommendations</u>		
		Fundamental	Significant	Merits Attention

3.4 School Audits

<u>114-120</u>	<u>Substantial Assurance 3</u>	<u>Adequate Assurance 3</u>	<u>Limited Assurance 1</u>
----------------	--------------------------------	-----------------------------	----------------------------

4 Unplanned and Other Audit Requirements

4.1 Family Support & Child Protection

Stronger Families Programme

The latest Payment by Results quarterly claim has been audited prior to certification by the Director of Finance. Minor adjustment was required to ensure each family's circumstances met the required criteria and was evidenced fully in the claim.

4.2 Finance

Financial Systems Reconciliation

Review of the key financial systems reconciliation with reference to accountability and timeliness at the request of the new Service Director of Finance.

4.3 Legal & Governance

Information Governance Board

Ongoing support to the Board and relevant task and finish groups.

4.4 Corporate

Draft Annual Governance Statement 2022/23

Compilation of the Draft Statement following the annual review of the effectiveness of governance and control arrangements.

POTENTIAL FUTURE CONTENTS: Business Risks and Themes Identified through Audit

<u>Audit:</u>			
<u>Risk</u>	<u>RAG</u>	<u>Identification</u>	<u>Action and Progress</u>
Ie. Data sharing error by external partner			

<u>Theme</u>	<u>RAG</u>	<u>Audits where theme was identified</u>	<u>Action</u>
Ie. Data integrity			

5 Counter Fraud Work

5.1 Housing and Blue Badge Fraud - FIGURES BEING SOURCED

Investigation Type	Referrals	Ongoing	Closed Prosecutions	Closed No Fraud Proven or Warning Issued	Properties Returned
Right To Buy	35	26		6	3
Tenancy Fraud	4				
Blue Badge	44		12	26	
Other	6				

5.2 Revenue and Benefits Fraud - FIGURES BEING SOURCED

Investigation Type	Referrals	Ongoing	Closed Prosecutions	Closed No Fraud Proven or Warning Issued	
LWP					
Council Tax (SPD)					
Business Rates					
Other					

5.3 Adult Social Care – FIGURES BEING SOURCED

Quarter 1

Referrals Received	Investigations	Pre-Investigations	Safeguarding Only	Yet to be designated	Value Recovered

YTD

Referrals Received	Investigations	Pre-Investigations	Safeguarding Only	Yet to be designated	Value Recovered

6 Assurance Map

This Tableau presents a summary of third line assurance that relates to this year.

	Internal Audit						
Financial Core Systems	101	102					
Treasury							
Financial Systems	113	104	105	103	106	107	110
Other Business Controls	111	112	108	109			
Healthy and Safety Safeguarding							
Fraud							
Risk							
Schools	114	115	116	117	118	119	120

Substantial Assurance	
Adequate Assurance	
Limited Assurance	
No Assurance	

7 Surveillance activities under the Regulation of Investigatory Powers Act 2000

There are none this quarter.

8 Annual Governance Statement Progress with Action Plan

This report will appear as a summary of progress against action plan in the AGS

Proposed Action	Progress So Far