

Audit and Risk Services Quarter Two Report 1st July to 30th September 2022

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1. **Quarter Two Summary**

Service Developments

Internal Audit

Internal audits that have been scoped in the quarter and/or fieldwork underway include:

Directorate	Internal Audits
Adult Services	<ul style="list-style-type: none"> Phoenix Centre Respite Care (Coopers Way)
Children’s Services	<ul style="list-style-type: none"> Special Educational Needs Hornby Road Children’s Home Children’s Centres Elective Home Education
Chief Executives	<ul style="list-style-type: none"> Social Housing White Paper
Communication and Regeneration	<ul style="list-style-type: none"> Illuminations Planning
Community and Environmental	<ul style="list-style-type: none"> Driving at Work
Corporate	<ul style="list-style-type: none"> Wholly Owned Companies – Leases, Asset Registers, Contracts and Operating Agreements Event Management Pandemic Response Compliance with Corporate Arrangements Use of Consultants
Governance and Partnerships	<ul style="list-style-type: none"> Adult Social Care Legal Services Support
Public Health	<ul style="list-style-type: none"> Health Protection Arrangements
Resources	<ul style="list-style-type: none"> Creditor Payments FCAT Council Tax FCAT Energy Management
Schools	<ul style="list-style-type: none"> Stanley Primary School Bispham Endowed Primary School

Details of the scope and final outcome for each of the above audits will be reported to Audit Committee in the Audit and Risk quarterly report once the fieldwork has been completed and the draft report agreed.

Three members of the team have indicated that they are leaving in the quarter, one due to retirement, one to take up another role in the Risk and Resilience Team and one to move closer to home. Therefore, a recruitment campaign is underway to fill these roles. There is likely to be an impact on delivery of the Internal Audit Plan for this financial year, however this is being regularly monitored and contingencies identified should these be necessary.

Corporate Fraud

The Senior Counter Fraud Advisor is leading on the post assurance work which is a requirement of Central Government in relation to the various grants paid to local businesses who were impacted by the pandemic and who apparently qualified for the various grant schemes in place. This continues to have a significant impact on resource in order to collate the data required for checking.

Proactive fraud prevention work is underway with a focus on the National Fraud Initiative this includes the relaunch of the checks undertaken on residents claiming single person discount. Preparations are underway for the data submission for the 2023 Exercise.

The communication activity in the quarter was an article relating to how to report a fraud, where it should be reported to, and what information needs to be provided. This campaign was run on social media, the electronic Your Blackpool newsletter and the employee newsletter.

The Government launched the Public Sector Fraud Authority (PSFA) in the quarter. The PSFA aims to provide increased scrutiny of activity to reduce the impact of fraud and economic crime, building broader and deeper expert services to support departments and public bodies. The impact this new authority has will be monitored by the Corporate Fraud Team to see whether there is any learning or opportunities which may be beneficial for Blackpool going forward to help to drive the zero tolerance approach.

One of the Counter Fraud Officers achieved their Accredited Counter Fraud Investigator qualification in the quarter. All Counter Fraud Officers are now fully qualified to carry out their roles.

Risk and Resilience

Overall 67% of the scheduled risk management groups were held in the quarter. Some were rearranged due to the summer period and are rescheduled for in quarter three. Work is also underway with the wholly owned companies to review their strategic risk registers to enable effective reporting to the Shareholder Committee.

The service has started a procurement exercise for leaseholder insurance and are currently seeking the appointment of a broker. Continued liaison with the Growth and Prosperity Team is also taking place to understand any potential insurance risks arising due to the ongoing regeneration programme across the town, with property insurance being the greatest risk at present.

In conjunction with the health and safety team, property services and IT, steps are being taken to improve building resilience at Bickerstaffe House. As part of this an iPool training course is being developed to help ensure that all staff are aware of what arrangements they need to follow should an incident occur.

The Senior Risk and Resilience Officer has resigned to take up a new role in the private sector. After 19 years at the Council, they will be missed. A recruitment exercise is planned to appoint a replacement to this role.

Health and Safety

The modernisation of the health and safety management system on the Hub is ongoing, as is the transfer of accident reporting onto the new HR system which is due to go live in October 2022. Work has also recommenced on the development of a more user friendly corporate warning register for use by all Council services to help protect staff working in customer facing services. Work has also been undertaken with HR to support the closing down and removal of the Covid-19 area on the Hub.

Core health and safety training has been delivered, and there is continued growth for more bespoke training for individual teams and the delivery of toolbox talks by the health and safety team.

A member of the team left to join one of the wholly owned companies in the quarter. A recruitment exercise is underway to fill this vacancy. An additional post has also been created to provide a dedicated health and safety resource for highways and tram track, and a recruitment campaign is underway for this position.

Performance

Risk Services performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
Professional and technical qualification as a percentage of the total.	85%	65%

Internal Audit Team performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
Percentage audit plan completed (annual target).	90%	39%
Percentage draft reports issued within deadline.	96%	91%
Percentage audit work within resource budget.	92%	100%
Percentage of positive satisfaction surveys.	85%	94%
Percentage compliance with quality standards for audit reviews.	85%	93%

Risk and Resilience Team performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
Percentage of Council service business continuity plans up to date.	100%	85%
Percentage of risk registers revised and up to date at the end of the quarter.	100%	59%
Number of risk and resilience training and exercise sessions held (annual target).	6	3
Percentage of property risk audit programme completed (annual target).	100%	100%

A full review of the completeness of business continuity plans is due in quarter three however a summary of the current position is:

- Completion - 100%
- Transferred to new template – 89%
- Updated in last 12 months – 85%

All risk registers were due to be updated by the end of quarter two, in line with the requirements of the Corporate Compliance Calendar and Risk Management Framework, however progress has been disappointing as shown in the following table:

Risk Management Group	Percentage Updated April 2022 – September 2022	Risk Registers Not Updated
Adult Services	66%	Adult Social Care
Central Support Services	64%	Executive’s Management Support Headstart Housing Strategy ICT Property Services
Children’s Services	66%	Children’s Social Care & Early Help
Communications & Regeneration	38%	Arts Development Beach Patrol Car Parking Communications Corporate Print Economic Development Grundy Art Gallery Heritage Libraries Visit Blackpool
Community & Environmental Services	78%	Coastal & Environmental Partnership Investments Highways (Engineering)
Public Health	100%	

Health and Safety performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
RIDDOR Reportable Accidents for Employees	0	2

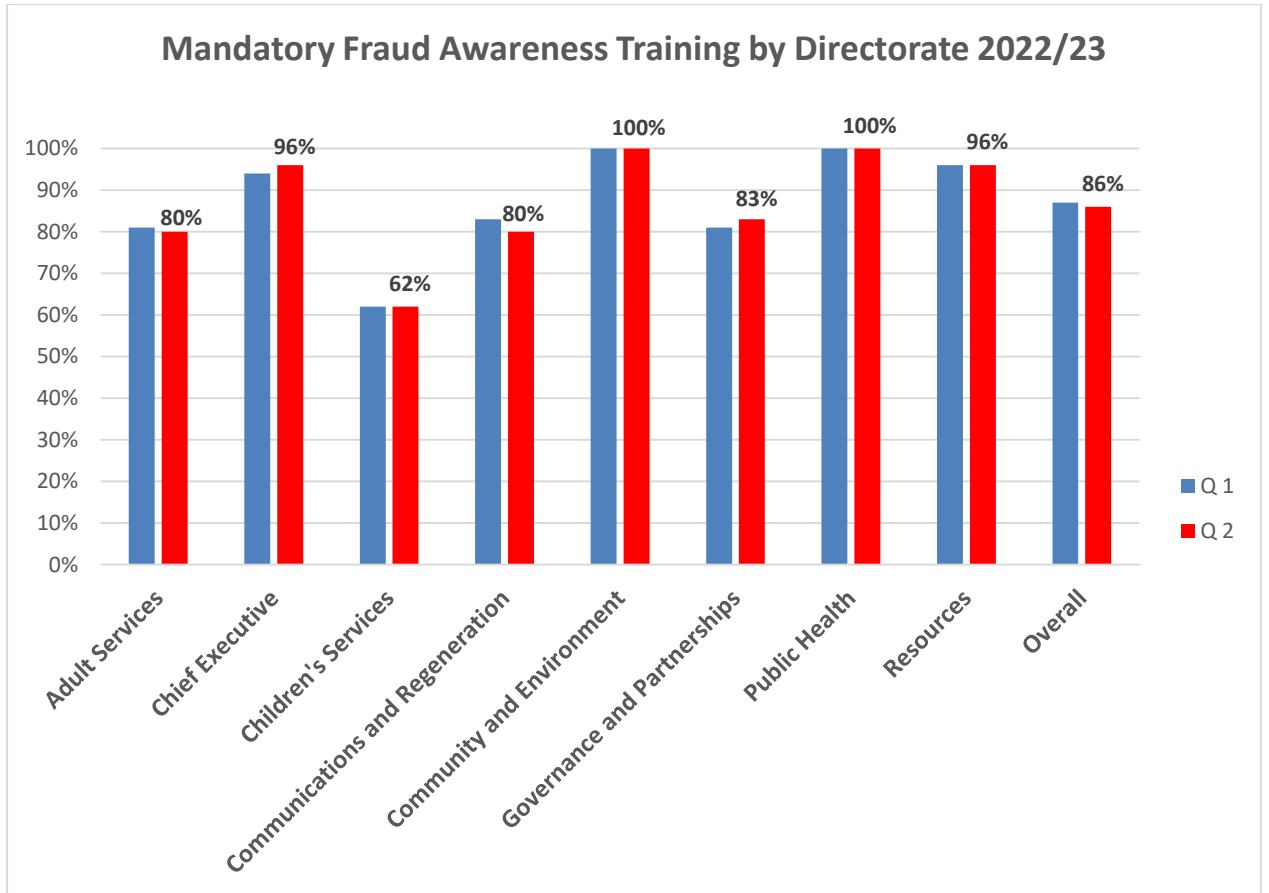
There was one new RIDDOR case relating to employees reported in the quarter, a summary of the details is as follows:

- Highways - employee went to hospital after a break/fracture due to an accident when his digger collapsed into an excavation.

Corporate Fraud Team performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
% of agreed Council employees completed i-Pool fraud awareness course.	100%	86%

As at the end of Quarter 2, the overall completion rate has decreased from 87% (as at 31st July 2022), to 86% (as at 30th September 2022). Whilst there have been some changes to the levels of completion within individual Directorates, further analysis has revealed that such fluctuations can be attributed to Directorate staffing changes which have occurred during the quarter.



2. **Appendix A: Performance & Summary Tables for Quarter Two****Internal Audit reports issued in period**

Directorate	Review Title	Assurance Statement								
Adult Services	Extra Support Service	<p>Scope</p> <p>Compliance testing on the following areas:</p> <ul style="list-style-type: none"> • Care plans are up to date; • Accurate staff rotas are in place; • Training logs are in place; • DBS checks have been carried out; • Policies and procedures are in place; • Procedures for medication; • Health & Safety Risk Assessments are in place; • Purchase Card usage is compliant; • Procedures around Infection Control; • Robust quality assurance arrangements; • Suitable security arrangements are in place; • Service user assets are managed; • Procedures are in place for external activities and are being followed; and • Risk Reduction Plans are in place to support young people in their transition to adulthood. <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 1102 1465 1140"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate with minor control improvements required. Our testing revealed minor lapses in compliance with the controls.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1317 1465 1429"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">3</td> </tr> </table> <p>Management Response</p> <p>The service will obtain the most recent pathway plan from the MOSAIC system for all service users. A plan to ensure this is a perpetual action has been developed.</p> <p>A new column has been placed onto the service user matrix spreadsheet to inform and record the 6 monthly review requirement.</p> <p>The training allocation manager checks the booking system for available dates for training on a monthly basis. A process is to be implemented to record the dates a check on available training is made.</p> <p>Deputy Managers will ensure that staff complete finance book reconciliations on a monthly basis. A process has been implemented onto the duty tracker spreadsheet.</p>	Adequate		Priority 1	0	Priority 2	4	Priority 3	3
Adequate										
Priority 1	0									
Priority 2	4									
Priority 3	3									

Directorate	Review Title	Assurance Statement								
Children's Services	Financial Systems Development	<p>Scope</p> <p>The scope of our audit was to review the financial systems and processes in place, efficiencies that can be made within the processes, and further development plans.</p> <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 521 1465 560"> <tr> <td colspan="2" style="text-align: center;">Inadequate</td> </tr> </table> <p>We consider that the controls in place are inadequate with significant work required to establish a robust audit trail, ensuring appropriate authorisations are obtained and evidenced through the use of manual processing of invoices, and a review of the system development opportunities available to strengthen the overall finance process.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 878 1465 987"> <tr> <td>Priority 1</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">6</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">1</td> </tr> </table> <p>Management Response</p> <p>The Assistant Director of Children's Services (Social Care) will lead a Task and Finish Group in order to establish robust financial processes and produce a financial framework.</p> <p>The processes in place to process invoices received via the Home Finding Team will be reviewed to ensure adequate approvals are sought in line with the Scheme of Delegation.</p> <p>The ability to utilise available systems (E-procurement or Mosaic) to process invoices received via the Home Finding Team (in the interim period between system developments) to ensure suitable authorisations are transparent will be reviewed.</p> <p>A review of practices within Children's Social Care will be undertaken to ensure transparency around who has checked and who has authorised invoices prior to payment, ensuring segregation of duties operates, the Scheme of Delegation is adhered to, and suitable records of expenditure are maintained.</p> <p>A more robust solution to obtain authorisation and segregation of duties will be put in place for Supporting Our Children invoices (For example FPM or E-procurement).</p>	Inadequate		Priority 1	5	Priority 2	6	Priority 3	1
Inadequate										
Priority 1	5									
Priority 2	6									
Priority 3	1									

Directorate	Review Title	Assurance Statement								
Chief Executives	Social Housing Rents Financial Control Assurance Testing	<p>Scope</p> <p>The scope of our audit was to ensure that effective controls are in place to minimise financial risk related to social housing rents.</p> <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 488 1465 521"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>Overall, we have assessed that there is an adequate system of controls over the social housing rents system. However, some of our findings were previously identified in our 2019 review. The process for checking identification of new tenancies needs to be consistently applied by all staff, and policies and procedures should be reviewed at least bi-annually to ensure staff are working to the required standards.</p> <p>Furthermore, where we sought evidence of compliance with the key financial controls, it was found that the evidence demonstrated that there was an unsatisfactory level of compliance in some of the areas tested.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1055 1465 1167"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">4</td> </tr> </table> <p>Management Response</p> <p>Steps will be taken to ensure that policies and procedures are reviewed on a regular basis via flags on SharePoint.</p> <p>Reconciliations will be signed as reviewed/authorised by the Head of Finance using a laptop pen or by an email, confirming the review/authorisation.</p> <p>The service will ensure that physical checks of tenancy ID will be obtained wherever possible.</p> <p>The process for confirming a tenant’s identity will be consistently applied by all staff.</p> <p>A process is in place to ensure that rent increases are not overlooked, however additional checks will be introduced to ensure that it is adhered to.</p> <p>The write off process will be finalised and regular meetings with the Head of Housing will be reinstated, the frequency of which is to be determined by the Head of Housing.</p>	Adequate		Priority 1	0	Priority 2	2	Priority 3	4
Adequate										
Priority 1	0									
Priority 2	2									
Priority 3	4									

Directorate	Review Title	Assurance Statement							
<p>Communications and Regeneration</p>	<p>Growth and Prosperity</p>	<p>Scope</p> <p>The scope of the review was to ensure that recommendations made in previous audit reports had been fully addressed including:</p> <ul style="list-style-type: none"> • Growth and Prosperity (2018/19); • Enterprise Zone (2020/21); • Management of Investment Properties (2020/21); and • Town Deal (2021/22) <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 685 1465 723"> <tr> <td style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that overall, the recommendations and actions highlighted in the previous audit reports have been adequately addressed.</p> <p>We consider that there are some further improvements that could be made to address some of the recommendations from the previous audits, particularly in relation to the Management of Investment Properties report.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1111 1465 1220"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">7</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">2</td> </tr> </table> <p>Management Response</p> <p>The risks associated with the investment programme have now been incorporated into the overall Growth and Prosperity risk register.</p> <p>A marketing document which outlines the Growth and Prosperity programme has been produced. A draft strategic plan is in place, and this will be refreshed and finalised by the end of the financial year.</p> <p>An Enterprise Zone and a Town Deal Communication Plan has now been developed and finalised.</p> <p>The Corporate Asset Management Plan will be finalised and implemented this calendar year.</p> <p>An updated process diagram, and roles and responsibilities documents to reflect Growth and Prosperity current practices are now in place.</p> <p>A copy of the relevant legal advice, supporting the decision not to establish a company where appropriate, has now been located and put on file.</p>	Adequate	Priority 1	0	Priority 2	7	Priority 3	2
Adequate									
Priority 1	0								
Priority 2	7								
Priority 3	2								

<p>Community and Environmental</p>	<p>Waste Management</p>	<p><u>Scope</u></p> <p>The scope of our audit was to review the Council’s statutory duties for waste collection, processing and disposal, and whether these duties are being effectively and efficiently carried out by outsourced companies (i.e. Blackpool Waste Services Limited (BWS) and Lancashire Renewables Limited).</p> <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 539 1465 577"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that controls relating to Waste Management are adequate, with most risks identified and assessed, and some changes necessary. The Council’s statutory duties for collecting and disposing of waste and reporting waste management data to the Government are appropriately carried out by BWS and Lancashire County Council.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 898 1465 1010"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">2</td> </tr> </table> <p><u>Management Response</u></p> <p>To help prioritise significant projects on a local level to improve the delivery of waste management services, an overarching programme brief will be produced. Service improvement projects are simpler to prioritise, however, significant changes to service delivery will require approval at a higher level.</p> <p>The procedure for involving BWS in the planning process for Council and private events will be reviewed and addressed through relationship meetings. Periodic discussions will also be arranged with the Director of Communications & Regeneration and the Head of Tourism & Communications to review how events impact the company.</p> <p>The Director of Governance & Partnerships and the Finance Manager (Subsidiary & Partnership) are leading on updating the Management Service Agreements and reviewing the associated central support charges for BWS.</p> <p>The Head of Waste Policy & Partnerships will discuss with the Customer Relations Manager how complaints should be handled and recorded by BWS. The Performance & Quality Manager at BWS will also be consulted to determine whether BWS’s complaints handling procedures are appropriately documented.</p>	Adequate		Priority 1	0	Priority 2	4	Priority 3	2
Adequate										
Priority 1	0									
Priority 2	4									
Priority 3	2									

Directorate	Review Title	Assurance Statement								
Community and Environmental	Green and Blue Infrastructure Strategy	<p><u>Scope</u></p> <p>The scope of the audit was to review the progress made to achieve the Green and Blue Infrastructure Strategy and assess progress against the annual plan.</p> <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 488 1465 521"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate, however we have made recommendations on how improvements could be made to enhance the progress made towards the action plan and ensuring the reporting mechanisms provide transparency.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 768 1465 880"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">3</td> </tr> </table> <p><u>Management Response</u></p> <p>The GBI Strategy steering group has been re-established with relevant department representatives relating to the action plan, in order to refocus the GBI agenda. The next meeting will take place in October.</p> <p>The GBI Development Manager will identify key contacts within the Action Plan and schedule to meet with them accordingly to discuss progress.</p> <p>The GBI Action Plan will be reviewed and interim targets set where required. In addition, the 12 month priorities are to be identified within the action plan.</p> <p>KPIs developed as part of the Local Plan will be fully reported as part of the GBI strategy updates to the Scrutiny Leadership Board.</p> <p>Additional statistics on progress will be presented to the Scrutiny Leadership Board, to enable clear monitoring of targets being met throughout, and by the end of, the 10 year strategy.</p> <p>The action plan will be updated with progress made for reporting to the next Scrutiny Leadership Board.</p>	Adequate		Priority 1	0	Priority 2	3	Priority 3	3
Adequate										
Priority 1	0									
Priority 2	3									
Priority 3	3									

<p>Community and Environmental</p>	<p>CCTV</p>	<p><u>Scope</u></p> <p>The scope of the audit was to ascertain the progress made on the project to deliver the new CCTV system including:</p> <ul style="list-style-type: none"> • Project funding (capital and on-going maintenance); • Relocation to Starr Gate tram depot; • Project Management arrangements, including milestones and key deliverables; • Project liaison with key partners, including IT, Data Governance and external partners; and • Implementation of previous recommendations. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td>Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate, with some risks identified and assessed, and some changes necessary. Work is progressing on the delivery of the CCTV project, however there has been some slippage due to the change of location for the control and viewing rooms and also supply chain issues.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">0</td> </tr> </table> <p><u>Management Response</u></p> <p>A log will be maintained of key action points/decisions arising from the CCTV Core Investment Group meetings to maintain a clear audit trail.</p> <p>The CCTV Manager and CCTV Supervising Manager will continue to liaise with TNP so that a work programme for the installation/upgrade of the cameras can be produced as soon as is reasonably practicable.</p> <p>The service is liaising with the Risk and Resilience team to ensure that adequate insurance cover for CCTV equipment is put in place as soon as possible.</p> <p>The outstanding recommendations made in the 2020 CCTV audit will be implemented as soon as is reasonably practicable.</p> <p>The SSC self-assessment tool will be completed once the CCTV upgrade has been finalized. Installation of the cameras is due to be completed by the end of October 2022, however there may be some slippage in the timeframe.</p>	Adequate	Priority 1	0	Priority 2	5	Priority 3	0
Adequate									
Priority 1	0								
Priority 2	5								
Priority 3	0								

Directorate	Review Title	Assurance Statement												
Governance and Partnerships	Civil Claims Financial Data	<p>Scope</p> <p>The scope of the audit was to ensure effective controls in respect of the recording of financial data and reserves relating to civil insurance claims are in place.</p> <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 488 1465 521"> <thead> <tr> <th colspan="2" data-bbox="778 488 1465 521">Split Assurance</th> </tr> </thead> <tbody> <tr> <td data-bbox="778 521 1125 667">We consider that the controls in place are adequate relating to recording financial information, however work is required to establish best practice processes and to ensure these are embedded into the team procedures. We note that the controls introduced to maintain the financial data have improved the ongoing accuracy of data reporting, and note the system limitations often hindering the efficiency of this task.</td> <td data-bbox="1125 521 1465 667"></td> </tr> <tr> <td data-bbox="778 667 1125 981">We do, however, feel that the management of potential claims is inadequate with changes being made to practices without prior discussion with Risk and Resilience and the Self Insurance Panel.</td> <td data-bbox="1125 667 1465 981"></td> </tr> </tbody> </table> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1037 1465 1149"> <tbody> <tr> <td data-bbox="778 1037 1125 1070">Priority 1</td> <td data-bbox="1125 1037 1465 1070">1</td> </tr> <tr> <td data-bbox="778 1070 1125 1104">Priority 2</td> <td data-bbox="1125 1070 1465 1104">4</td> </tr> <tr> <td data-bbox="778 1104 1125 1149">Priority 3</td> <td data-bbox="1125 1104 1465 1149">1</td> </tr> </tbody> </table> <p>Management Response</p> <p>A discussion will take place with the Self Insurance Panel, to determine the suitable approach that should be taken relating to notification of potential claims, and the responsibility of associated costs.</p> <p>Liaison with the external claims handlers will take place to determine the reasons for the payments not being recorded on their databases.</p> <p>Discussions will take place with claims handlers to determine a more suitable method of reporting changes to reserves, in order to directly identify where changes are required.</p> <p>Changes to practices have already taken place, whereby changes to reserves are added as 'new' as opposed to 'edited'. These will be captured in the Office Procedure Manual.</p> <p>Changes to practices have taken place, whereby the closure of a claim will match the reserve to the total cost of the claim.</p>	Split Assurance		We consider that the controls in place are adequate relating to recording financial information, however work is required to establish best practice processes and to ensure these are embedded into the team procedures. We note that the controls introduced to maintain the financial data have improved the ongoing accuracy of data reporting, and note the system limitations often hindering the efficiency of this task.		We do, however, feel that the management of potential claims is inadequate with changes being made to practices without prior discussion with Risk and Resilience and the Self Insurance Panel.		Priority 1	1	Priority 2	4	Priority 3	1
Split Assurance														
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We do, however, feel that the management of potential claims is inadequate with changes being made to practices without prior discussion with Risk and Resilience and the Self Insurance Panel.														
Priority 1	1													
Priority 2	4													
Priority 3	1													

Directorate	Review Title	Assurance Statement							
Resources	Direct Debits	<p>Scope</p> <p>The scope of the audit included:</p> <ul style="list-style-type: none"> • The robustness of systems for Direct Debits established for Council Tax and Business Rates, including the set up processes; • The control and reconciliation of Direct Debit payments, including procedures to investigate discrepancies; and • That roles and responsibilities are clearly defined, and a consistent approach is adopted across the Council. <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 757 1465 792"> <tr> <td style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that overall, the controls in place for setting up the Direct Debits and the reconciliation process are adequate, and our testing identified only minor areas of improvement.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1003 1465 1115"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">4</td> </tr> </table> <p>Management Response</p> <p>Documented procedures will be prepared for Business Rates and Council Tax processes, to reduce the risk of errors and inconsistencies.</p> <p>The Head of Revenues, Benefits and Customer Services confirmed with the Exchequer Services Manager that adherence to KYC is not a requirement for PayUK. In mitigation, BACS undertake their own audit of Council services and have not raised any concerns.</p> <p>A meeting between BWS and the Council’s finance team will be convened to rectify the discrepancies between Direct Debits records maintained by the Council and BWS.</p> <p>Testing of the alert system of the bank notifying the Council of any suspicious Direct Debits placed on the Collection Fund will be carried out.</p>	Adequate	Priority 1	0	Priority 2	0	Priority 3	4
Adequate									
Priority 1	0								
Priority 2	0								
Priority 3	4								

Directorate	Review Title	Assurance Statement							
Schools	St John Vianney Primary School	<p>Scope</p> <p>The audit testing which was carried out included:</p> <ul style="list-style-type: none"> • Governance • Risk Management • Financial Planning & Budgetary Control • Payroll / HR Management • Expenditure • Income • Unofficial Funds • Security Of Assets • Core Assurance Testing <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 748 1465 786"> <tr> <td style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate, with some risks identified and assessed, and several changes necessary. Our testing revealed minor lapses in compliance with the controls.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 996 1465 1108"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">6</td> </tr> </table> <p>Management Response</p> <p>Meetings have now been moved to 'face to face', to allow physical signatures to be obtained.</p> <p>The Accounts Team have been instructed to ensure that VAT is reclaimed properly for purchase card transactions.</p> <p>A documented process for the disposing and writing off of assets will be produced.</p> <p>The Governor Skills Matrix will be reviewed.</p> <p>A further benchmarking report will be produced for governors, identifying any actions for improvement.</p> <p>The transferring of funds between school accounts will be avoided where possible, but due to the nature of being a school and an English Hub, this will not always be possible.</p>	Adequate	Priority 1	0	Priority 2	0	Priority 3	6
Adequate									
Priority 1	0								
Priority 2	0								
Priority 3	6								

Progress with Priority 1 audit recommendations

Two priority one recommendations were implemented in the quarter including:

- Animal Health Outbreak Management x 1
- Cyber Security (Data Infrastructure) x 1

A number of priority one recommendations which were due in the quarter have had their deadline extended following discussion between the relevant Head of Service and the Head of Audit and Risk, and include:

- Community Engagement x 1
- Water Self-Supply x 1
- Managing the Leavers Process x 1
- CCTV x 1
- Animal Health Outbreak Management x 1
- Track Maintenance Programme x 1
- Wholly Owned Companies Governance Arrangements x 1
- Energy Management x 2
- Cyber Security (Data Infrastructure) x 1
- Highways Enforcement x 2

The Regulation of Investigatory Powers Act 2000

In line with best practice, it has been agreed that the Council will report to the Audit Committee the number of RIPA authorisations undertaken each quarter, which enables the Council to undertake directed and covert surveillance. Between July 2022 and September 2022, the Council authorised no RIPAs.

Fraud and Error Data

The fraud and error statistics are now in the new format agreed as part of this year's Fraud and Error Prevention Charter and can be found in Appendix B.

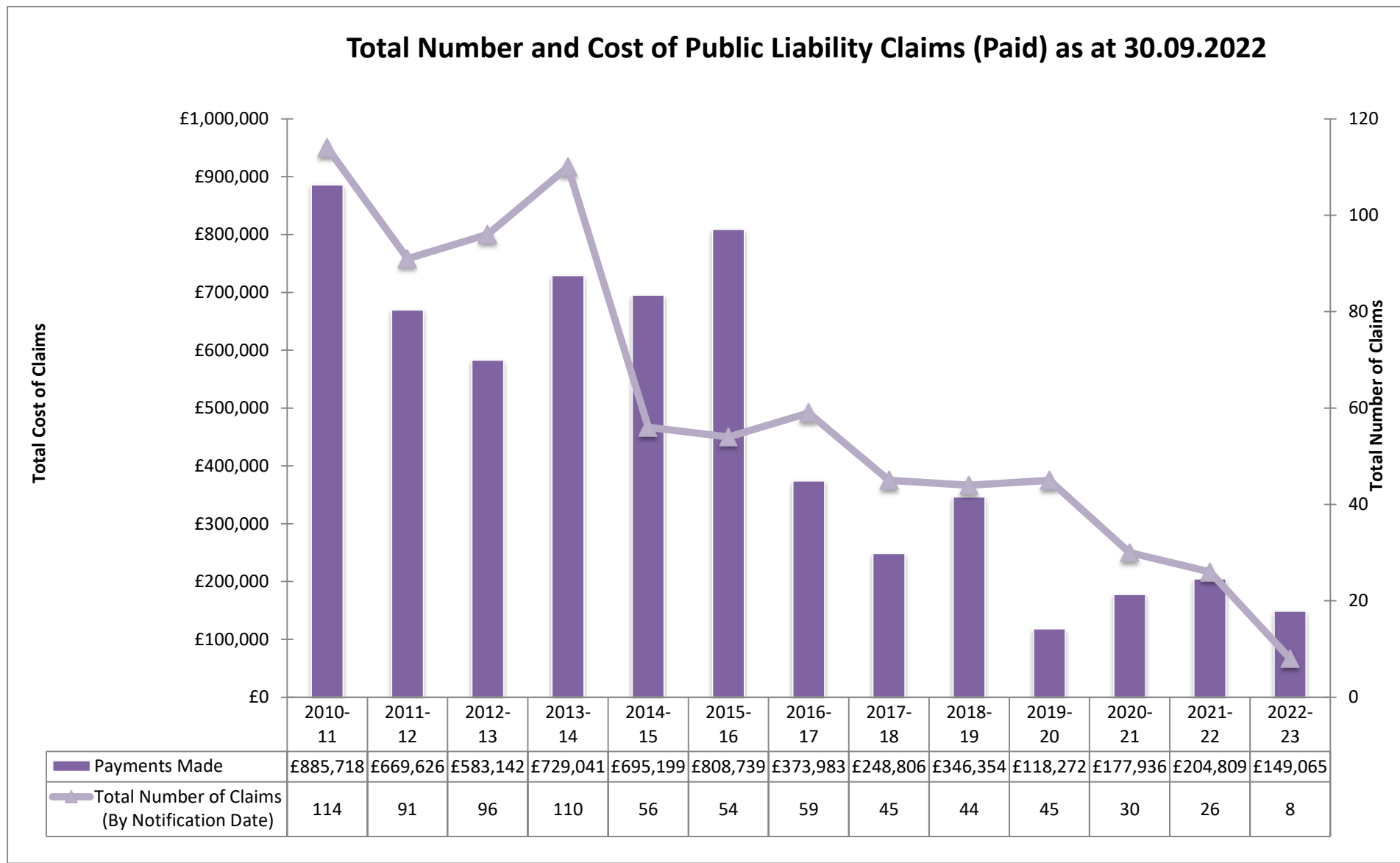
Insurance claims data

The graphs at Appendix C show the cost of liability insurance claims paid to date during each financial year by the Council.

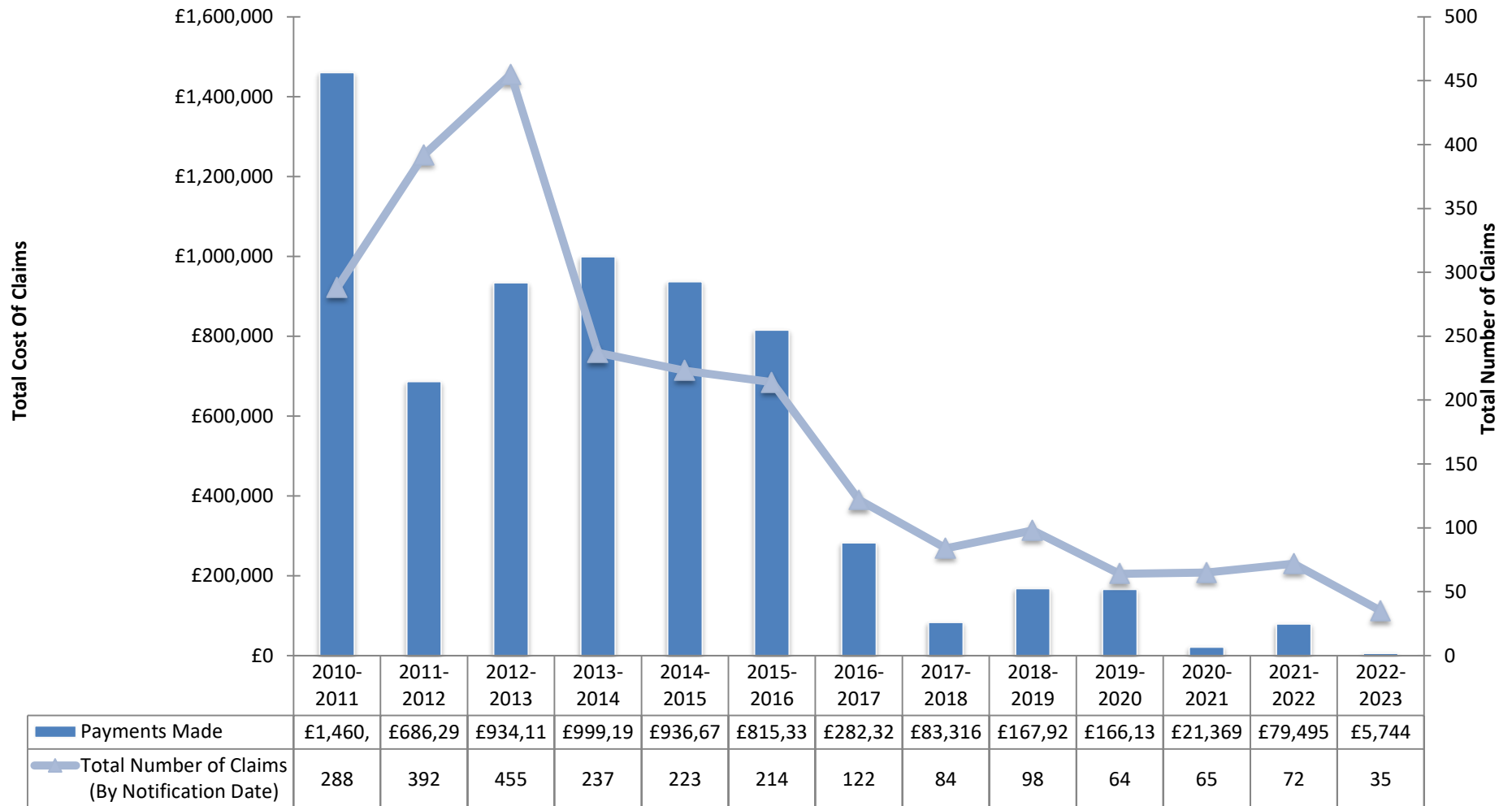
3. Appendix B - Fraud and Error Statistics 2022/23

CORPORATE FRAUD AND ERROR STATISTICS - 2022/2023	Number of Cases Brought Forward from 2021/22	Referrals Received				Case Closures									Total Value of Fraud Proven / Error Identified	Action Taken on Closed Cases					Number of Cases Currently Under Investigation
		Internal	External	NFI	Total Number of Referrals Received	Fraud Proven			Error Proven			No Fraud/Error Identified				No Further Action	Recommendation	Disciplinary	Administrative Penalty	Prosecution	
						Internal	External	NFI	Internal	External	NFI	Internal	External	NFI							
ANNUAL SUMMARY 2022/23																					
Type of Fraud																					
Council Tax - Single Person Discount	2,121	43	6	35	84	0	0	0	27	1	82	17	4	1,346	£ 63,577.24	1,477	0	0	0	0	728
Council Tax Reduction (CTR)	762	22	9	271	302	0	0	0	3	0	1	7	11	275	£ 10,407.56	297	0	0	0	0	767
Housing Benefit Claims	7	0	0	0	0	0	0	0	0	0	0	0	0	2	£ -	2	0	0	0	0	5
Housing Tenants	129	0	0	0	0	0	0	0	0	0	0	0	0	110	£ -	110	0	0	0	0	19
Payroll	11	4	0	0	4	1	0	0	0	0	0	0	0	5	£ -	5	0	1	0	0	9
Business Rates	4	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	4
Procurement	2,538	0	0	0	0	0	0	0	0	0	0	0	0	2,524	£ -	2,524	0	0	0	0	14
Fraudulent Insurance Claims	2	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	2
Social Care	3	0	0	0	0	0	0	0	0	0	0	2	0	-	£ -	2	0	0	0	0	1
Abuse of Position - Financial Gain	-	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	-
Abuse of Position - Data	-	2	1	0	3	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	3
General Financial Fraud	17	1	2	0	3	1	0	0	0	0	0	3	5	-	£ -	8	0	1	0	0	11
Blue Badge Parking/Travel Concessions/Resident Parking	23	3	1	0	4	0	0	0	1	0	0	1	1	-	£ 515.91	3	0	0	0	0	24
Housing/Right to Buy	-	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	-
Totals:	5,617	75	19	306	400	2	0	0	31	1	83	30	21	4,262	£ 74,500.71	4,428	0	2	0	0	1,587

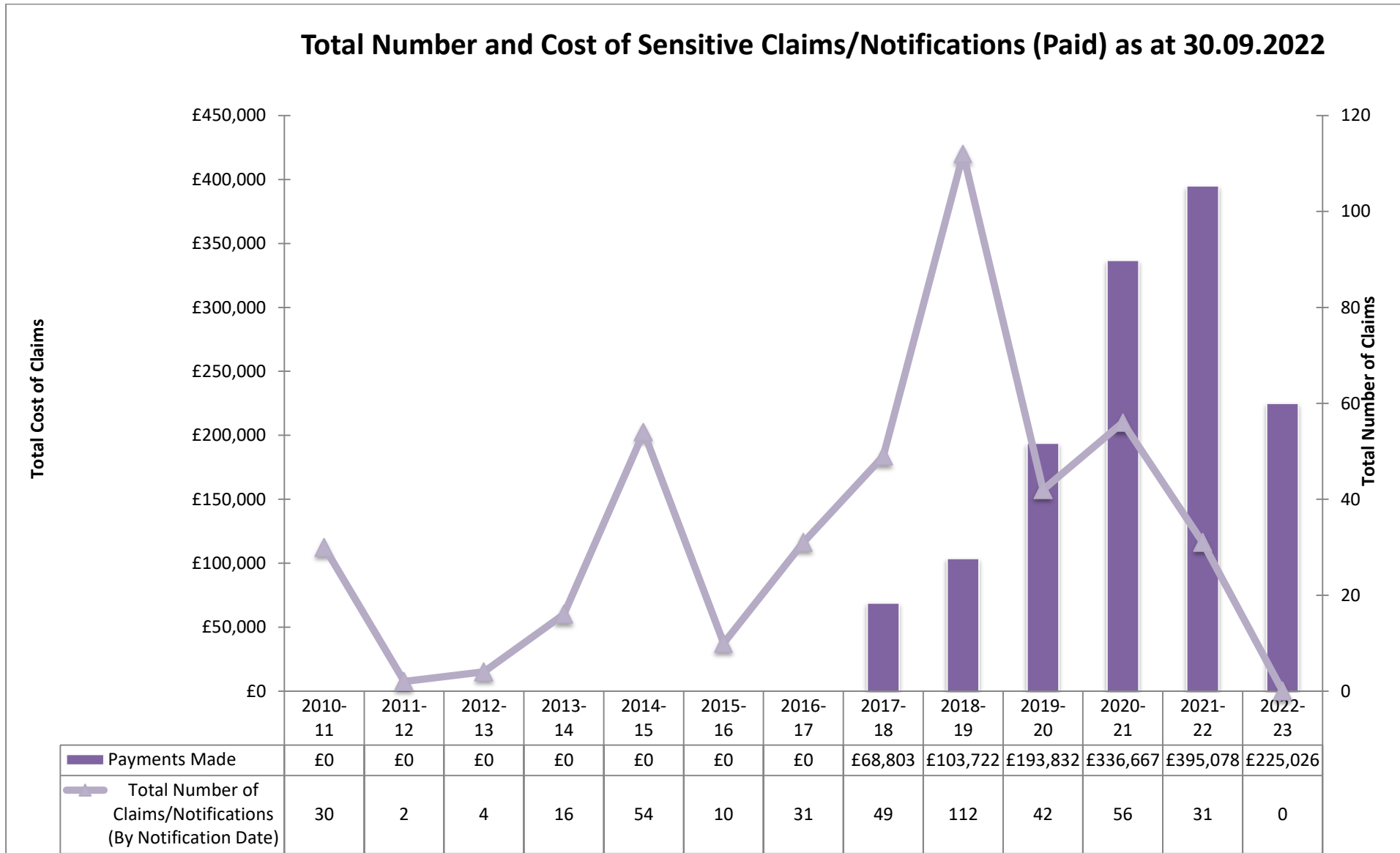
4. Appendix C – Insurance Claim Payments by Financial Year



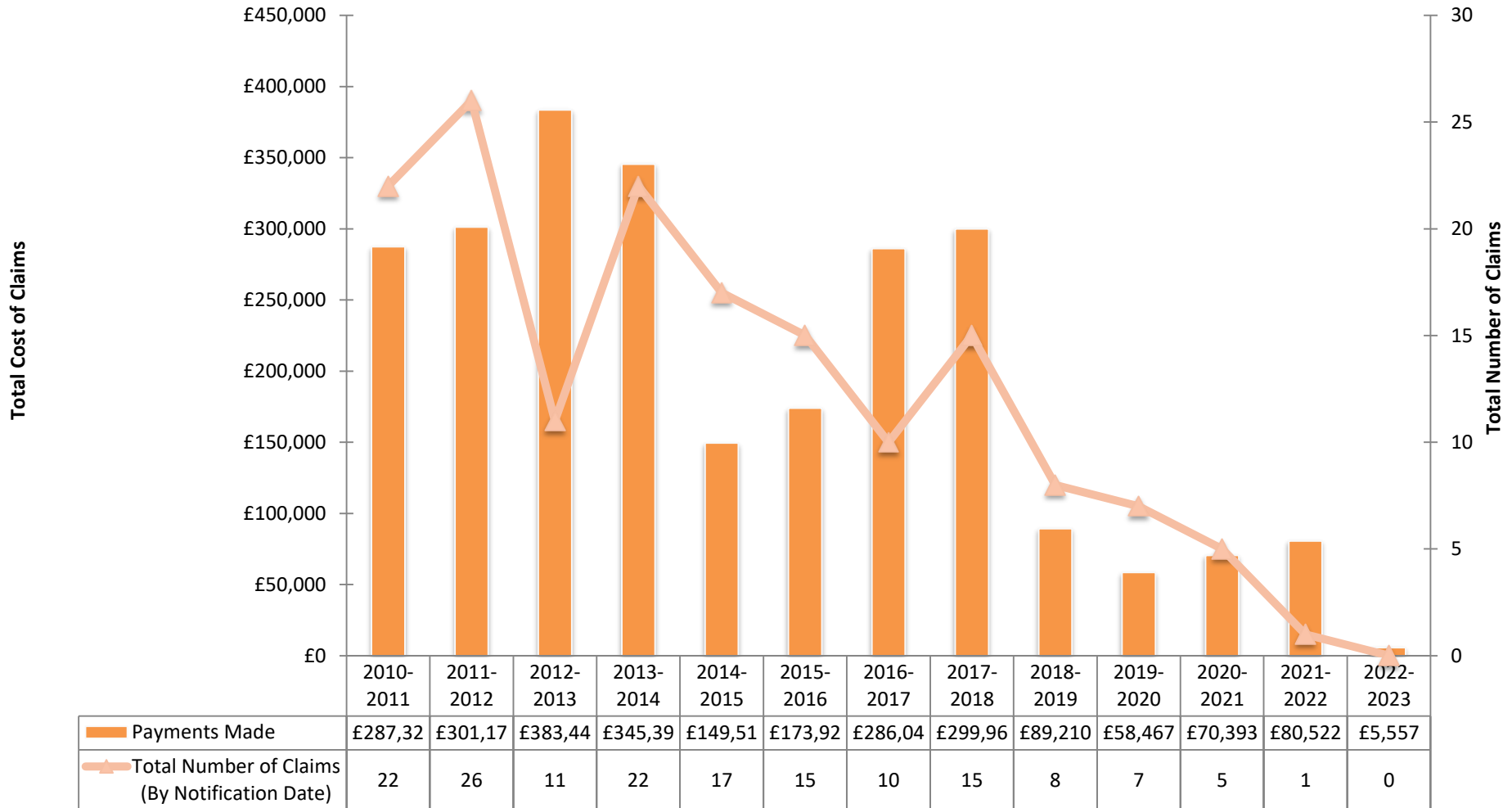
Total Number and Cost of Public Liability Highways Claims (Paid) as at 30.09.2022



Total Number and Cost of Sensitive Claims/Notifications (Paid) as at 30.09.2022



Total Number and Cost of Employer Liability Claims (Paid Amounts) as at 30.09.2022



Total Number and Cost of Data Breach Claim (Paid) as at 30.09.2022

