Oadby & Wigston Borough Council

Internal Audit Progress Report

January 2023

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1. Introduction

This report summarises internal audit activity to the end of December 2022 on delivering the 2022/23 Audit Plan. Good progress has been made and we do not anticipate any difficulties in delivering our full programme of work. Section 4 provides a summary of the current status of all audits included on the 2022/23 plan.

2. 2022/23 Reviews completed

Review	Key issues	Level of assurance
Risk Management	• No key issues – two low level recommendations made	**Significant**

System control objective	Level of Assurance				
	Full	**Significant**	**Moderate**	**Limited**	**No**
Risk management roles and responsibilities have been clearly defined.		✓			
There is a robust Risk Management Strategy and Policy that have been effectively communicated throughout the Council.	✓				
Risk management is embedded throughout the organisation.	✓				

Review	Key issues	Level of assurance
Counter Fraud & Corruption	• Undertake a specific fraud risk assessment. • Develop an annual Counter Fraud Plan that outlines what proactive measures will be taken each year to combat fraud and corruption. • Submit an annual report each year on delivery of actions in the Counter Fraud Plan to the Audit Committee.	**Significant**

System control objective	Level of Assurance				
	Full	**Significant**	**Moderate**	**Limited**	**No**
There are effective governance and reporting arrangements to regulate the Authority's approach to counter fraud and corruption.			✓		
The Authority acknowledges and understands fraud risks and commits support and resource to tackling fraud in order to maintain a robust anti-fraud response.		✓			
The Authority prevents, detects and protects against more fraud by making better use of information and technology, enhancing fraud controls and processes and by developing a more effective anti-fraud culture.		✓			
The Authority punishes fraudsters and recovers losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a collaborative and supportive law enforcement response.		✓			

Review	Key issues	Level of assurance
Project & Programme Management	• Revise and enhance procedure documentation describing and providing guidance on the Council's project management methodology; • Ensure that the project management process is appropriately resourced, particularly for projects that would benefit from some external project management support; • Re-introduce meetings of the Corporate Project Board to ensure that project delivery is being regularly monitored.	**Moderate**

System control objective	Level of Assurance				
	Full	Significant	Moderate	Limited	No
The Council's project management methodology provides a basis for consistent and appropriate management of projects through the application of controls commensurate with each project's scope and complexity.			✓		
The Council's project management methodology is being consistently applied in practice which ensures that all risks identified above are being effectively minimised.			✓		
Appropriate monitoring arrangements are in place over project delivery, enabling actions to be taken where necessary to ensure projects are implemented on schedule.			✓		

Review	Key issues	Level of assurance
Safeguarding	• Obtain feedback in Section 11 Audit actions and confirm whether any local actions are required. • Ensure that all staff complete mandatory safeguarding training. • Ensure that organisations that are in receipt of grants from the Council have appropriate safeguarding arrangements in place. • Ensure that feedback is received from Social Care on outcomes.	**Significant**

System control objective	Level of Assurance				
	Full	**Significant**	**Moderate**	**Limited**	**No**
The Council plays an appropriate role along with other relevant partners in the safeguarding of children and vulnerable adults.	✓				
There are comprehensive policies and procedures in place to deal with safeguarding issues and these are consistently applied across the Council.		✓			
Suspected cases of abuse are reported appropriately and follow up action is taken as necessary.		✓			
Staff are appropriately trained to identify and report suspected cases of abuse.		✓			
There are effective governance controls in place to provide assurance to management and councillors on the robustness of safeguarding arrangements.	✓				

Review	Key issues	Level of assurance
Homelessness	• Develop an action plan to implement the Homelessness Strategy. • Introduce case file reviews on a sample basis. • Review access controls to the homelessness system.	**Significant**

System control objective	Level of Assurance				
	Full	**Significant**	**Moderate**	**Limited**	**No**
There is a detailed Homelessness Strategy in place that demonstrates how the Council meets the requirements of all relevant legislation.		✓			
Processes and procedures are in place and are properly implemented to deliver the Homelessness Strategy and meet the requirements of homelessness legislation.		✓			
The IT system used to implement the Council's Homelessness strategy is fit for purpose and utilised effectively.		✓			
There are sufficient, trained staff resources to implement all aspects of homelessness legislation.		✓			

3.   Recommendation tracking

We provide a system for tracking the implementation of agreed Internal Audit recommendations as a management assurance tool for the Council and this Committee. Managers are responsible for updating actions taken and other key information directly on the system. The first table below represents the status of agreed actions due to be implemented by 30th November 2022 for all recommendations raised since 1st April 2020. The second table outlines the age of the outstanding recommendations (based on the original date due for implementation). The status shown is as advised by the relevant manager/Head of Service and does not imply that Internal Audit has verified the status in all cases.

Summary	1 Critical	2 High	3 Medium	4 Low	Total
Due by 30/11/22	-	23	94	45	**162**
Implemented / Closed	-	23	87	41	**151**
Still to be completed	-	0	7	4	**11**

Time overdue for actions o/s or not complete	1 Critical	2 High	3 Medium	4 Low	Total
Less than 3 months	-	0	2	1	**3**
3 – 6 months	-	0	2	1	**3**
Greater than 6 months	-	0	3	2	**5**
Total	**-**	**0**	**7**	**4**	**11**

The number of recommendations that remain unimplemented by their original target date continues to be relatively low and has reduced from the 20 that were reported to the September 2022 Audit Committee meeting. The table below provides more detail on the medium risk recommendations that have been outstanding for more than six months.

'Medium risk' recommendations overdue for more than six months from original implementation date

Review	Recommendation	Risk	Original target date	Revised target date	Current status
Housing Allocations	Develop written procedures covering Choice Based Lettings and housing allocations.	3	30 Sept 21	30 April 23	CBL procedures are drafted. Once Allocation Policy has been agreed at Finance, Development and Policy committee during Q4 this can then be implemented.
Housing Allocations	Review and update Housing Allocation Policy.	3	31 March 22	30 April 23	Allocation Policy has been drafted and been out to consultation in October 2022. Will be reported to Finance, Development and Policy committee in Q4 for approval.
Performance Management	Develop Data Quality Policy	3	30 April 22	31 March 23	A performance handbook is in development, this will include a Data Quality element. This will be rolled out in the new financial year.

4. 2022/23 Internal audit plan

Review	Scheduled	Status	Level of assurance
Human Resources – Staff Development	Quarter 4	Scope agreed	
Risk Management	Quarter 3	Final report	**Significant**
Counter Fraud & Corruption	Quarter 1 / 2	Final report	**Significant**
National Fraud Initiative	Throughout year	Ongoing	**N/A**
Financial Management & Reporting	Quarter 4	Scope agreed	
Creditors	Quarter 4	Scope agreed	
Income & Debtors	Quarter 4	Scope agreed	
Treasury Management	Quarter 4	Scope agreed	
Grounds Maintenance & Street Cleaning	Quarter 3 / 4	In progress	
IT Governance Healthcheck	Quarter 1	Complete	**N/A - advisory**
Capital Programme & Project Management	Quarter 2 / 3	Final	**Moderate**
Alcohol & Entertainment Licensing	Quarter 3 / 4	In progress	
Benefits / Council Tax Support	Quarter 4		
Safeguarding	Quarter 2 / 3	Final report	**Significant**
Car Park Income	Quarter 2	Final report	**Full**
Housing Rents	Quarter 2 / 3	Draft report	
Homelessness	Quarter 2	Final report	**Significant**
Development Control	Quarter 3 /4	Fieldwork complete	
Test & Trace Grant Certification	Quarter 1	Certification provided	**N/A**
COMF Certification	Quarter 1	Certification provided	**N/A**