

Audit and Risk Services Quarter Four Report
1st January to 31st March 2023

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1. *Quarter Four 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"> • Preparing for Adulthood • Scheme of Delegation and Authorisation of Packages
Children's Services	<ul style="list-style-type: none"> • Children's Services Medium Term Financial Strategy
Chief Executives	<ul style="list-style-type: none"> • Community Engagement • Recruitment, Retention and Succession Planning
Community and Environmental	<ul style="list-style-type: none"> • N/a
Corporate	<ul style="list-style-type: none"> • Compliance with Corporate Arrangements • Not in Education, Employment or Training • Social Value • Use of Consultants
Governance and Partnerships	<ul style="list-style-type: none"> • N/a
Resources	<ul style="list-style-type: none"> • IT Help Desk and Device Management • Payroll
Schools	<ul style="list-style-type: none"> • N/a

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.

There have been two small changes to the audit plan in the quarter. The first was the addition of an internal audit of the Payment Sense card payment system. The second was the reallocation of the resources for complex cases in adult services to a review of their scheme of delegation and authorisation processes for packages. The latter is presenting a more pressing challenge for the service and any risks associated with complex cases will be picked up in the 2023/24 internal audit of CQC Preparedness.

Two of the three Auditor vacancies have now been filled with one experienced Auditor joining the team in February 2023 and a new trainee joining the team in April 2023. Recruitment is ongoing to fill the remaining vacancy. In addition, a member of the team started maternity leave in February 2023 and some agency cover has been secured which will commence in May 2023.

Corporate Fraud

The Corporate Fraud Team have examined all of the 2,130 Single Person Discount (SPD) / Electoral Register data matches (as reported by the National Fraud Initiative (NFI) Exercise 2021). This examination identified errors in 198 cases (9.3%), resulting in additional charges of £118,123 being levied to Council residents. In order to minimise further potential losses due to SPD awards being incorrectly applied, the Council subscribed to the NFI's 'Premium SPD Service' for 2023. This enhanced service examines a number of data sources (i.e. in addition to the Electoral Register), which may potentially indicate that a discount is being applied inappropriately. Initial results have highlighted approximately 31,000 addresses where SPD may have been incorrectly applied. In conjunction with the Head of Audit and Risk, the Corporate Fraud Team have produced a strategy to examine these data matches during 2023. The Committee will be updated on progress during the year.

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Training is currently underway to update the external Corporate Website, to enhance the Council's counter fraud presence.

Joint working links with the local office of the Department for Work and Pensions have been re-established. Quarterly meetings are now diarised, and there are currently 7 on-going investigations, 2 of which are at interview stage.

Risk and Resilience

All of the scheduled risk management groups were held in the quarter. An overarching risk register for the wholly owned companies has now been prepared and is currently being reviewed prior to approval being sought. Risk workshops are planned for the ShowTown project, Multiversity Project and Shared Prosperity Fund.

The service has completed a procurement exercise for leaseholder insurance. 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. A procurement exercise for all of the Council's covers will take place in 2023/24 with an inception date of April 2024 and planning has already started on this.

A new claims handling system has been procured which should increase efficiency when recording claims data and reporting outcomes. An initial system has been provided and is currently being tested before formal go live. There are some challenges around data migration from the old system but these are currently being worked through.

During the quarter we appointed to the vacant Risk and Resilience Officer post with the candidate taking up post in April 2023.

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 May 2023. This has included a review of all the health and safety management arrangements to ensure that they remain up to date and supported by appropriate guidance for managers to use.

The team are seeing an increase in requests for support and to visit various services, teams and attend monthly service / multi service groups and meetings. There is also an increase in demand for bespoke training and tool box talks.

The team continue to deliver services to a number of external organisations which generates an income for the team. These include three of the wholly owned companies, schools (in and out of borough) and Fylde Borough Council.

There were three vacancies in the Health and Safety team and two of these posts have now been filled with the new advisors starting in February 2023. The vacant Trainee Health and Safety post is being held at present but is likely to be filled in the future, however options are just being considered. During the quarter another of the experienced Health and Safety Advisors resigned and is due to leave in April 2023 and therefore a recruitment exercise is currently underway to replace this post.

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%	69%

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Internal Audit Team performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
Percentage audit plan completed (annual target).	90%	91%
Percentage draft reports issued within deadline.	96%	89%
Percentage audit work within resource budget.	92%	98%
Percentage of positive satisfaction surveys.	85%	95%
Percentage compliance with quality standards for audit reviews.	85%	95%

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%	91%
Percentage of risk registers revised and up to date at the end of the quarter.	100%	88%
Number of risk and resilience training and exercise sessions held (annual target).	6	4
Percentage of property risk audit programme completed (annual target).	100%	100%

The updated information for risk registers is as follows:

Risk Management Group	Percentage Updated by March 2023	Risk Registers Not Updated
Adult Services	100%	N/a
Central Support Services	85%	Executives Management Support
		Housing Strategy
Children's Services	100%	N/a
Communications & Regeneration	94%	Arts Development Service
Community & Environmental Services	78%	Integrated Transport
		Parks
Public Health	100%	N/A

The updated information for business continuity plans is as follows:

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Directorate	Percentage Updated Within 12 Months	Business Continuity Plans Not Updated
Adult Services	92%	Home Care
Chief Executives	33%	Corporate Delivery, Commissioning and Performance
		Housing Options
Children's Services	100%	N/a
Communications & Regeneration	93%	Strategic Leisure Assets
Community & Environmental Services	81%	Planning Enforcement
		Housing Enforcement
		Trading Standards and Licencing
		<i>*All of the above are pending review / merging into one plan for Public Protection</i>
Governance & Partnerships	100%	N/a
Public Health	100%	N/a
Resources	100%	N/a

Health and Safety performance indicators

Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
RIDDOR Reportable Accidents for Employees	0	4

There were no new RIDDOR cases relating to employees reported in the quarter.

Corporate Fraud Team performance indicators

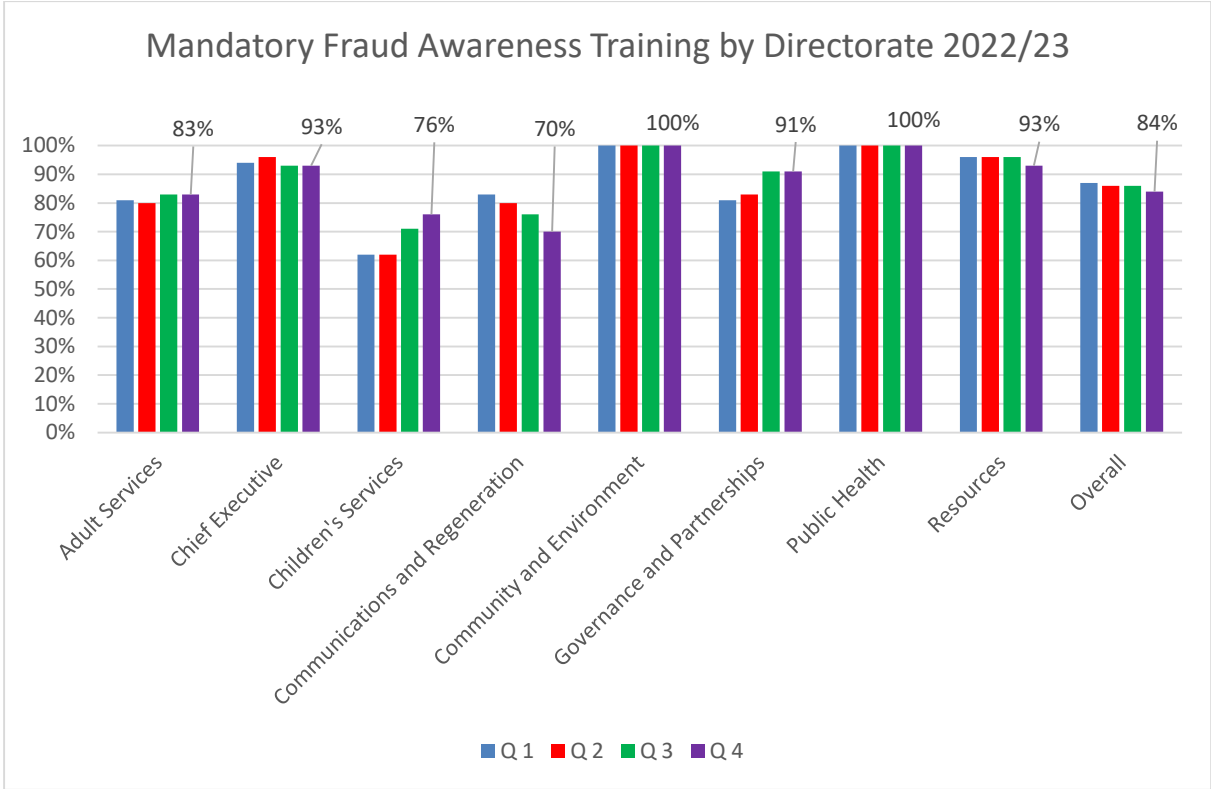
Performance Indicator (Description of measure)	2022/23 Target	2022/23 Actual
% of agreed Council employees completed i-Pool fraud awareness course.	100%	84%

As at the end of Quarter 4, the overall completion rate has decreased by 2% from Quarter 3 (i.e. 86% to 84%). Whilst an increased level of completion within Children's Services (5%) is noted, this has been offset by quarterly reductions within both Communications and Regeneration (6%) and Resources (3%).

Further analysis of individual completions within these two services highlighted that there were a number of staffing changes during the quarter. The analysis identified that the majority of staff leaving the services had previously completed the training. As the majority of the newly recruited staff are yet to complete the training, it is understandable that the overall completion percentages have decreased, thereby having an apparently adverse effect on the overall completion rate.

The Corporate Fraud and Investigations Team continue to promote the completion of the i-Pool training course, and highlight those mandated members of staff who have yet to complete the course to the relevant Chief Officers on a quarterly basis.

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2. Appendix A: Performance & Summary Tables for Quarter Four

Internal Audit reports issued in period

Directorate	Review Title	Assurance Statement										
Adult Services	Coopers Way Settings	<p>Scope</p> <p>The compliance testing covered the following:</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 are in place for medication; • Health and Safety Risk Assessments; • Purchase Card usage is compliant with the policy; • Procedures around Infection Control are in place; • Quality assurance arrangements are in place; • Security arrangements; • Service user assets and client monies; • Procedures are in place for external activities; • Respite payments are appropriately received. <p>Overall Opinion and Assurance Statement</p> <table border="1" data-bbox="778 1048 1465 1084"> <thead> <tr> <th colspan="2" data-bbox="778 1048 1465 1084">Split Assurance</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="778 1084 1465 1263">Overall we consider the controls to be adequate with some risks identified and assessed and changes necessary. Our testing highlighted a concern regarding the maintenance of care files and we have therefore assessed this element of the scope as inadequate.</td> </tr> </tbody> </table> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1330 1465 1442"> <tbody> <tr> <td data-bbox="778 1330 1123 1366">Priority 1</td> <td data-bbox="1123 1330 1465 1366">1</td> </tr> <tr> <td data-bbox="778 1366 1123 1402">Priority 2</td> <td data-bbox="1123 1366 1465 1402">5</td> </tr> <tr> <td data-bbox="778 1402 1123 1442">Priority 3</td> <td data-bbox="1123 1402 1465 1442">1</td> </tr> </tbody> </table> <p>Management Response</p> <p>Service User's care folders have now all been updated, including Personal Evacuation Plans and Medication Support Plans.</p> <p>All risk assessments are now up to date and in the Occupational Health and Safety Manuals.</p> <p>All persons working within Coopers Respite Service now have a current Enhanced Children and Adult DBS.</p> <p>All staff have now completed the refresher training on the Use of Purchase Cards procedures.</p>	Split Assurance		Overall we consider the controls to be adequate with some risks identified and assessed and changes necessary. Our testing highlighted a concern regarding the maintenance of care files and we have therefore assessed this element of the scope as inadequate.		Priority 1	1	Priority 2	5	Priority 3	1
Split Assurance												
Overall we consider the controls to be adequate with some risks identified and assessed and changes necessary. Our testing highlighted a concern regarding the maintenance of care files and we have therefore assessed this element of the scope as inadequate.												
Priority 1	1											
Priority 2	5											
Priority 3	1											

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Directorate	Review Title	Assurance Statement							
Children's Services	Children Centre Funding	<p><u>Scope</u></p> <p>The scope of our audit was to review:</p> <ul style="list-style-type: none"> • The de-designation of former Children's Centres to ensure they are operating within the permissible scope of Government policy. • The controls and assessments made on whether the Council is liable for any clawback of ring-fenced grant funding. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 645 1465 685"> <tr> <td style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate, with some risk areas identified and assessed. Our testing also revealed a satisfactory level of compliance with the controls in most areas. However, we identified some concerns when testing the implications of not having a clear plan to capture the usage of former Children's Centres sites that sit within academies as records of school visits were not kept. Moreover, some schools had no explicit clawback clauses within the transfer agreements with the Council and as a result, the clawback risk for these schools rests with the Council.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1144 1465 1256"> <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;">4</td> </tr> </table> <p><u>Management Response</u></p> <p>The Children's Social Care & Early Help risk register will be updated to capture the risk of potential clawback of funds by the government if the former Children's Centres sites are not used in accordance to their permitted use.</p> <p>Checks will be made of transfer agreements with Legal Services to ensure appropriate provision for clawback.</p> <p>Management will explore whether a suitable working agreement with the schools/academies and the formalisation of a better collective plan to better manage the available spaces would be feasible.</p> <p>Clarification will be sought as to whether central government would claw back the original costs of the assets or their current market value as per the Council's asset register.</p> <p>An effective reporting arrangement between the Family Hub Coordinators Service Manager and the Head of Service for Early Help to capture and collect data on school visits and early year's activities will be explored.</p>	Adequate	Priority 1	0	Priority 2	3	Priority 3	4
Adequate									
Priority 1	0								
Priority 2	3								
Priority 3	4								

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Directorate	Review Title	Assurance Statement								
Children's Services	Elective Home Education	<p><u>Scope</u></p> <p>The scope of our audit was to review:</p> <ul style="list-style-type: none"> • Whether the authority is fulfilling its statutory duty to assess whether home educated children are receiving suitable full-time education; • Whether consistent and appropriate action is taken by the authority when it is identified that a child is not receiving suitable full-time education; • Whether the authority has arrangements in place to safeguard and promote the welfare of children educated at home. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 757 1465 792"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that controls relating to Elective Home Education (EHE) are adequate with most risks identified and assessed and some changes necessary. The EHE Team have established procedures to identify home educated children in the area, so far as possible; assess whether these children are receiving a suitable education; and review whether these children are appropriately safeguarded.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1146 1465 1258"> <tr> <td>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;">3</td> </tr> </table> <p><u>Management Response</u></p> <p>A conversation will take place to ensure Benefits Officers make School Admissions aware of any children included within benefits applications that are not recorded as attending a local school.</p> <p>To ensure that the roles and responsibilities of schools and academies are clear the EHE Team will accelerate the development of a protocol of actions.</p> <p>The EHE Team and the Pupil Welfare Service roles and responsibilities will be clearly defined so that there is a shared understanding of the processes to be followed.</p> <p>Timescales between issuing letters to parents where children may not be receiving a suitable education will be tightly adhered to and a full audit trail kept.</p> <p>A clear strategy will be developed for dealing with parents that do not respond to informal requests from the EHE Team for evidence demonstrating that they are providing a suitable education for their child. The procedure for attempting to engage with parents will be streamlined to require fewer letters.</p>	Adequate		Priority 1	0	Priority 2	5	Priority 3	3
Adequate										
Priority 1	0									
Priority 2	5									
Priority 3	3									

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Directorate	Review Title	Assurance Statement										
Children's Services	Special Educational Needs	<p><u>Scope</u></p> <p>The scope of this audit was to review:</p> <ul style="list-style-type: none"> • Compliance and adherence to statutory duties; and • Efficiency and effectiveness of the SEND operations, with potential benchmarking. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 577 1465 611"> <thead> <tr> <th colspan="2" style="text-align: center;">Adequate</th> </tr> </thead> <tbody> <tr> <td colspan="2">We consider that the controls in place are adequate, with some risk identified and several changes necessary. Nationally the SEND system is being reviewed, and following the recent OFSTED/CQC inspection the local system is being jointly reviewed, with plans in place to address the weaknesses identified.</td> </tr> </tbody> </table> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 898 1465 1010"> <tbody> <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;">5</td> </tr> </tbody> </table> <p><u>Management Response</u></p> <p>A younger person friendly version of the Written Statement of Action (prepared in response to the external inspection) is being produced at which point it will be published.</p> <p>A progress report against delivering the Written Statement of Action will be provided to the Corporate Leadership Team.</p> <p>The local risk register capturing the main risks against the effective delivery of the Written Statement of Action will be prepared.</p> <p>The service will conduct a gap analysis of the statutory duties building on the work of the External Consultant and develop a set of KPI's against the statutory duties.</p> <p>The terms of reference for the various groups and panels supporting the delivery of the Special Education Needs service will be reviewed and updated.</p> <p>The service will look at the requirements as described in the paper Education and Skills Funding Agency's - Notional SEND budget for mainstream schools: operational guidance – October 2022 to inform the local offer information which needs to be produced.</p> <p>The service should consider updating their local offer in light of the recent court ruling involving Devon County Council and the deadlines concerning annual reviews although this may create some operational difficulties.</p>	Adequate		We consider that the controls in place are adequate, with some risk identified and several changes necessary. Nationally the SEND system is being reviewed, and following the recent OFSTED/CQC inspection the local system is being jointly reviewed, with plans in place to address the weaknesses identified.		Priority 1	0	Priority 2	7	Priority 3	5
Adequate												
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Priority 1	0											
Priority 2	7											
Priority 3	5											

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Directorate	Review Title	Assurance Statement							
Community and Environmental	Leisure Centres	<p><u>Scope</u></p> <p>The compliance testing covered the following:</p> <ul style="list-style-type: none"> • Staffing Arrangements; • Purchasing procedures and compliance; • Procedures surrounding income and banking; • Staff Rotas and records; • Budget Monitoring; • Health and Safety; • Security arrangements; • Stock control; • Information Management; • Asset recording. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 801 1465 840"> <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 several changes recommended. Our testing revealed minor lapses in compliance with the controls.</p> <p><u>Number of Recommendations Made</u></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;">1</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">4</td> </tr> </table> <p><u>Management Response</u></p> <p>The cashing up procedure is to be updated to acknowledge current processes in place.</p> <p>The Time Off in Lieu (TOIL) documented procedure will be circulated across sites.</p> <p>iTrent is causing issues with the logging of staff sickness absences when their line managers are not working and this has been raised with the developer. Until a solution has been implemented, a spreadsheet will be used to ensure sickness is recorded for all staff. It will also be ensured that all the managers have attended the attendance management course.</p> <p>Procedures surrounding pool maintenance will be checked to ensure consistency across sites.</p> <p>Consideration has been given as to whether the recommendations made in the Lancashire Constabulary report could be implemented to increase security within Blackpool Sports Centre and progress is being made in addressing these.</p>	Adequate	Priority 1	0	Priority 2	1	Priority 3	4
Adequate									
Priority 1	0								
Priority 2	1								
Priority 3	4								

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Directorate	Review Title	Assurance Statement												
Corporate	Driving at Work	<p><u>Scope</u></p> <p>The scope of this audit was to review:</p> <ul style="list-style-type: none"> • Management of Council's 'grey fleet' and driving at work application; and • Compliance with the Operator Licence statutory requirements. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 577 1465 613"> <thead> <tr> <th colspan="2" data-bbox="778 577 1465 613">Split Assurance</th> </tr> </thead> <tbody> <tr> <td data-bbox="778 613 1125 898">We consider the management of the 'grey fleet' and compliance with the Driving at Work application are inadequate with significant risks identified. Although a new app may address some of the weaknesses identified, the current arrangements and controls to ensure employees are appropriately documented for the use of their personal vehicles for business use are weak and inconsistently applied.</td> <td data-bbox="1125 613 1465 898"></td> </tr> <tr> <td data-bbox="778 898 1125 1061">Significant improvement has been evidenced regarding compliance with the Operator's Licence and we consider that adequate controls have been introduced to mitigate the risks highlighted in the 2020 audit review.</td> <td data-bbox="1125 898 1465 1061"></td> </tr> </tbody> </table> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1126 1465 1238"> <tbody> <tr> <td data-bbox="778 1126 1125 1164">Priority 1</td> <td data-bbox="1125 1126 1465 1164">3</td> </tr> <tr> <td data-bbox="778 1164 1125 1202">Priority 2</td> <td data-bbox="1125 1164 1465 1202">10</td> </tr> <tr> <td data-bbox="778 1202 1125 1238">Priority 3</td> <td data-bbox="1125 1202 1465 1238">0</td> </tr> </tbody> </table> <p><u>Management Response</u></p> <p>Corporate Guidance will be prepared on the driving at work documentation checks and this will be stored in a central location alongside the Drivers Handbook.</p> <p>Robust communications will be shared with line managers regarding required checking processes. The issues will be raised at future Driving at Work Risk Management Groups alongside compliance reports.</p> <p>The new Driving at Work App is being reviewed to ensure robust arrangements are in place. The new app is currently being tested and will be launched at the Corporate Leadership Team prior to roll-out.</p> <p>The Transport Manager has commenced compliance checks on fleet vehicles and will report on non-compliance to Line Managers and the Driving at Work Risk Management Group.</p> <p>The Transport Manager will have oversight of the training provision for HGV drivers to ensure a suitable variety of courses are undertaken and also develop appropriate training matrices.</p>	Split Assurance		We consider the management of the 'grey fleet' and compliance with the Driving at Work application are inadequate with significant risks identified. Although a new app may address some of the weaknesses identified, the current arrangements and controls to ensure employees are appropriately documented for the use of their personal vehicles for business use are weak and inconsistently applied.		Significant improvement has been evidenced regarding compliance with the Operator's Licence and we consider that adequate controls have been introduced to mitigate the risks highlighted in the 2020 audit review.		Priority 1	3	Priority 2	10	Priority 3	0
Split Assurance														
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Priority 1	3													
Priority 2	10													
Priority 3	0													

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Directorate	Review Title	Assurance Statement							
Corporate	Pandemic Response	<p><u>Scope</u></p> <p>The scope of our audit was to review:</p> <ul style="list-style-type: none"> • The Council's initial response to the Covid-19 pandemic at the point of the first lockdown; • How effectively the Council acted as an information source for residents as the pandemic progressed; • The effectiveness of partnership working with the NHS to help hospitals manage increased demand; and • The Council's role in providing financial support to residents and businesses. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 792 1465 831"> <tr> <td style="text-align: center;">Good</td> </tr> </table> <p>The Council's response to the Covid-19 pandemic has been good with joint working from the outset both internally and with partners being the key to its effectiveness.</p> <p>A significant amount of evidence regarding the approach taken is available, and although some of it is anecdotal we acknowledge that this is due to the nature of the response required by some service areas.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1200 1465 1312"> <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;">0</td> </tr> </table> <p><u>Management Response</u></p> <p>Internal audit did not making any specific recommendations as part of this audit, but have identified a number of areas of good practice. These will be retained so that they are available to inform planning in the event of any future pandemic.</p>	Good	Priority 1	0	Priority 2	0	Priority 3	0
Good									
Priority 1	0								
Priority 2	0								
Priority 3	0								

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Directorate	Review Title	Assurance Statement							
Corporate	Payment Sense Card Payment System	<p><u>Scope</u></p> <p>The scope of the audit included:</p> <ul style="list-style-type: none"> • The robustness of the internal controls in place; and • The benefits of using this particular card processing company and the number of Council services using the system. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 611 1465 645"> <tr> <td style="text-align: center;">Inadequate</td> </tr> </table> <p>We consider that the controls in place are inadequate, mainly due to the lack of monitoring that has taken place to date in terms of fees and charges levied by Payment Sense. There is also a lack of transparency on Payment Sense fees and charges for the responsible officers.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 898 1465 1003"> <tr> <td>Priority 1</td> <td style="text-align: center;">1</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;">2</td> </tr> </table> <p><u>Management Response</u></p> <p>Steps have been taken to ensure officers with responsibility for reconciling the statements to the till reports and reviewing Payment Sense invoices are given access to the system.</p> <p>A value for money exercise will be undertaken prior to purchasing any more Electronic Point of Sale tills.</p> <p>A full list of charges will be obtained and be provided to officers with fee monitoring responsibility.</p> <p>A local scheme of delegation will be developed to enable the signing of Payment Sense agreements to another senior officer.</p> <p>Stock levels of the chip and pin device paper rolls will be monitored to ensure that services are not paying for more than is needed.</p>	Inadequate	Priority 1	1	Priority 2	2	Priority 3	2
Inadequate									
Priority 1	1								
Priority 2	2								
Priority 3	2								

Blackpool Council: Audit and Risk

Directorate	Review Title	Assurance Statement								
Governance and Partnership	Wedding Chapel	<p><u>Scope</u></p> <p>The compliance testing covered the following:</p> <ul style="list-style-type: none"> • Roles and responsibilities for staff; • Staff awareness of relevant legislation; • Customer satisfaction appropriately monitored; • Procurement guidelines are followed; • Cash handling controls; • The budget is appropriately monitored; • Rotas with safe levels of cover operating; • GDPR legislation ; • Risk assessments are carried out; • Maintenance checks are undertaken; • Suitable security arrangements are in place; • Stock Control Procedures. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 878 1465 913"> <tr> <td colspan="2" style="text-align: center;">Adequate</td> </tr> </table> <p>We consider that the controls in place are adequate, with some risk identified and several changes necessary.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1057 1465 1169"> <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>Training is informal and 'on the job', therefore it is not practical to record the nature of the training completed.</p> <p>The business continuity plan will be updated.</p> <p>Version control will be included on the banking procedure. A meeting with the Tourist Information Manager has now taken place to ensure that the cash collection procedures are understood.</p> <p>The procedure for creating rotas is outlined during the induction process, but will be documented.</p> <p>The risk assessment version control has now been updated.</p> <p>Version control will be implemented within the Spoiled Procedure Guidance as well as specific mention being made to job roles.</p>	Adequate		Priority 1	0	Priority 2	3	Priority 3	3
Adequate										
Priority 1	0									
Priority 2	3									
Priority 3	3									

Blackpool Council: Audit and Risk

Directorate	Review Title	Assurance Statement										
Public Health	Digital Front Door	<p><u>Scope</u></p> <p>The scope of the audit included:</p> <ul style="list-style-type: none"> • Progress made in making public health offering more digital access to support; • Inequalities experienced, potential barriers and digital exclusion; and • Robustness of the digital decision making process to access expert advice and support. <p><u>Overall Opinion and Assurance Statement</u></p> <table border="1" data-bbox="778 645 1465 685"> <thead> <tr> <th colspan="2" data-bbox="778 645 1465 685">Adequate</th> </tr> </thead> <tbody> <tr> <td data-bbox="778 685 1125 725">We consider that the controls in place are adequate, with some risk identified and several changes necessary. With all public health services contracted out, the ability to directly control digital access is more limited. We have recommended that monitoring meetings held with providers also include steps being taken to bring about more digital access.</td> <td data-bbox="1125 685 1465 725"></td> </tr> </tbody> </table> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1003 1465 1115"> <tbody> <tr> <td data-bbox="778 1003 1125 1043">Priority 1</td> <td data-bbox="1125 1003 1465 1043">0</td> </tr> <tr> <td data-bbox="778 1043 1125 1084">Priority 2</td> <td data-bbox="1125 1043 1465 1084">3</td> </tr> <tr> <td data-bbox="778 1084 1125 1124">Priority 3</td> <td data-bbox="1125 1084 1465 1124">4</td> </tr> </tbody> </table> <p><u>Management Response</u></p> <p>Digital access will be covered in any future strategy and Public Health reports.</p> <p>Public health will ensure that they take into account external guidance and best practice in any future commissioning or how they present their services through the Council website and reports.</p> <p>Review meetings held with providers will also focus on advancing digital accessibility.</p> <p>A complete review of Public Health areas of the Council website and Healthier Blackpool website will be carried out. This will include ensuring that all current Council public health services are accessed through one navigation route/webpage.</p> <p>The Council's current digital front door to public health services will be updated, to make it more user friendly and accessible.</p> <p>Links within the sexual health section of the Blackpool Council website will be checked periodically to ensure effective operation.</p>	Adequate		We consider that the controls in place are adequate, with some risk identified and several changes necessary. With all public health services contracted out, the ability to directly control digital access is more limited. We have recommended that monitoring meetings held with providers also include steps being taken to bring about more digital access.		Priority 1	0	Priority 2	3	Priority 3	4
Adequate												
We consider that the controls in place are adequate, with some risk identified and several changes necessary. With all public health services contracted out, the ability to directly control digital access is more limited. We have recommended that monitoring meetings held with providers also include steps being taken to bring about more digital access.												
Priority 1	0											
Priority 2	3											
Priority 3	4											

Blackpool Council: Audit and Risk

Directorate	Review Title	Assurance Statement								
Resources	Client Finances Financial Control Assurance Testing	<p><u>Scope</u></p> <p>The scope of our audit was to ensure that effective controls are in place to minimise financial risk related to client finances.</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 with some risks identified and assessed with changes necessary. The recommendations we have made in this report reflect similar findings to the Client Finance Internal Audit Report of 2019/20, although there has been a notable improvement in purchase card transactions, manager authorisations and bank reconciliations.</p> <p>Our testing revealed minor lapses in compliance surrounding the controls with policy and guidance reviews, monthly audit visits for supported living clients to reconcile cash and expenditure where social workers hold client cards and the Money Management Fee being included within a client's Financial Plan.</p> <p><u>Number of Recommendations Made</u></p> <table border="1" data-bbox="778 1106 1465 1218"> <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><u>Management Response</u></p> <p>The Client Finances Statement of Purpose and the Catalogue of Procedures documents will be reviewed annually.</p> <p>Policy and procedures will be reviewed and a review section incorporated to be used alongside the Catalogue of Procedures.</p> <p>Monthly in person visits will be reintroduced to complete reconciliations at Blackpool Football Club.</p> <p>Annual in person financial visits will be reintroduced for residential clients.</p> <p>The issues identified in relation to Financial Plans including the Money Management Fee that the Council is receiving were due to migration to a new system and have now been resolved.</p> <p>Valid receipts will be provided alongside purchase card transactions.</p> <p>A spreadsheet will be developed to maintain Office of Public Guardian reports are sent within the 12 month time period.</p>	Adequate		Priority 1	0	Priority 2	4	Priority 3	3
Adequate										
Priority 1	0									
Priority 2	4									
Priority 3	3									

Blackpool Council: Audit and Risk

Directorate	Review Title	Assurance Statement							
Schools	Bispham Endowed 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. We have made a number of recommendations to further strengthen the approach.</p> <p>Our testing revealed minor lapses in compliance with the controls.</p> <p>Number of Recommendations Made</p> <table border="1" data-bbox="778 1084 1465 1196"> <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;">1</td> </tr> </table> <p>Management Response</p> <p>The delegation planner has been reviewed in 2022 and will be signed off by governors in February 2023.</p> <p>The Head Teacher follows the financial regulations in place, therefore the Scheme of Delegation will be amended to confirm the minimum of one quote, with three recommended to be acquired.</p> <p>The governor's declarations of business interests will be updated to include confirmation from governors and published on the school website.</p> <p>The school will adhere to the purchase card policy to ensure that VAT is reclaimed wherever possible.</p>	Adequate	Priority 1	0	Priority 2	3	Priority 3	1
Adequate									
Priority 1	0								
Priority 2	3								
Priority 3	1								

Progress with Priority 1 audit recommendations

Three priority one recommendations were implemented in the quarter including:

- Payment Sense x 1
- Coopers Way Respite Services x 1
- Highways Enforcement Activity x 1

Blackpool Council: Audit and Risk

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:

- 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 1
- Commissioning x 1
- Children's Services Financial Systems x 5
- Illuminations x 1

A number of priority one recommendations have been made which are not yet due for implementation and these include:

- Driving at Work x 3

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 January 2023 and March 2023, the Council authorised no RIPAs.

Fraud and Error Data

The fraud and error statistics 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.

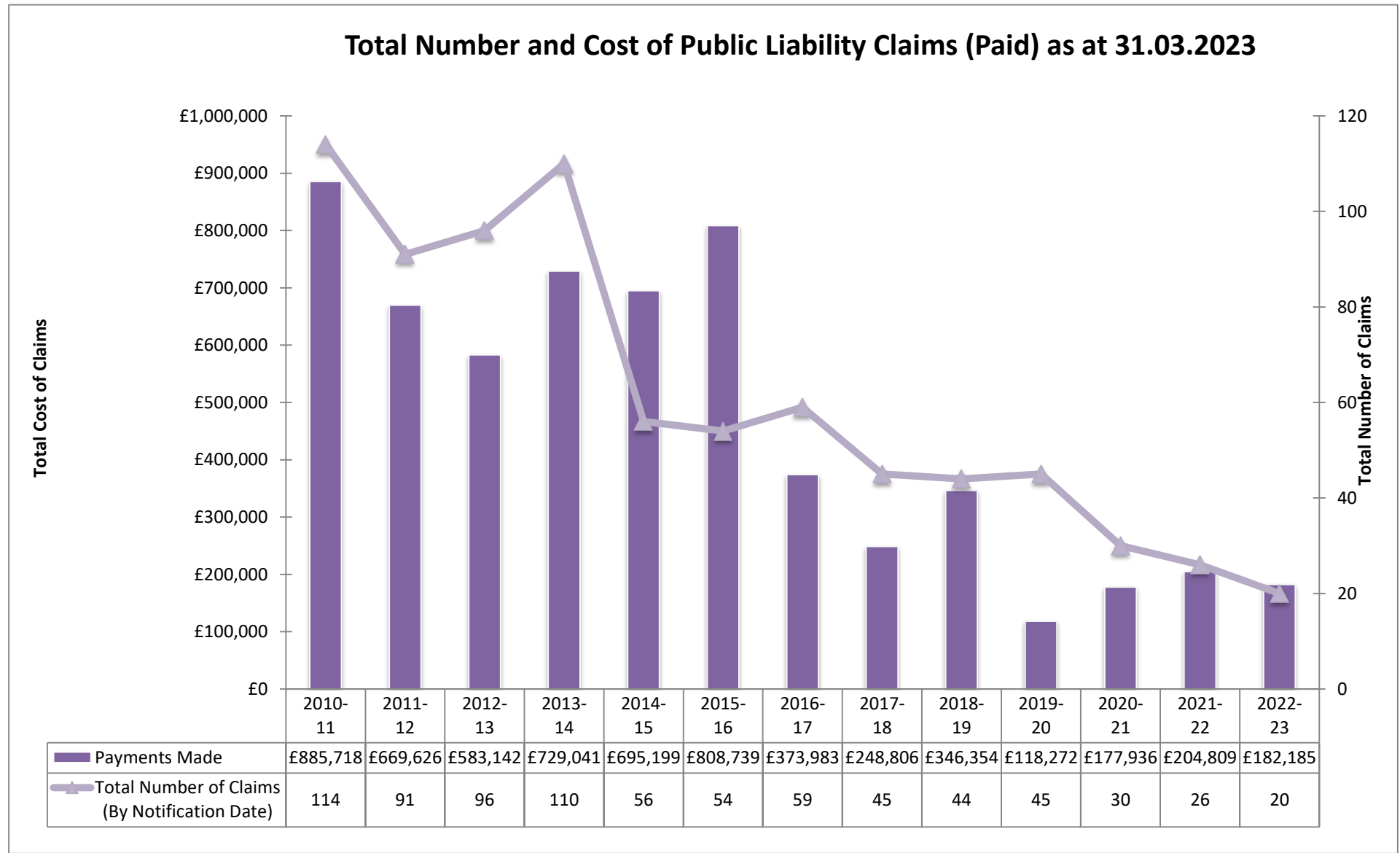
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3. Appendix B - Fraud and Error Statistics 2022/23

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	65	10	35	110	0	0	0	47	2	198	33	12	1,932	£ 141,725.13	2,224	0	0	0	0	7
Council Tax Reduction (CTR)	762	40	11	271	322	0	0	0	11	0	1	20	14	1,023	£ 21,679.70	1,069	0	0	0	0	15
Housing Benefit Claims	7	0	0	0	0	0	0	0	0	0	0	0	0	7	£ -	7	0	0	0	0	-
Housing Tenants	129	0	0	0	0	0	0	0	0	0	0	0	0	129	£ -	129	0	0	0	0	-
Payroll	11	11	0	0	11	5	0	0	0	0	0	2	0	10	£ -	12	0	5	0	0	5
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	2,538	£ -	2,524	0	0	0	0	-
Fraudulent Insurance Claims	2	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	2
Social Care	3	2	0	0	2	1	0	0	0	0	0	4	0	-	£ 1,983.80	5	0	0	0	0	-
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	1	0	0	0	0	0	0	0	-	£ -	-	0	1	0	0	2
General Financial Fraud	17	3	4	0	7	1	0	0	1	0	0	3	7	-	£ 721.19	11	0	1	0	0	12
Blue Badge Parking/Travel Concessions/Resident Parking	23	3	1	0	4	0	0	0	1	0	0	2	2	20	£ 515.91	25	0	0	0	0	2
Housing/Right to Buy	-	0	0	0	0	0	0	0	0	0	0	0	0	-	£ -	-	0	0	0	0	-
Totals:	5,617	126	27	306	459	8	0	0	60	2	199	64	35	5,659	£ 166,625.73	6,006	0	7	0	0	49

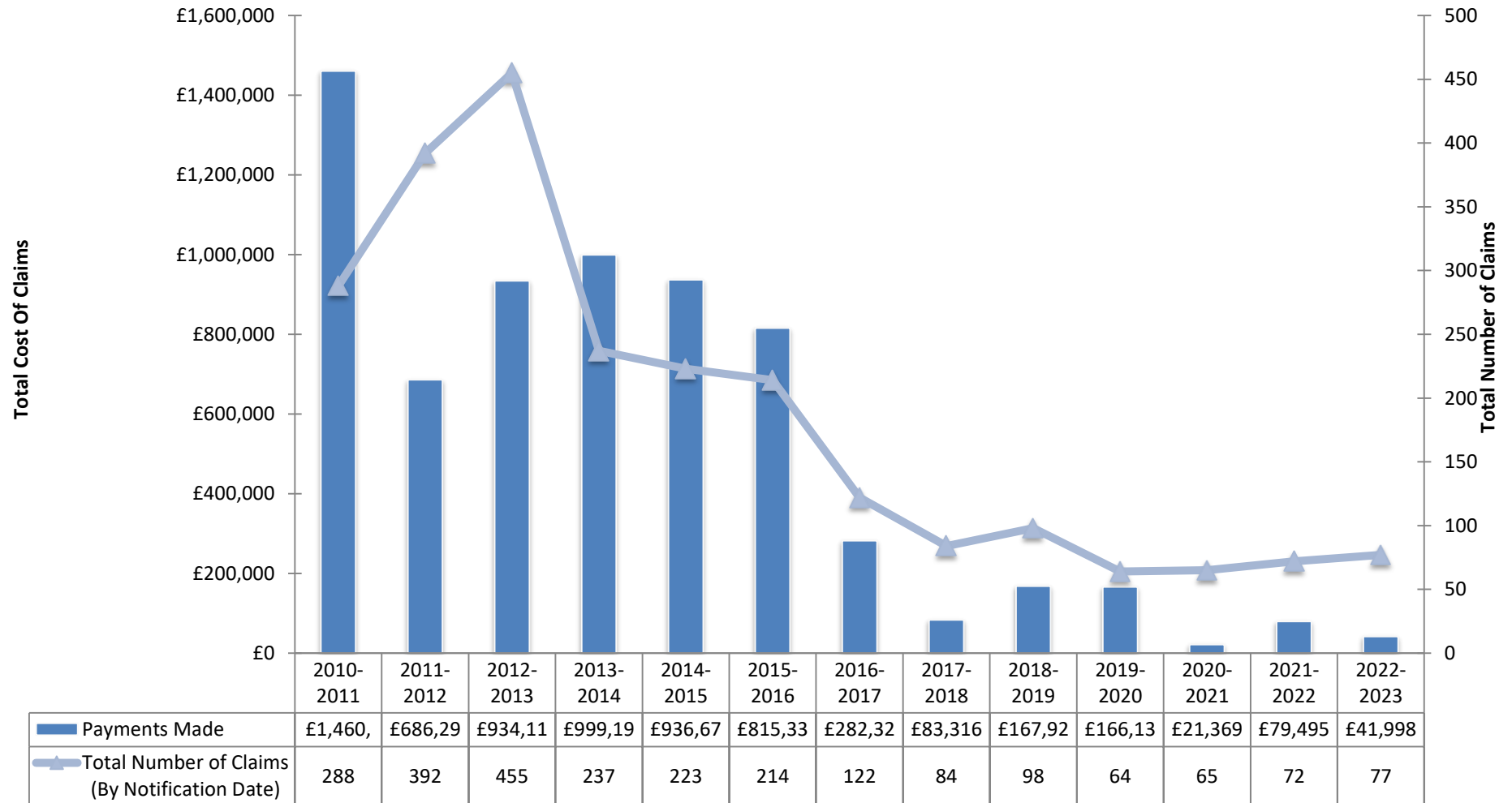
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4. Appendix C – Insurance Claim Payments by Financial Year



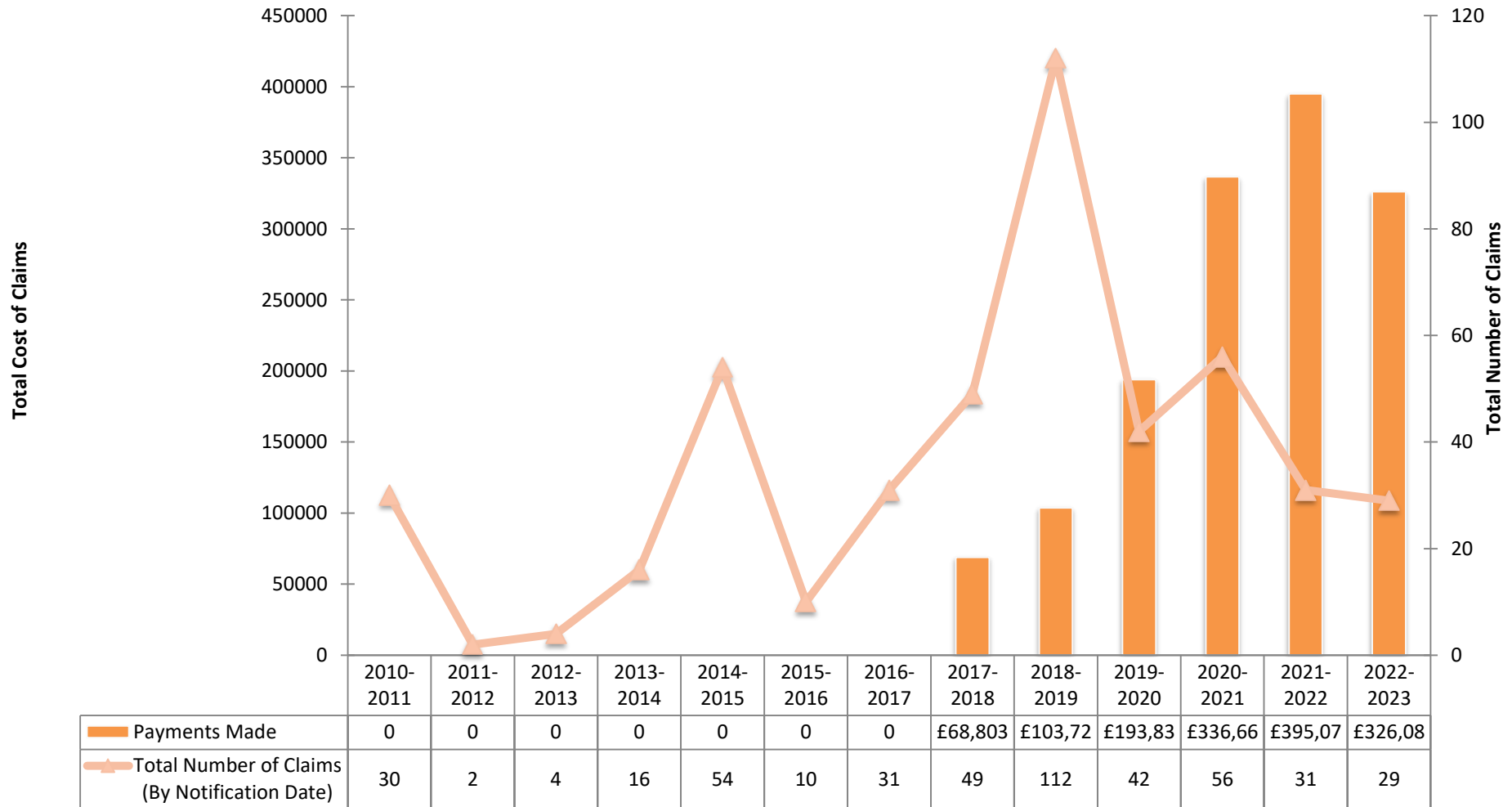
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Total Number and Cost of Public Liability Highways Claims (Paid) as at 31.03.2023



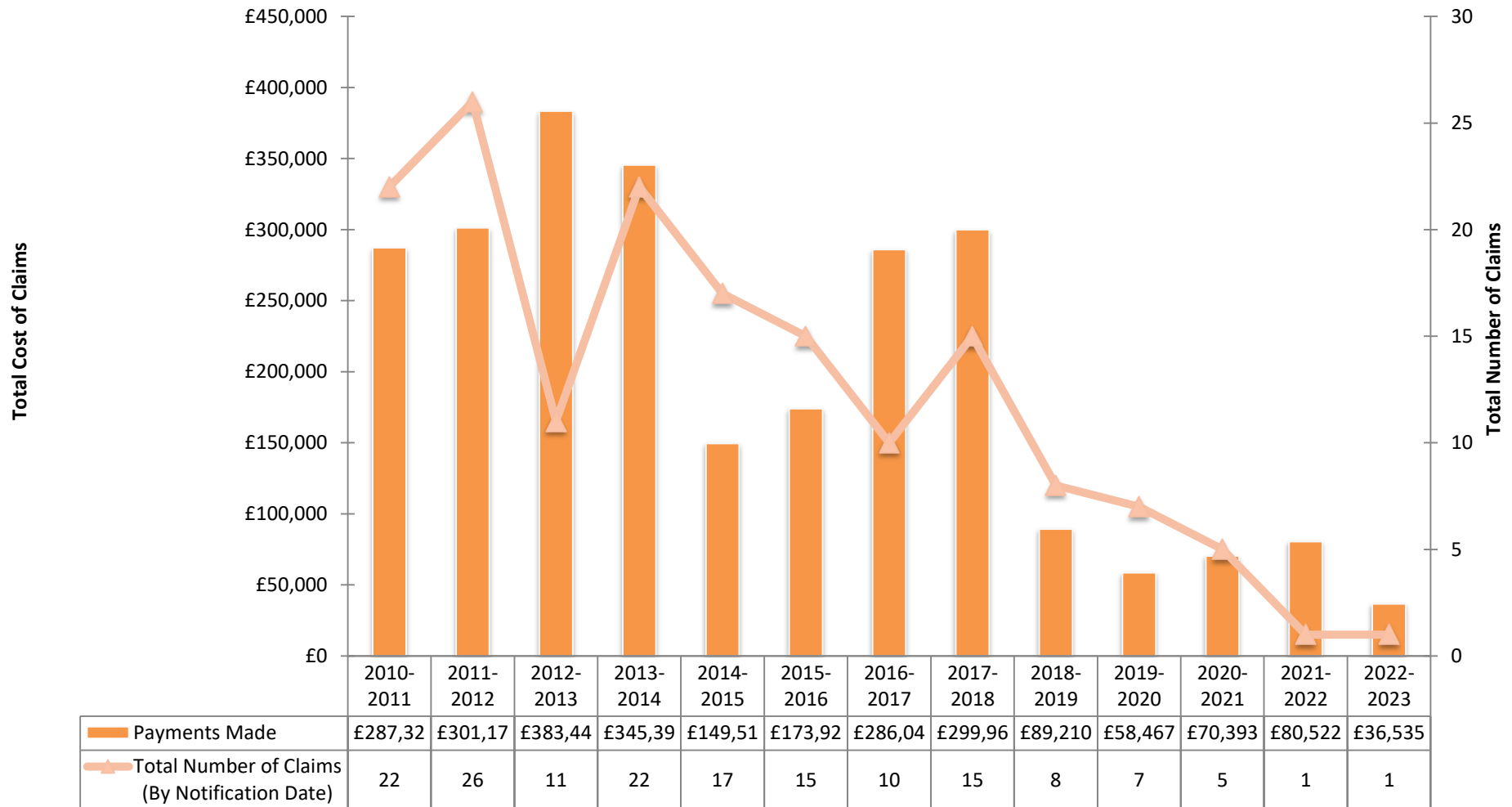
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Total Number and Cost of Sensitive Claims / Notifications (Paid) as at 31.03.2023



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Total Number and Cost of Employer Liability Claims (Paid) as at 31.03.2023



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Total Number and Cost of Data Breach Claims (Paid) as at 31.03.2023

