

**Summary of Internal Audit Work 2022/23**

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Internal Audit Plan 2022-23	Assurance Rating	Commentary
<b>CORPORATE</b>		
Annual Governance Statement	Not applicable	<p>The review comprised of detailed testing and analysis of the Local Code of Corporate Governance and Service Assurance Statements completed by Directors.</p> <p>Common themes of improvements are included within the Annual Governance Statement Action Plan 2023</p>
Anti-Fraud & Corruption	Not applicable	<p>A review of the Council’s probity policies was undertaken. All policies are available to officers on the intranet and the Council website.</p> <p>Throughout the year, fraud alerts received from various sources are circulated so that officers / the public are made aware of new threats and risks.</p>
National Fraud Initiative (NFI)	Not applicable	<p>Data for the main NFI 2022/23 was submitted for trade creditors, housing waiting list, Council Tax Reduction Scheme, taxi drivers and payroll. Results have been received and the investigatory work has commenced.</p> <p>Internal Audit are currently working with data holders to meet the Cabinet Office data requirements for the forthcoming Council Tax SPD 2023 exercise.</p>
COVID Grant Assurance	Not applicable	<p>Internal Audit participated in the BEIS post payment assurance verification process; providing the required evidence to support the payments made are compliant with the grant eligibility criteria.</p> <p>Following on from evidence provided to support COVID-19 Business Grants schemes – (Cohort 1), confirmation has been received from the Department for Business, Energy and Industrial Strategy (BEIS), that CBC followed an appropriate and robust process in completing the assurance checks when awarding and paying a grant.</p> <p>In addition, assurance was provided in relation to the Containing Outbreak Management Fund and Test and Trace Support Payment grant determination sign off.</p>

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<b>CUSTOMER AND DIGITAL</b>		
<b>Customer Services</b>		
Revenue and Benefits Project Support	Not applicable	Following the implementation of a Shared Service within Revenues and Benefits, Internal Audit play an active role in the project team reviewing and aligning processes to ensure they are both robust and resilient.
<b>ICT</b>		
Vulnerabilities Management	To be confirmed	This review is due to commence June 2023.
ICT Support	To be confirmed	This review is currently in progress and will be reported to the Committee in the first progress report of 23/24.
Project Support	Not applicable	Proactive support was provided to assist with Digital Strategy project
<b>Streetscene &amp; Waste</b>		
Water management	Limited	<p>Our review identified that the Council’s procedures for water management and safety at Council-owned open water sites (reservoir, lodges, ponds etc.) was formalised in 2016 with a Water Safety Policy, however it is evident that the procedures are not operating as outlined and there is a general lack of awareness and access to the policy for the officers/teams maintaining water sites across the borough.</p> <p>Actions were agreed to:</p> <ul style="list-style-type: none"> <li>• Review and update the policy;</li> <li>• Re-visit site risk assessments;</li> <li>• Ensure all bodies of water is inspected in accordance with the arrangements set out in the policy;</li> <li>• Ensure all health and safety risk assessments are up to date and reflect operational activity.</li> </ul>

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<b>PLANNING AND DEVELOPMENT</b>		
Community Infrastructure Levy	Full	No key control issues were identified
Licensing	Adequate	<p>Our work identified that licensing policies are in place, subject to regular review and are readily available to the public via the Council's website. The service has a good set of documented procedures spanning all licence types to support officers with administrative processes and aid compliance with the requirements of the respective policies and legislative requirements. The introduction of regular supervisory checks would strengthen the current arrangements and ensure quality is maintained by reducing the risk of error or omission.</p> <p>Actions were agreed to strengthen proactive premises inspections and to undertake a full of council-set licence fees to ensure that the rates set are appropriate and cover the cost of the ongoing administration. There is also a requirement for the service to revisit their lone working arrangements to ensure that it is robust and accurately reflects the needs of the service.</p>
<b>COMMERCIAL</b>		
Utilities Management	Limited	<p>This review identified that there is a lack of overarching management of utilities, including:</p> <ul style="list-style-type: none"> <li>▪ Failure to assign responsibility for the administration and management of utilities;</li> <li>▪ Inadequate arrangements in place to validate supplier invoices;</li> <li>▪ Lack of policies and procedures to provide guidance and direction for officers.</li> <li>▪ Non-compliance with regulations to ensure that the Council's responsibilities as a landlord are met regarding gas and electrical safety checks.</li> <li>▪ Property records are inadequate and does not allow for the effective management of utilities;</li> <li>▪ Failure to undertake a procurement exercise of water supplies since the deregulation of commercial water supplies.</li> </ul>
Strawberry Fields	Adequate	In the three years that Strawberry Fields Business Centre has been open, the Digital Office Park Manager (DOPM) has put in place suitable processes and developed a trained flexible team to undertake the day to day operations of the Business Centre. The Business Centre's 37 offices are currently fully occupied under lease or licence, and a waiting list of potential future clients is actively being managed. Good billing arrangements are in place with invoices raised in a timely manner and debt recovery processes are actively applied in accordance with the Council's procedures. Testing of the safety inspections and maintenance work for Strawberry Fields highlighted that

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		<p>supporting records were available to demonstrate compliance with statutory requirements, however further work is required to ensure that the Planned Programme of Maintenance Spreadsheet (PPM) is updated correctly and in a timely manner.</p> <p>The current arrangements could be further strengthened by improving the monitoring of leases and licences, develop documented procedure notes to support day to day operational arrangements and formalise business continuity arrangements for the onsite team and ensure that our obligations to our tenants are met in the event of unplanned incident.</p>
Project Support	Not applicable	<p>Project support was provided to further develop the project risk register and review risk management practices within the project.</p> <p>A meeting was held with the Strategic Development Officer and the Strategic Lead for Future Investments to identify areas for further consideration and improvement to the project risk register. A risk workshop was attended with project team members to ensure that risks across all areas of expertise were captured for evaluation and monitoring.</p>
Commercial Services Directorate Procurement Review	Limited	<p>Internal Audit issued a report highlighting that there had been clear breaches of the governance framework resulting in a significant reputational risk and failure to adequately protect the Councils confidential data.</p> <p>Since this review was finalised, a multi-disciplinary Commercial Directorate Development Group has been established. The focus of the group is on developing and embedding a strong governance framework and a positive, supportive culture focused on high quality service delivery.</p>
<b>COMMUNITIES</b>		
Safeguarding	Adequate	<p>Safeguarding policies and procedures are regularly reviewed and accessible for officers and elected members, and testing indicated that office-based staff have a good awareness of both policies and the process to report a safeguarding concern. Actions were agreed to:</p> <ul style="list-style-type: none"> <li>• launch the Volunteer Policy to reinforce the Council's safeguarding requirements for volunteers;</li> <li>• Review the Corporate Safeguarding Steering Group membership to ensure it is representative of the whole Council and attendance levels are sufficient to maintain focus and drive change;</li> <li>• Review job descriptions to meet the requirements of the Recruitment Selection and On-Boarding Policy and</li> </ul>

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		clearly outline the requirement for an Enhanced Disclosure for the post.
Food Safety	Substantial	No key control issues were identified.
<b>CHANGE AND DELIVERY</b>		
Absence Management	Adequate	<p>Our work has established that a comprehensive Policy has been adopted and that there is a reasonable level of awareness and application.</p> <p>Current arrangements could be strengthened in record keeping and ensuring there is full compliance in all service areas.</p>
Key Strategic Contract and Partnerships	Adequate	<p>The Council has developed a comprehensive Key Contracts and Partnerships Framework (Framework) to help ensure that key partnerships have good systems of governance, well developed risk management practices and robust monitoring arrangements. The Frameworks are accessible to officers via the intranets to provide guidance and direction on the additional principles and requirements of a key contract/partnership. Robust reporting arrangements are also in place with key responsible officers provide progress updates to the Transformation and Change Team for biannual reporting to SMT and annually to Cabinet.</p> <p>There are improvements to be made to further strengthen the current arrangements and these include:</p> <ul style="list-style-type: none"> <li>• Review of the Framework to ensure it continues to meet the needs of the organisation;</li> <li>• Monitoring and reporting of specific governance aspects of key partnerships to be introduced to further embed the requirements of the Framework.</li> </ul>
Payroll	Adequate	<p>During 2022, a significant amount of work was undertaken to move to a new payroll provider. Our review confirmed that this project was successfully delivered with the majority of employees moving seamlessly to the new provider.</p> <p>Our work did identify some further improvements to be made to ensure the arrangements are fully embedded and roles and responsibilities are clear.</p>
Business Grants	Not applicable	Internal Audit provided advice/guidance relating to setting up a new process for administering business grant schemes.

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<b>GOVERNANCE</b>		
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Code of Conduct	Substantial	No key control issues were identified for this review.
General Data Protection Regulations – data retention	Limited	<p>This review confirmed the need for the Council to:</p> <ul style="list-style-type: none"> <li>▪ Implement a rigorous process for review of policies to ensure they remain accurate and reflective of operational activity;</li> <li>▪ Align ROPAs, data retention schedules and Privacy notices to ensure a consistent approach is adopted and clear and accurate information is provided to the public;</li> <li>▪ Ensure the ROPA is up to date and regularly reviewed;</li> <li>▪ Each Directorate to ensure data held meets the agreed data retention schedules.</li> </ul> <p>The Senior Management Team have accepted the findings of the review and agreed to implement all agreed actions by September 2023.</p>

<b>SHARED FINANCIAL SERVICES</b>		
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Review of VAT	Substantial	Our work has established that the Council has a good level of arrangements and that established controls are operating effectively.
External Funding	Adequate	<p>Testing identified confirmed that funding conditions are predominantly adhered to; the application process had been clearly designated to a responsible officer and there is alignment with the appropriate organisation’s Corporate Strategy/statutory obligation.</p> <p>However it was identified that the Council would benefit from the introduction of an External Funding Strategy to augment the requirements set out in the Councils’ Financial Procedure Rules would support managers, formalise procedures, set the standard for record keeping, and assist in providing assurance to the Director of Finance that robust monitoring arrangements are in place for all grant awards received</p>

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