

Summary of Internal Audit Service Work – 9th October 2021 to 8th April 2022

Appendix 1

Assurance Audits

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 8/4)</u>	<u>Opinion / Assurance rating</u>	<u>HI Rec'n</u>
Adults & Communities	Culture Recovery Fund - Grants Programme. Project No - CRFG – 00385964 - Round 2	16-Dec-21	Certified	No
Adults & Communities	Project Enlightenment – Grant Certification	13-Apr-22	Certified	No
Children & Family Services	2021/22 Supporting Leicestershire Families - Payments by Results (December 21 Claim)	21-Dec-21	Certified	No
Children & Family Services	2021/22 Supporting Leicestershire Families - Payments by Results (February 22 Claim)	2-Mar-22	Certified	No
Children & Family Services	Defining Children & Family Services for the Future Programme	Draft Report issued	Substantial	No
Children & Family Services	Schools Financial Values Standard (SFVS) - Compliance	30-Mar-22	Substantial	No
Children & Family Services	School Admissions	Draft Report being compiled	Substantial	No
Children & Family Services	SEND Overpayments	Final Report issued	Partial	Yes

Consolidated Risk	CCTV and Surveillance Audit	Final Report Issued	Partial	Yes
Consolidated Risk	Key ICT Controls 2020/21	Draft Report Issued	TBC	TBC
Consolidated Risk	Disaster Recovery Audit	Final Report Issued	Partial	Yes
Consolidated Risk	National Fraud Initiative – investigation of outputs from data matching	Draft report issued	N/A	No
Consolidated Risk	Counter Fraud – Fit Note Process	Draft Issued	TBC	TBC
Consolidated Risk	IT Hardware and Software Audit	Testing Ongoing	TBC	TBC
Consolidated Risk	Section 278 / Part 1 Land Compensation Act claims	Testing Ongoing	TBC	TBC
Consolidated Risk	Workforce Well-being	Draft report being compiled	TBC	TBC
Consolidated Risk	Fusion – Various Payables Methods Faster Payments	Testing Ongoing	TBC	TBC
Consolidated Risk	Fusion – Expenses	Testing Ongoing	TBC	TBC
Corporate Resources	Household Support Fund (HSF) – Claim 1	20-Jan-22	Certified	No
Corporate Resources	Household Support Fund (HSF) – Claim 2	Testing	TBC	No
Environment & Transport	2021/22 - Additional Home to School and College Transport Grant - Tranches 3 to 7	Testing Ongoing	TBC	No
Environment & Transport	COVID-19 LTA Bus Services Support Grant Restart Scheme (Revenue) (Tranche 7: Period 11/5/21– 5/7/21) & (Tranche 8 : Period 6/7/21-31/8/21)	09-Jul-21	Certified	No
Environment & Transport	Travel Demand Management – Claim 2	30-Dec-21	Certified	No

Consulting audits

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 8/4)</u>
Consolidated Risk	IAS continues to provide advice to the PSN working group as and when required. Certification was obtained in July 2021. IT Health Checks were undertaken in October 2021 and a remedial action plan is in place. The next PSN submission is due in July 2022.	Ongoing
Consolidated Risk	ICT Policies and Procedures: <ul style="list-style-type: none"> - Records Management Floor walk follow-up undertaken - Advice on Historic Hr investigations and retention of IT documentation - Advice on county email address picked up on phishing site (ICT informed to take action) - Advice on transfer of obsolete assets to UHL IT - Advice on L&D Information Security E-Learning and issues with completion data we identified in previous audits 	Ongoing
Environment & Transport	Review procurement processes and controls. Review of the bid evaluation process and how decisions by bid evaluators are documented / evidencable with a particular emphasis on the defence to any procurement challenge, e.g. by an unsuccessful bidder.	Ongoing - Phase 1, in the process of being completed.
Adults & Communities	Advice to department surrounding a case where the CPS decided that, due to the age of the case, it would not be in the public interest to bring about a prosecution. Advice surrounded the advantages and disadvantages of the Council bringing a private prosecution.	Advice Complete.
Adults & Communities	Departmental Advice – Berrystead Care Home Closure	Advice Complete

Adults & Communities	Departmental Advice – Sale of Surplus Items by Informal Auction	Advice Complete
Corporate Resources	Bank Account Change Process – Harmonisation Across Organisations	Review Stage
Corporate Resources	Advice to department on fraud-proofing systems and procedures with regard to the distribution of the Household Support Fund grant.	Report Issued 23.12.21.
Corporate Resources	ISRA – Stor-a-file Scanning	Reviewed again following an incident and signed off 19/11/21
Corporate Resources	ISRA – Dizions Cross Data	Signed off 16/03/22
Corporate Resources	ISRA – Granicus Reporting Pilot	Ongoing
Corporate Resources	ISRA – Remote Desktop Services (VDI replacement solution)	Signed off 20/10/21
Corporate Resources	ISRA – CCTV Trees Care Home	Ongoing – unable to sign off due to the number of outstanding queries (links to CCTV audit HIs)
Corporate Resources	ISRA – Relay UK	Signed off 13/12/21
Corporate Resources	ISRA – Power Platform	Signed off 31/12/21
Corporate Resources	ISRA – Azure Data Factory	Signed off 23/03/22
Corporate Resources	ISRA – Cloud Hosted Mosaic	Signed off 01/12/21
Corporate Resources	ISRA – Azure Virtual Desktop	Signed off 05/01/22
Corporate Resources	ISRA – Pro Monitoring	Signed off 19/01/22

Corporate Resources	ISRA – School Transport App	Signed off 10/02/22
Corporate Resources	ISRA – Our People	Signed off 28/01/22
Corporate Resources	ISRA – Synergy Implementation	On-going
Corporate Resources	ISRA – WPC Coroners	On-going
Corporate Resources	ISRA – Generic Devices	On-going
Corporate Resources	ISRA – Q Path	Signed off 21/02/22
Corporate Resources	ISRA – Shared Care Records	Signed off 28/03/22

Undertaking or aiding with unplanned ‘investigations’

<u>Department</u>	<u>Entity / Details</u>	<u>Outcome by 8/4</u>
Chief Executive's	A third-party reported an irregularity to the IAS concerning an organisation receiving grant funding from the Council. The third-party claimed that the organisation in question had forged expenses receipts in their name and had forged their signature. The third-party had reported this to the Police.	Full recovery of grant (£4k). Case closed.
Children & Family Services (Schools)	A maintained school was scammed into making three payments to a fraudster that had pretended to be from the bank's Fraud Team. Fortunately, two of the payments were identified by the bank as potentially fraudulent and stopped although the first payment was processed (£18.5k). The bank is in the process of trying to freeze the funds paid out in error.	Advice complete. Urgent fraud warnings issued to all schools via a variety of channels. Corporately, work is underway in conjunction with the Council's corporate bankers to strengthen schools' processes for making faster payments through the use of dual authorisation within the Bankline system.
East Midlands' Shared Services (Finance Service Centre and Employee Service Centre)	Advice to EMSS following an increased number of (unsuccessful) mandate fraud attempts (invalid changes to bank account coordinates). Noticeably this time around is a shift from creditor fraud (supplier bank account change requests) to payroll fraud (employee bank account change requests).	Advice complete.
Adults & Communities	Service User reported concerns of being charged for contributions towards a care package that was not being received in its entirety. Case referred to Department.	Case closed

	Department aware of issues with service user not allowing entry to supplier of care package.	
Adults & Communities	Advice provided to department regarding a complaint received from a third party alleging improper use of the Infection Control Fund, a covid-19 grant, by directors of a company providing home care. Terms & conditions of agreement signed by company requires company to provide supporting evidence of use of fund if requested to do so by the Authority. Department advised to apply these terms and write to company.	On-going
Corporate Resources	Advice provided to the Head of the Commissioning Unit whose email was forged and the fraudster tried to extract product price information from suppliers.	Police and National Fraud Network informed.

Other control environment/assurance work

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 8/4)</u>
Governance	Draft Annual Governance Statement 2021-22 prepared	Ongoing
Governance	Revision of Local Code of Corporate Governance	Ongoing
Risk Management	Corporate Risk Register updates	Ongoing
Risk Management	Annual revision of the policies and strategies for Risk Management & Insurance	Complete
Risk Management	Property & Occupants Risk Management Group	Ongoing
Counter Fraud	A range of targeted fraud awareness comms during International Fraud Awareness Week (November 2021).	Complete
Counter Fraud	Fraud Awareness training session (quiz) delivered to the New Starters' Network to supplement individuals' learning during corporate induction.	Complete
Counter Fraud	Supporting the roll out of Procurement Fraud training to relevant staff and managers.	Complete

Work assisting other functions

<u>Department</u>	<u>Entity</u>	<u>Position at 8/4</u>
None this period		

Training, development and networks attended during the period

Local Authorities Chief Auditors Network

- Auditing Environmental Impact on Councils
- The future of internal audit
- Risk in focus
- Horizon scanning risks
- VFM External Audit assessment

Midlands Counties Heads of Internal Audit Groups

- Management Group
 - Data Ethics
 - Audit performance measures
 - Climate Change
 - Changing role of the Head of Audit
- ICT Audit Sub-Group
 - Inputs into IT Points of Practice
 - MS Defender
 - Domain Names
 - Cyber Security Response Plan
 - IT Security Governance
 - Digital Transformation (Webinar by the IIA)
 - Data Protection Act Insurance Training Event (Weightmans)
- Fraud Sub-Group
 - No meeting this period, although networking continues via info sharing message board / platform

Midlands Contract Audit Group

- Meeting in October

Institute of Internal Auditors

- Safeguarding (Local Authority Forum)
- Fraud Risk Assessments

CIPFA Better Governance Forum (and LGA)

- Winter Audit Update
- Revised Audit Committee Guidance
- A practical understanding of good governance in local government
- Good governance update – Advisory Note on Governance; Findings on Governance and Accountability; Governance of Trading Companies: Improving Audit Committees in Local Government

East Midlands Risk Management Group

- None this period

Other training & development

- CIFAS Webinar – Insider Fraud
- CIPFA Webinar – Counter Fraud
- IDEAGEN Audit, Risk & Compliance User Group Conference
- Tackling Fraud Together Webinar
- Webinar - Practical implications of the Levelling Up White Paper
- Webinar - Visions of the National COVID-19 Enquiry - The Core Participant's View