

Summary of Internal Audit Service work supporting the HoIAS opinion 2022-23

Annex 2

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	Social Care Reforms	Final Issued	Substantial	No
Adults & Communities	Follow-up of External Inspections – CSC Peer Review	Final Issued	Substantial	No
Children & Family Services	Defining Children & Family Services for the Future Programme	Final Report issued	Substantial	No
Children & Family Services	School Admissions	25-May-22	Substantial	No
Children & Family Services	Martinshaw Primary School	27-Oct-22	Substantial	No
Children & Family Services	Follow-up of External Inspections – HM Inspector of Probation inspection report on Youth Offending Services in Leicestershire	Final Issued	Substantial	No
Children & Family Services	Local Government Ombudsman Rulings	Final Issued	Substantial	No
Children & Family Services	New Swannington Primary School	1st November 2022	Substantial	No
Children & Family Services	Westfield Infant School	21 November 2022	Substantial	No
Children & Family Services	Belvoirdale Primary School	29 November 2022	Substantial	No
Children & Family Services	Kilby Primary School	19 January 2023	Substantial	No

Children & Family Services	Greenfield Primary School	26 January 2023	Substantial	No
Children & Family Services	Ashmount School	30 January 2023	Substantial	No
Children & Family Services	St Bartholomew CE Primary School	2 February 2023	Substantial	No
Children & Family Services	St Edwards CE Primary School	7 February 2023	Substantial	No
Children & Family Services	Business Continuity in Schools	Final Report Issued	Substantial	No
Consolidated Risk	Counter Fraud – Fit Note Process	Final Report issued	Substantial	No
Consolidated Risk	Cyber Security Audit	Testing Ongoing	TBC	TBC
Consolidated Risk	Data analytics VAT numbers – using IDEA VAT checker	Draft issued	TBC	No
Consolidated Risk	Fusion – Internet Expenses	Closed – pick up in 23-24 now embedded	N/A	N/A
Consolidated Risk	Fusion – Various Payables Methods - Faster Payments	Final Report issued	Substantial	No
Consolidated Risk	Gifts and Hospitality & Declaration of personal interest	Draft issued	TBC	No
Consolidated Risk	HR Induction Process	Final issued	Substantial	No
Consolidated Risk	IT Hardware and Software Audit	Draft Report being compiled	TBC	TBC
Consolidated Risk	Key feeder systems – Accounts payable	WIP	TBC	No
Consolidated Risk	Key ICT Controls 2021/22	Final Report Issued	Substantial	No
Consolidated Risk	National Fraud Initiative 2022/24 – investigation of outputs from data matching	Draft being compiled	N/A	No

Consolidated Risk	P-cards usage	Draft issued	TBC	No
Consolidated Risk	Section 278 / Part 1 Land Compensation Act claims	Draft issued	TBC	No
Consolidated Risk	Validity of VAT only invoices	Draft issued	TBC	No
Consolidated Risk	Validity of VAT taxi numbers	Draft issued	TBC	No
Consolidated Risk	Workforce Well-being	Final Report issued	Substantial	No
Public Health	Suicide Prevention – Implementation & Effectiveness of Partnership	Final issued	Substantial	No

Consulting audits

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 5/5)</u>
Consolidated Risk	<p>IAS continues to provide advice in respect of Public Service Network (PSN) compliance requirements as and when required. The July 2022 submission date was not met. This was due to some urgent pieces of work that I&T needed to complete that relied on the same resource (e.g. upgrade to the Council's Anti-Virus and also bringing forward the project to migrate to a new product.</p> <p>The revised target for submission was November 2022. Certification has now been obtained (April 2023) and this is valid until April 2024.</p>	Ongoing

Consolidated Risk	<p>ICT Policies and Procedures:</p> <ul style="list-style-type: none"> - Advice on L&D Information Security E-Learning and issues with completion data we identified in previous audits - Attendance at the Information Assurance Group Meetings - Advice to department on ISO 27001 accreditation and Completion of Data Sharing Agreements - Floorwalk (ongoing programme of work) - CCTV IGT Project Plan and Programme of work - Pension Fund, Cyber Policy query - Advice provided on Disaster Recovery Governance Arrangements, Testing and supporting documentation - Attendance at Information Assurance Group Meetings - Floorwalk (ongoing programme of work) - Advice provided on CCTV Checklists and self-assessments - Input into Information Security Related Breaches (reported to the ICO) as and when required. - EMSS Advisory: - - Provide input and advice in the following areas in conjunction with Nottingham City Council:- <ul style="list-style-type: none"> o Outputs from the IT Health Check for Oracle o Feeder Systems o Queries on how journals are posted o Usage of Data Analytics and the IDEA tool 	Ongoing
Consolidated Risk	Advice to lead officers regarding adherence to the publishing obligations of the Council under the Local Government Transparency Code. Lead officers asked to self-assess compliance for their themed areas of responsibility as a precursor to audit assurance work later in the financial year.	Ongoing
Consolidated Risk	A governance questionnaire has been completed within the Council to help assess the appropriateness of current and planned governance arrangements, in	Ongoing

	response to governance issues that have been identified within other public sector organisations, e.g. as highlighted in recent Public Interest Reports.	
Corporate Resources	Bank Account Change Process – Harmonisation Across Organisations	Advice complete
Corporate Resources	Data analytics software used to <ul style="list-style-type: none"> • identify and validate employee duplicate bank accounts • match social care direct payment recipients and residential care home residents to National Fraud Initiative match reports of Department of Work & Pensions deceased persons records to blue badge holders / concessionary travel pass holders. 	Work complete
Environment & Transport	A review of procurement processes and controls has been completed within the Council and Internal Audit are working with Legal and Procurement teams to confirm the completion of required remediation.	Phase 1 completed. Phase 2 WIP
Corporate Resources	ISRA – Antivirus Microsoft Defender - Replacement for the Kaspersky Endpoint Security solution	Signed off 09/11/22
Corporate Resources	ISRA – Anywhere 365 Dialogue Cloud - Contact Centre solution providing helpdesk services and call management	Signed off 14/04/23
Corporate Resources	ISRA – Automation Proof of Concept - Automation of A&C processes e.g. referral forms, incident reports etc.	Signed off 12/05/23
Corporate Resources	ISRA – CCTV Trees Care Home - Review of the Trees Care Home CCTV security arrangements	Ongoing (part of a bigger programme of work).
Corporate Resources	ISRA – Claremont Cloud Hosting Transfer of Data from Oracle - Cloud Hosting of Oracle databases	Ongoing
Corporate Resources	ISRA – Core+ - Web-based database solution for Integrated Youth Support (replaces CareWorks)	Ongoing

Corporate Resources	ISRA – DA Languages - New translation and interpretation services for the council provided by DA Languages	ISRA Terminated arrangement not going ahead
Corporate Resources	ISRA – DBS - Demographic Batch Service File Transfer solution supplied by NHS Digital (replacing the DATS web- based system)	Signed off 16/03/23
Corporate Resources	ISRA – Drone Usage by Trading Standards - Management of drone devices and associated footage	Signed off 16/01/23
Corporate Resources	ISRA – EPIQ File Sharing	Signed off 07/09/22
Corporate Resources	ISRA – Fastori (formerly Ulysses) - Real time care and staff management system	Signed off 16/03/23
Corporate Resources	ISRA – Generic Devices - Process for the use of generic devices at LCC (includes use of generic login)	Ongoing
Corporate Resources	ISRA – Granicus Reporting Pilot (new module launched by Granicus) - Enabling dashboards and reporting extracts from a variety of council systems	Will be superseded by another ISRA. This one has therefore been closed.
Corporate Resources	ISRA – Insights Products - Subscription for a financial reporting tool for the streamlining of reporting processes in LALS and ContrOCC	Ongoing
Corporate Resources	ISRA – IT Disposal Processes - New contract for the disposal and recycling of LCC IT assets	Signed off 08/03/23
Corporate Resources	ISRA – Jotform - Software for the creation of e-forms	Signed off 24/04/23
Corporate Resources	ISRA – Kefron Invoice Capture System - Document management lifecycle service to help manage information	Signed off 03/05/23

Corporate Resources	ISRA – Microsoft Quick Assist	Signed off 26/08/22
Corporate Resources	ISRA – Microsoft Teams (updated)	Signed off 22/06/22
Corporate Resources	ISRA – Synergy Implementation - LCC's Education Management System (replacing CapitaOne)	Signed off 05/04/23
Corporate Resources	ISRA – Synergy, Orchestra & system Talk Data Transfer - Additional functionality within the Synergy System e.g. automation of feeds into School Management Systems	Ongoing
Corporate Resources	ISRA – Trusted Third Party	Signed off 03/08/22
Corporate Resources	ISRA – Wagestream - Financial Management service to LCC employees	Ongoing
Corporate Resources	ISRA - Weight Management Website - Creation of a website for users to access the weight management programme	Signed off 06/03/23
Corporate Resources	ISRA – WPC Coroners	Signed off 30/06/22

Grant certifications

<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	Project Enlightenment – Grant Certification	13-Apr-22	Certified	No
Adults & Communities	Disabled Facilities Grant	31-Oct-22	Certified	No
Chief Executives	Biodiversity Net Gain Grant	30th March 2023	Certified	No

Chief Executives	Multiply Funding Grant Funding	WIP		
Children & Family Services	2022/23 Supporting Leicestershire Families - Payments by Results (July 22 Claim)	21-Jul-22	Certified	No
Children & Family Services	Ashmount School – Teaching School Grant (re: 2021-22)	24th May 2022	Certified	No
Children & Family Services	2022/23 Supporting Leicestershire Families - Payments by Results (December 22 Claim)	28-Dec-22	Certified	No
Children & Family Services	2022/23 Supporting Leicestershire Families - Payments by Results (March 23 Claim)	28-Mar-23	Certified	No
Corporate Resources	Household Support Fund (HSF) – Claim 2	21-July-22	Certified	No
Corporate Resources	Household Support Fund (HSF) – Claim 3	19-Oct-22	Certified	No
Corporate Resources	Public Sector Decarbonisation Scheme Grant No. 31/5353	26-Jul-22	Certified	No
Environment & Transport	Bus Service Operators Grant (Re: 2021-22)	5 th October 2022	Certified	No
Environment & Transport	Local Transport Capital Block Funding (Integrated Transport & Highway Maintenance Blocks) No. 31/5505	14-Sep-22	Certified	No
Environment & Transport	Local Transport Capital Block Funding (Pothole Fund) No. 31/5506	14 Sep-22	Certified	No
Environment & Transport	Bus Recovery Grant	11th Nov 2022	Certified	No
Public Health	Green Homes Grant 1b - GRANT DETERMINATION (2021): No 31/5336	28-Sept-22	Certified	No
Public Health	Contain Outbreak Management fund (COMF 2020-21)	30 th June 2022	Certified	No

Public Health	Contain Outbreak Management fund (COMF 2021-22)	30 th June 2022	Certified	No
Public Health	Adult Weight Management Services Grant	31-Oct-22	Certified	No

Undertaking or aiding with unplanned 'investigations'

<u>Department</u>	<u>Entity / Details</u>	<u>Outcome by 5/5</u>
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. Company provided evidence of spending and department concluded that spend was in accordance with the terms and conditions of the Fund.	Advice complete
Chief Executive's	Advice to department surrounding concerns regarding a grant funded voluntary organisation failing to demonstrate the achievement of expected outcomes.	Advice complete. Funds recovered.
Children & Family Services	Work undertaken into the circumstances surrounding an overspend on the Early Years' grant.	Work completed
Children & Family Services	Advice to department surrounding the compromise of an external partner's IT systems. Led to a payment due to LCC being redirected by the partner to a fraudster.	Advice complete.
Children & Family Services (Schools)	School Financial Advisor identified suspected fraudulent payments on the school's procurement card statement. Total payments were circa £1,500 and were reimbursed by the bank. School reported incident to Action Fraud.	Advice complete
Children & Family Services (Schools)	School Business Manager reported cloning of cheque issued by the school and presented for higher value (£4,700) than originally issued (£148.50). No loss to the school and the amount was refunded by the bank. School reported incident to	Advice complete

	Action Fraud.	
Corporate Resources	Advice to department on a CEO fraud (impersonation of senior officer) attempt.	Advice complete.
Corporate Resources	Advice to department surrounding failed attempt by fraudster of claiming repayment of pension contributions of former employee	Advice complete
Corporate Resources / Children & Family Services	Advice to departments surrounding the compromise of a maintained school's employee payroll access leading to a monthly salary being redirected to a fraudster.	Advice complete
Environment & Transport	Audit work reviewing the circumstances leading up to a disconnection of electricity at a Council RHWM site.	Work completed.
Public Health	Continued input to Police enquiry into a suspected financial irregularity on a payment-by-performance contract.	Overpayment recovered in full. Complex police enquiry continues involving a number of other public bodies, e.g. NHS.

Other control environment/assurance work

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 5/5)</u>
Consolidated Risk	Counter Fraud – biennial refresh of the following counter fraud polices: <ul style="list-style-type: none"> • Anti-Fraud and Corruption Strategy • Anti-Bribery Policy • Anti-Money Laundering Policy 	Complete

	<ul style="list-style-type: none"> Policy for the Prevention of Facilitation of Tax Evasion 	
Consolidated Risk	Risk Assessment – Facilitation of Tax Evasion	Complete
Counter Fraud	A range of targeted fraud awareness comms published during International Fraud Awareness Week (November 2022). Include proactive counter fraud comms and a 'Lunch and Learn' session for staff.	Complete
Counter Fraud	Data on cost of investigating fraud collated and published on website in accordance with requirements of Local Government Transparency Code 2015	Complete
Counter Fraud	Fraud Risk Assessment updated	Complete
Counter Fraud	Mandatory Fraud Awareness e-learning – targeted work surrounding non-completion of this mandatory training in higher risk sections	Complete
Governance	Assist the Monitoring Officer and Democratic Services Manager to devise the approach to appointing Independent Members of the Corporate Governance Committee	Ongoing
Governance	Draft Annual Governance Statement (AGS) 2021-22 published	Complete
Governance	Final Annual Governance Statement (AGS) 2021-22 published	Complete
Governance	Draft Annual Governance Statement (AGS) 2022-23 being prepared	Ongoing
Risk Management	Corporate Risk Management Group Meeting held Feb.	Complete
Risk Management	Corporate Risk Register updates.	Ongoing
Risk Management	Input to the Council's plans to meet 'Prevent' and 'Protect' (Martyn's Law) duties under 'CONTEST' (the Government's Counter-terrorism strategy)	Ongoing

Risk Management	Property & Occupants Risk Management Group	Ongoing
Risk Management	Revision of Corporate Risk Management Strategy and Policy	Complete

Work assisting other functions

<u>Department</u>	<u>Entity</u>	<u>Position at 5/5</u>
Corporate Resources	Commissioning Support Unit – Input to the revision to the Supplier Code of Conduct	Complete
Chief Executive	Request to transfer/take ownership of a trust fund managed by the Council	WIP
Corporate Resources	School payroll transition working group	WIP
Corporate Resources	Operational Finance Support Model & Control Group	WIP

Training, development and networks attended during the period

Local Authorities Chief Auditors Network – various topics

Midlands Counties Heads of Internal Audit Groups

- Management Group
 - Attendance at meeting in November 2023. Discussions points as follows:
 - Data Analytics
 - Audit Team Management
 - Measuring Audit Performance/Adding Value
 - Recent Publications
 - Handling difficult situations/risks for Heads of Audit
 - Emerging Risks

- ICT Audit Sub-Group
 - Inputs into IT Points of Practice
 - Digital Transformation (Webinar by the IIA)
 - Data Protection Act Insurance Training Event (Weightmans)
 - Attendance at the 4th Industrial Revolution Conference (Jointly by IIA and IASCA)
 - Training of Placement Student from De-Montfort University (Data Analytics work)
 - Data Analytics
 - Document Retention

- Fraud Sub-Group
 - No meetings but networking continues via info sharing message board / platform

Midlands Contract Audit Group

- Meeting in October

Institute of Internal Auditors

- IIA Ethics
- IIA Internal Audit Plan – Webinar

Other IT Audit Training: -

- IIA Data Analytics Forum Engagement
- Upgrade of all Audit staff to v12 of the IDEA Interrogation Tool
- Technology Enabled Care Webinar

CIPFA Better Governance Forum (and LGA)

- Internal Audit untapped potential report
- Introduction To Procurement For Internal Auditors
- Good Governance Webinar

East Midlands Risk Management Group

- None this period

Other training & development

- Management of Health & Safety
- Hymans Aspire On-Line Training Modules (6) – Investments and LGPS
- NatWest Fraud Webinar – Businesses

- NatWest Fraud Webinar – Local Authorities
- CIPFA Fraud Webinar – Know Your Clients
- CIPFA Counter Fraud Centre Webinar – Procurement Fraud or Poor Contract Management
- CIFAS Fraudscape Launch Webinar
- DWF 360 Insurance Fraud Round Table Discussion
- Continued training of all staff in use of data analytics
- Development of Internal Audit Case Management Product and transfer to a hosted server
- Work to ensure EQA readiness
- NFI Key Contact Training
- Building Business Resilience Webinar
- CIPFA - On The Agenda – Assessing Your Risk Maturity
- Technology Enabled Care – Future Webinar
- Preventing Fraud with Data Analytics – Webinar