<u>**Summary of Internal Audit Service work supporting the HoIAS opinion 2020-21**</u>

<u>Assurance Audits</u>

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 14/5)</u>	<u>Opinion</u>	<u>HI Rec'n</u>
A&C	Direct Payments	06-Aug-20	Partial	Yes
ChEx	Coroner Recharges	04-Feb-21	Partial	Yes
C&FS	Early Years Funding	07-May-20	Partial	Yes
Cons Risk	Counter Fraud – Gifts and Hospitality Registers	10-Jul-20	Partial	Yes
Cons Risk	Rights of Audit in Procurement Contracts	10-Jul-20	Partial	Yes
Cons Risk	Travel, Subsistence and Related Allowances (COVID-19 related changes)	15-Dec-20	Partial	No
Cons Risk	ICT External Hosting	10-Jul-20	Partial	Yes
CR	COVID-19 – Health Recharges for Hospital Discharges and Avoidances	18-Sep-20	Partial	Yes
A&C	Target Operating Model (Phase Two)	09-Oct-20	Substantial	No
C&FS	pCards – increased usage during Covid-19 (C&FS focused work)	22-Jun-20	Substantial	No
C&FS	School Website – Publishing Obligations	04-Dec-20	Substantial	No
Cons Risk	Communities Fund Audit	17-Aug-20	Substantial	No

Cons Risk	Communities Fund Audit – Round 2	12-Nov-20	Substantial	No
Cons Risk	Key Financial Systems – Assurance on the Control Functions	30-Apr-20	Substantial	No
Cons Risk	Mandatory Training	02-Apr-20	Substantial	No
Cons Risk	Working from home equipment allowance	11-Jan-21	Substantial	No
Cons Risk	Data Sharing Agreements	Draft Issued	Substantial	No
CR	COVID-19 A&C Payments to Providers (Phase One)	01-Sep-20	Substantial	No
CR	COVID-19 A&C Payments to Providers (Phase Two, Part 1)	07-Jan-21	Substantial	No
CR	COVID-19 A&C Payments to Providers (Phase Two, Part 2)	22-Apr-21	Substantial	No
CR	pCards – increased usage during Covid-19 (corporately-focused work)	22-Jun-20	Substantial	No
CR	Treasury Management and Investments	28-Apr-20	Substantial	No
E&T	Blue Badge - Online Renewals and Applications	06-Apr-21	Substantial	No
Cons Risk	Travel, Subsistence and Related Allowances (COVID-19 related changes)	Testing Ongoing	TBC	TBC
Cons Risk	National Fraud Initiative – investigation of outputs from data matching	Testing Ongoing	TBC	TBC

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Cons Risk	Working from home equipment allowance – Tranche 2	Testing Complete	TBC	TBC
Cons Risk	CCTV and Surveillance Audit	Testing Ongoing	TBC	TBC
CR	Professional Indemnity Insurance Cover	Testing Completed	TBC	TBC

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Grants audits

Department	Entity	Certified
A&C	Integration and Better Care Fund-Disabled Facilities Capital Grant (DFG) 2019/20 (31/3710)	20-Oct-20
C&FS	Payment by Results Claims for Supporting Leicestershire Families (SLF) 2x Claims February and March 2020	Complete
C&FS	Troubled Families – Payment by Results Claim (December 2020)	16-Dec-20
CR	COVID 19: Winter Grant Certification Audit (Claim1)	18-Feb-21
CR	COVID 19: Winter Grant Certification Audit (Claim2)	05-May-21
E&T	2020/21 - COVID-19 County Bus Services Support Grant for Local Transport Authorities (Revenue) Determination Grant	01-Jul-20
E&T	2020/21 - COVID-19 LTA Bus Services Support Grant Restart Scheme (Revenue) (Period 24/11/20 – 18/1/21)	19-Mar-21
E&T	2020/21 - COVID-19 LTA Bus Services Support Grant Restart Scheme (Revenue) (Period 29/9/20 – 23/11/20)	19-Mar-21
E&T	2020/21 - COVID-19 LTA Bus Services Support Grant Restart Scheme (Revenue) (Period 4/8/20-28/9/20)	15-Jan-21
E&T	2020/21 - COVID-19 LTA Bus Services Support Grant	07-Oct-20

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	Restart Scheme (Revenue) (Period 9/6/20-3/8/20)	
E&T	Additional Dedicated Home to School and College Transport under section 31 of the Local Government Act 2003 GRANT DETERMINATION 2020: No 31/5137	06-Nov-20
E&T	COVID 19: Additional Dedicated Home to School and College Transport Funding – (Tranche 1)	12-Nov-20
E&T	Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) - (2019/20: No 31/3693	21-Sep-20
E&T	Local Transport Capital Block Funding (National Productivity Investment Fund) - (2019/20: No 31/3689)	29-Sep-20
E&T	Pothole Action Fund & Flood Resilience Fund - 2018/19 - No 31/3221	15-Oct-20
E&T	The Local Transport Revenue Block Funding (Blue Badge New Criteria Implementation) Specific Grant Determination (2019/20): No 31/3936	29-Jun-20
E&T	Local Authority Bus Subsidy Ring Fenced (Revenue) Grant Determination 2019/20 (31/3644)	28-Sep-20
E&T	COVID-19 County Bus Services Support Grant Restart (Revenue). Grant Determination No 31/5120	06-Oct-20
E&T	COVID 19: Additional Dedicated Home to School and College Transport Funding (Tranche 2)	23-Apr-21

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E&T	COVID 19: Emergency Active Travel Fund	31-Mar-21

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Consulting audits

Department	Entity	Final report (or position at 14/5)
ChEx	COVID-19 Leicestershire Business Relief Fund – advice to department during mid-point review of funding stream, e.g. fraud-proofing.	Complete
C&FS	Cyber/ransomware risk in schools working party	Ongoing
Cons Risk	IAS continues to provide advice to the PSN working group as and when required. Submission sent to the Cabinet office end of February. Certification outstanding.	Ongoing
Cons Risk	ICT Policies and Procedures - Attendance at the Information Assurance Group	Complete
Cons Risk	Supplier Code of Conduct	Final report issued
CR	Bomgar Solution – advice given regarding the short-term 'roll-out' of the remote support solution software to School Financial Advisors.	Ongoing
CR	ISRA - Anywhere 365 Contact Centre	7-Apr-21
CR	ISRA – Dash Cams in LCC Vehicles	02-Jul-20
CR	ISRA – End User Device Contract	12-Nov-20
CR	ISRA – Granicus (digital government) reporting Pilot	Ongoing
CR	ISRA – My Sense AT Pilot	23-Oct-20
CR	ISRA – Better Impact Volunteer Database	22-Mar-21
CR	ISRA – Body Worn Cameras (Reveal Media)	31-Jan-20

CR	ISRA – BYOP and O365 Applications	30-Apr-20
CR	ISRA – Evo Claim Insurance System	Complete
CR	ISRA - Exchange 2016/Hybrid	30-Oct-20
CR	ISRA – HTTPS Scanning	Work suspended due to Covid-19
CR	ISRA – Intune Mobile Device Management	29-Sep-20
CR	ISRA – Microsoft Teams	21-Sep-20
CR	ISRA – O365 Split Tunnel	25-Aug-20
CR	ISRA – Solo Protect Lone Working	25-Aug-20
CR	ISRA - Ulysses (UDMS) Scheduling and Connected Care Mobile Solution	Superseded – possibly with another ISRA in the future as this did not go ahead.
Cons Risk	Assurance Work on Supplier Registration Process	Complete
Cons Risk	Assurance Work on the Supplier Amendments & review of process	Complete
Cons Risk	Assurances on the shutdown of the network in October 2020	Complete
Cons Risk	Input into Cyber Security presentation for CGC	Complete
Cons Risk	Monthly Information Security Meetings e.g. updates to ISRAs	Complete
Cons Risk	Oracle Fusion mobile app	Complete

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Cons Risk	Phishing (Heightened COVID Risk)	Complete
Cons Risk	Recording of personal emails on Oracle Fusion	Complete
Cons Risk	**Fit for the Future Project**	Ongoing
	• Ad hoc control advice is given to the Project Team e.g. Process for switching on/off activities on the audit trail due to possible performance issues, post go-live support model • Feedback provided on financials user acceptance testing.	
	• Ongoing input into project related ISRAs.	
	• Internal Audit reporting requirements	
	• Use of Single Factor and Two Factor Authentication	
	• Sign off the PaaS and Identity Management ISRAs	
	• Review of the CIS/HMRC returns ISRA – currently awaiting sign off	
	• Review of the Overall Oracle Fusion ISRA – currently awaiting sign off	
	• Walkthrough of the Supplier Portal	
	• Assurance Work on the Supplier Amendments & review of process	
	• Assurance Work on Supplier Registration Process	
	• Review of the process for the move from Site Level information to Header Level Information	

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	• Review of Output from the Oracle Fusion Penetration Tests that have been undertaken	
	• Final review and sign off of four ISRAs	
	• AP/AR Feeders work	
	• External Audit Oracle Report review and comments by Internal Audit	
	• Planning Audit work for Payroll go-live	
	• Liaison with Nottinghamshire on UAT 3 payroll testing outputs	
Cons Risk	**Attendance at the Information Assurance Group - Advice provided by ICT Auditor on: -**	Ongoing
	• Flowz' system for storage of information asset registers	
	• Database Rationalisation	
	• DocuSign (electronic signatures) application	
	• E&T Process Change (move to E-forms)	
	• HR UAT testing	

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Undertaking or aiding with unplanned 'investigations'

Department	Entity	Outcome by 14/5
C&FS	Whistleblowing complaint about a (non-LCC) community centre, but for which LCC does provide some funding in respect of early years provision.	No further action required. Complainant signposted to the prime regulator for the centre, the Charity Commission.
Pension Fund	Advice to the Pensions Section regarding allegations of impropriety re. qualification for a survivor's pension.	Ongoing.
A&C	Senior Officer Impersonation – cloned email – vouchers sent to fraudster	Police informed
CR	COVID-19 Winter Grant Scheme – false identity enabled small grant to be paid	Police informed
CR	Leicestershire Traded Services – budget management	Improvements accepted
CR	Capital project	Improvements accepted
E&T	Officer forged fit note	Resigned

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Other control environment/assurance work

Department	Entity	Final report (or position at 14/5)
Cons Risk	Close down National Fraud Initiative work for 18/19 & 19/20	Complete
Cons Risk	Collate risk related information from all Departments and prepared Risk Management update reports to meetings of the Corporate Governance Committee	Complete
Cons Risk	Commence dataset requirements liaison for National Fraud Initiative 20/21 & 21/22	On-going
Cons Risk	Continued position on the East Midlands Public Services Network (emPSN) Audit Committee representing Leicestershire County Council's shareholding in this Local Authority owned company which provides broadband connectivity and online IT safety services for schools and local authorities in the East Midlands.	On-going
Cons Risk	Facilitate meetings of the Corporate Risk Management Group involving preparation, agenda and minutes of meetings during the year.	Complete
Cons Risk	Provision of advice to Chief Executive's Department on the Role of Outcome Advisory Boards with regards to the Council's Risk Management Framework	Complete
Cons Risk	Research in order to procure a spreadsheet validation tool	On-going
Cons Risk	Review/revision of the Fraud Awareness e-learning module.	Complete
Cons Risk	Reviewed and revised the Risk Management Policy and Strategy for Chief Officers and Corporate Governance Committee	Complete
Counter Fraud	Biennial revisions to LCC Counter Fraud Policies & Procedures.	Complete.

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Counter Fraud	COVID-19 specific fraud comms to staff and managers.	Complete
Counter Fraud	Development, in conjunction with an external partner, of a procurement fraud risk e-learning module / video for staff routinely involved in procurement activity.	Complete
Counter Fraud	Fraud awareness campaign with various strands to coincide with International Fraud Awareness Week (November 2020).	Complete
Counter Fraud	Fraud awareness strategy to coincide with International Fraud Awareness Week.	Complete
Counter Fraud	Initial groundwork regarding registration of LCC social care clients with the national 'Protecting the Vulnerable' service.	Complete
Counter Fraud	Publishing obligations re. fraud under the Local Government Transparency Code.	Complete
Counter Fraud	Refresh of Fraud Awareness mandatory training.	Complete
Counter Fraud	Refresh of Fraud Risk Assessment.	Complete
Counter Fraud	Self-assessment of practices against the CIPFA Code of Practice on Managing the Risk of Fraud & Corruption.	Complete
Counter Fraud	Targeted fraud comms to business support staff, imprest holders, pCard holders and managers regarding Senior Officer Impersonation Fraud and the heightened risk due to remote working.	Complete
Governance	Collate results and prepare the Draft Annual Governance Statement in readiness for meetings of Senior Officer Group and Chief Officers	Complete
Governance	Evaluated the outcomes of the Redmond Review and new Code of Audit Practice and the likely impact on the Council and prepared a report for Corporate Governance Committee	Complete

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Governance	Evaluated the responses from MHCLG to the Redmond Review recommendations and prepared a report for Corporate Governance Committee 29 January 2021	Complete
Governance	Facilitate and contribute to review and sign off meetings of the Senior Officer Group and Chief Officers. Draft for 2019/20 ready for publication with the Statement of Accounts	Complete
Governance	Review, update and issue Directors' governance self-assessments (Corporate and all Departments) for 2019-20 and 2020-21	Complete

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Work assisting other functions

Department	Entity	Position at 14/5
CR – redeployment of internal audit staff	As part of the Department's covid-19 emergency response, 6 Internal Audit Service staff were redeployed from the end of March/early April to assist critical functions: - • Pensions Service – year end; refund contributions; updating records • Adult social care payments - direct payments; deceased notifications; small balance write-offs; residential care deceased/discharged log	Complete
All departments	The Internal Audit Service has provided management with reviews of planned (or already implemented by necessity) changes to alternative service delivery methods and provided advice on fraud mitigation, for example: - • Review of Business Continuity plans • Communities Fund – risks, controls and proactive counter fraud advice to the Chief Executive's and Corporate Resources Departments regarding the distribution of emergency grant funding through the newly-established fund • E&T (Notice Processing Unit) - confidentiality when working at home • Pension Fund - temporary (and permanent) work arounds re. electronic authorisation rather than 'wet' signatures on payment documents • Scope audit of Schools Facing Exceptional Costs during COVID-19 • Advice to the Chief Executive's Department regarding emerging fraud risks coming from Covid-19 that could impact on normal LCC funding channels, e.g. Shire Grant programme.	Complete

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	• Dissemination of fraud advice, predominantly regarding Covid-19, to the Communications Team for onward publishing to staff and managers. Informal fraud advice to staff through Yammer and Sharepoint. Ad hoc fraud advice to key areas on key topics, e.g. mandate fraud, supply chain fraud.	
All departments	**Risk management** Various meetings with members of the Recovery Group. Main issues around alignment of existing risk management arrangements in the context of the following: • Annual business planning • Interim Recovery Planning guidance • Draft Recovery Strategy • Governance and reporting arrangements (via Heads of Service, Departmental Management, Chief Officers)	Complete
E&T	Assistance with the quarterly stock take was provided at the Mountsorrel Depot.	Complete
CR – Strategic Finance	A member of the Audit Team was seconded to assist with the Fit for the Future Project	N/A
CR – IT Assurances	Audit provided assurances to management that Key ICT Controls continue to operate during the pandemic and where required management are monitoring IT requirements to meet demands etc.	Complete
Cons Risk	Chair monthly meetings of the Property & Occupants Risk Management Group	Ongoing

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Training, development and networks attended during the period – Note all training and development was remotely attended

Local Authorities Chief Auditors Network

- IIA Ambition Model, Horizon Scanning, Commercialism, CIPFA Financial Management Code and the Financial Resilience Index

- Debate CIPFA advice on generic opinions;

- Redmond Review; IIA Three Lines model; IIA Risk in Focus

- Climate change preparedness; Covid grant certifications

- Digital Mindset and Systems Thinking

- Public interest reports

- CIFAS fraud prevention network

Midlands Counties Heads of Internal Audit Groups

- Management group

  o Annual Workplan, High risk areas, IIA guidance on auditing climate strategy
  o Points of Practice raised by Leicestershire on other counties approaches to the declaration of personal and business interests
  o Agile auditing/approach to planning

- ICT Audit Group

  o Points of Practice raised by Leicestershire on other counties approach to IT assurances during Covid-19
  o Input into Points of Practice (PoP) in the following areas: -
    ▪ Rollout of MS Teams
    ▪ Internal Audit Case Management Systems
    ▪ Spreadsheet Data Validation Tools (PoP raised by Leicestershire)

- Business Objects for Social Care Reporting and compliance issues with Business Objects
- Formation/Universe for the creation of ICT Plans
- Use of Pentana Audit Case Management System used by LCCIAS
- Access and Password Management
- IT Strategies
- Cyber Security Arrangements
- Ransomware Controls
- Tax Digital
- Data Analytics and use of IDEA
- O365 and Data Management
- Microsoft E5 Licencing for Monitoring
- Resourcing for specialist IT work

- Fraud Group – virtual meeting (November 2020) – see Risk Management Update

Institute of Internal Auditors

- Changing the Internal Audit approach before and after COVID-19

- Challenges around third- and second-line assurance in uncertain times

- Automated Testing Seminar

- UK Annual Conference

- Three lines of defence; IA adding value during covid19

- Audit Assurances on Digital Services in the Public Sector (IIA Scotland)

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CIPFA Better Governance Forum (&LGA)

- Good Governance Updates for Local Government

- Impact of COVID-19 on Annual Governance Statements 2019/20 & 2020/21

- Fighting Fraud and Corruption Locally

- Redmond Review and NAO Code of Practice

- Dealing with potential limitations to providing an annual opinion

- The governance risk and resilience framework

- Auditing Health & Safety

CIFAS

- Small Business Grant Fraud

Other (Fraud Related)

- Tungston Group - Invoicing Fraud

- NFI Key Contact Training

- NatWest Bank Cyber Fraud Training

- CIPFA Fraud

- National Cyber Security Centre - Ransomware risk in the Education Sector

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- Oracle Fusion HR training

- Gallagher - Cyber, Fraud and Risk Management

Midlands Contract Audit Group

- Discussion on contract audits

Other (Training)

- Two members of staff are training for an IT Audit Qualification (Certified Information Systems Auditor)

- CIPFA Student on placement

- NatWest Bank Fraud Awareness Training (COVID-19)

- Oracle Planning and Budgeting Cloud Services

Internal Service Improvement:

- Upgrade and development of Case Management System

- Development and whole office training in data analytics

- Policy and procedure for remote auditing

- Establish a continuous auditing strategy

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- Establish an Agile Audit process and reporting for relevant audits

Mandatory Training

- SIMS Financial System - All staff involved in school visits took part in a half day introduction to the above package

- Managing Remote Teams Training

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