Summary of Internal Audit Service work supporting the HoIAS opinion 2021-22   **Annex 2**

Assurance Audits

Department	Entity	Final report (or position at 3/5)	Opinion	HI Rec'n
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	National Fraud Initiative 2020-21 – investigation of outputs from data matching	Draft report issued	N/A	No
Consolidated Risk	National Fraud Initiative 2022-23	Terms issued	N/A	No
Consolidated Risk	Data Sharing Agreements	26-05-21	Substantial	No
Consolidated Risk	Working from home equipment allowance – Tranche 2	Draft Report being compiled	TBC	TBC
Consolidated Risk	Travel, Subsistence and Related Allowances (COVID-19 related changes)	Revised testing underway	TBC	TBC
Consolidated Risk	Key ICT Controls 2020/21	Draft issued	Substantial	No
Consolidated Risk	Disaster Recovery Audit	Final Report Issued	Partial	Yes

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Consolidated Risk	Counter Fraud – Fit Note Process	Draft Issued	Substantial	No
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	Substantial	No
Consolidated Risk	Fusion – Various Payables Methods Faster Payments	Testing Ongoing	TBC	TBC
Consolidated Risk	Fusion – Expenses	Testing Ongoing	TBC	TBC
Corporate Resources	COVID-19 A&C Payments to Providers (Phase Two, Part 2)	22-Apr-21	Substantial	No
Environment & Transport & Corporate Resources Depts	Blue Badge - Online Renewals and Applications	6-Apr-21	Substantial	No
Adults & Communities	Direct Payments – follow up HI recommendations	22-Oct-21	N/A	Closed
Chief Executives	Coroners – follow up HI recommendations	22-Oct-21	N/A	Closed
Consolidated Risk	ICT Externally Hosted Contracts - follow up HI recommendations	22-Oct-21	N/A	Part closed
Consolidated Risk	Rights of audit in procurement contracts - follow up HI recommendations	22-Oct-21	N/A	Closed
Consolidated Risk	Records management - follow up HI recommendations	22-Oct-21	N/A	Closed

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Consulting audits

Department	Entity	Final report (or position at 3/5)
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
Children & Family Services	Cyber/ransomware risk in schools working party	Input complete – Police webinars launched
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 - Attendance at the Information Assurance Group Advice provided on IT Asset Management (Monitors) - 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)	Complete

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	- 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	
Corporate Resources	Fit for the Future Project: - Monthly Information Security Meetings e.g. updates to ISRAs - Advice to HR on the use of generic accounts and manager approvals - HR UAT testing - Advice on Audit Trails - Advice on verifying bank details via independent checks - Recording of personal emails on Oracle Fusion - Oracle Fusion mobile app - NCC Audit contacted LCC Audit regarding requirements to log back into Oracle Fusion following a period of inactivity and requirements for two factor authentication for external access. - Audit roles in Fusion - Fusion and cloud application reviews - Oracle session timeout	Ongoing
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.
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.
Corporate Resources	ISRA - Anywhere 365 Contact Centre	Signed off 7-Apr-21
Corporate Resources	ISRA – Edufocus Evolve	Signed off 26/08/21
Corporate Resources	ISRA – Granicus Reporting Pilot	Ongoing
Corporate Resources	ISRA – Welfare Call	Signed off 11/8/21
Corporate Resources	ISRA – Remote Desktop Services (VDI replacement solution)	Ongoing
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 – 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

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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

Grant Certifications

Adults & Communities	Culture Recovery Fund - Grants Programme. Project No - CRFG - 00308896	30-Sept-21	Certified	No
Adults & Communities	Disabled Facilities Grant	22-Oct-21	Certified	No
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	Elizabeth Woodvillle Primary School – Grant claim (EdTech Demonstrator Schools and Colleges Programme)	9-Jun-21	Certified	No
Children & Family Services	2021/22 Supporting Leicestershire Families - Payments by Results (Tranche 1 July 21 Claim)	24-Sept-21	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
Corporate Resources	COVID 19: Winter Grant Certification Audit (Claim2)	5-May-21	Certified	No
Corporate Resources	COVID 19 - Local Support Grant – Claim 1	07-July- 21	Certified	No
Corporate Resources	Culture Recovery Fund - Grant Programme - 2021	30-Sept-21	Certified	No
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	COVID 19: Additional Dedicated Home to School and College Transport Funding (Tranche 2)	23-Apr-21	Certified	No

Environment & Transport	2020/21 - COVID-19 LTA Bus Services Support Grant Restart Scheme (Revenue) (Period 19/1/21 – 15/3/21)	11-Jun-21	Certified	No
Environment & Transport	Bus Services Operators Grant (BSOG) 2020/21	27-Sept-21	Certified	No
Environment & Transport	2021/22 - Additional Home to School and College Transport Grant - Tranche 3 and 4	Testing Ongoing	TBC	No
Environment & Transport	Local Transport Capital Block Funding (Highways Maintenance Challenger Fund) - (2020/21) No 31/5072	28-Sept-21	Certified	No
Environment & Transport	Local Transport Capital Block Funding (Pothole and Challenge Fund) (2020/21) No 31/5072	28-Sept-21	Certified	No
Environment & Transport	Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) - 2020/21: No 31/5036	28-Sept-21	Certified	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)	22-Nov-21	Certified	No
Environment & Transport	Travel Demand Management – Claim 2	30-Dec-21	Certified	No
Public Health	HIV PrEP Grant Determination No. 31/5179	15-Jul-21	Certified	No

Undertaking or aiding with unplanned 'investigations'

Department	Entity / Details	Outcome by 3/5
Adults & Communities	Procurement fraud – attempted interference to an ongoing tendering exercise by what may have been a fraudster	Advice given
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. Department aware of issues with service user not allowing entry to supplier of care package.	Case closed
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
Chief Executive's	Falsification of receipts in support of grant expenditure claimed by a voluntary organisation	Advice given; grant recovered. Third-party Police referral.
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.
Chief Executives	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.	The Council provided a statement to the Police in support of any action to be taken. Additionally, the Council has sought

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		recovery of a further grant paid to the organisation (£4k) and has undertaken a thorough review of the organisation's utilisation of grant funding received.
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.
Corporate Resources	HR-led investigation into fraud by abuse of position (selling of items for personal gain)	Advice given
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.
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.

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Other control environment/assurance work

Department	Entity	Final report (or position at 3/5
Consolidated Risk	Collate risk related information from all Departments and prepared Risk Management update reports to Corporate Governance Committees	Complete
Consolidated 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
Consolidated Risk	Review of Register of Interests & Gifts and Hospitality in conjunction with the Director of Law & Governance	Complete
Consolidated Risk	Chaired monthly meetings of the Property & Occupants Risk Management Group	Ongoing
Consolidated Risk	Annual revision of the policies and strategies for Risk Management & Insurance	Complete
Counter Fraud	Liaison with Comms Team, Learning & Development Section and Trading Standards to agree on a joined-up approach to fraud awareness raising work during International Fraud Awareness Week. The approach this time around will see key messages given to all staff, but with a particular focus on the New Starters' Network, and additional comms aimed at the general public through the Council's Social Media channels, e.g. Facebook, Twitter.	Complete
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

Governance	Annual Governance Statement 2020-21 and 2021-22 - Review, update and issue Directors' governance self-assessments (Corporate and all Departments) for 2020-21 and 2021-22 - Collate results and prepare the Draft & final Annual Governance Statement 2020-21 in readiness for meetings of Senior Officer Group and Chief Officers - Prepare provisional draft AGS for 2021-22	Ongoing
Governance	Convened a group to discuss implementing the Centre for Governance & Scrutiny governance risk resilience framework and assessing the risks of incurring a Public Interest Report	Added to IA plan
Governance	Preparation for and discussion with the External Auditor as part of their VFM opinion assessment	Ongoing
Governance	Revision of Local Code of Corporate Governance	Ongoing

Work assisting other functions

Department	**Entity**	**Position at 3/5**

None this year

<u>Training, development and networks attended during the period</u>

Local Authorities Chief Auditors Network

- Attend bi-monthly meetings
- The governance risk resilience framework
- Self-assessing against the risk of incurring a Public Interest Report
- 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
  - Attend bi-monthly meetings
  - The resilience of internal auditors
  - Data Ethics
  - Audit performance measures
  - Climate Change
  - Changing role of the Head of Audit

- ICT Audit Group
  - Input into Points of Practice (PoP)
    - MS Defender
    - Domain Names
    - Cyber Security Response Plan
    - IT Security Governance

  - Webinar "Cybersecurity: how to drive better cross organisational assurance"
  - Data Protection Act Insurance Training Event (Weightmans)

Midlands Contract Audit Group

- Updates re contract audits

Institute of Internal Auditors

- Auditing local authority culture

- Digital Transformation

- Safeguarding (Local Authority Forum)

- Fraud Risk Assessments

CIPFA Better Governance Forum (and LGA)

- CIPFA Summer Audit Update

- CIPFA Update on Procurement and Contracting

- 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

Other training & development

- East Midlands Cyber Resilience Centre – Cyber Crime / Ransomware webinars for Leicestershire Schools and Academies

- National Anti-Fraud Network (NAFN) – Equifax Searches

- How to digitise your IA function

- CIPFA Counter Fraud Technician (Qualification Pending After Final Assignment submitted and passed)

- Podcast - Property damage as a consequence of cyber attack

- 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

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