

Report Reference Number: A/19/17

To: Audit and Governance Committee
Date: 29 January 2020
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Title: Internal Audit, Counter Fraud and Information Governance Progress Report 2019/20

Summary:

The purpose of the report is to provide an update on progress made in delivering the internal audit work plan for 2019/20, and to summarise the findings of recent internal audit work. The report also updates the committee on counter fraud and information governance work undertaken so far in 2019/20.

Recommendations:

It is recommended that the committee:

- **note progress on delivery of internal audit, counter fraud and information governance work.**

Reasons for recommendation

In accordance with the responsibility of the committee to review summary internal audit reports and the main issues arising, and seek assurance that action has been taken where necessary

1. Introduction and background

- 1.1** The provision of Internal Audit is a statutory requirement (Accounts & Audit Regulations 2015).

- 1.2 The Audit and Governance Committee approved the Internal Audit, Counter Fraud and Information Governance plans for 2019/20 at the meeting held on 10th April 2019.
- 1.3 The purpose of this report is to inform the committee of the progress made to date in delivering the 2019/20 plans.

2. The Report

- 2.1 Details of internal audit, counter fraud and information governance work undertaken in 2019/20 are included in the reports at Appendix A to C respectively.

Internal Audit

- 2.2 Veritau carries out internal audit work in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 2.3 Internal audit provides assurance on corporate governance arrangements, internal control and risk management to the Council's management team and this committee.
- 2.4 Specifically, this support is provided to the Council's section 151 officer on reviewing the Council's financial arrangements, and support and advice on relevant issues.
- 2.5 There are currently eleven 2019/20 audits in progress. Three reports have been finalised since the last report to this committee. It is anticipated that the target to complete 93% of the audit plan will be exceeded by the end of April 2020 (the cut off point for 2019/20 audits).

Counter Fraud

- 2.7 Veritau delivers a counter fraud service to the Council. The counter fraud team aims to prevent, detect and deter any fraud committed against the council. Veritau supports the Council's section 151 officer in delivering the Council's counter fraud strategy.
- 2.8 To date, the counter fraud team have recovered £9.4k in actual savings for the council and assisted the council in cancelling a Right to Buy application with an associated discount of £78k. A summary of counter fraud work carried out during 2019/20 is included at Appendix B.

Information Governance

- 2.9 Information Governance provides advice and assurance on compliance with the GDPR and Data Protection Act 2018. This includes the Information Asset

Register, Privacy Notices, Data Protection Impact Assessments and project specific advice.

- 2.10** Limited progress has been made on the outstanding areas of the Information Asset Register since the last report to this committee. This was due to the lack of information from individual service areas. This was raised at CIGG on 5.1.20 and has been escalated to the Chief Finance Officer.
- 2.11** Work on Privacy Notices is continuing. Work is due to begin soon on updating policies. Veritau have advised on the Digital Workforce project, Surveillance, an Internal Review of a Subject Access Request and on a Security Incident. Training on Data Protection Rights and Principles happened in November 2019 with a second session planned for early 2020.

3. Implications

- 3.1** There are no legal, financial, policy & risk, corporate plan, resource or other implications from this report.

4. Conclusion

- 4.1** Internal audit work is progressing in line with the agreed audit plan. Eleven audits are currently in progress with the remaining audits due to be started by the end of February. All audits have been scheduled in and timescales agreed with responsible officers. Progress will be reported to future committees.
- 4.2** The counter fraud team continue to help deliver the aims and objectives of the Council's counter fraud strategy. Fraud reported to the team is investigated and progress is regularly reported to the committee.
- 4.3** Some Information Governance work is progressing behind schedule due to delays in receiving information to complete the Information Asset Register. This work is now due to be completed by 31 March 2020. Other work on projects has progressed in line with agreed timescales.

5. Background Documents

SDC Internal Audit, Counter Fraud and Information Governance Plans
2019/20

6. Appendices

Appendix A – Internal Audit progress report 2019/20
Appendix B – Counter Fraud progress report 2019/20
Appendix C – Information Governance progress report 2019/20

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