Internal Audit Annual Report

2020/21

CYNGOR
Sir y Fflint
Flintshire
COUNTY COUNCIL

Contents

1 Introduction

1.1 The Definition and Role of Internal Audit

The definition of Internal Auditing in the Public Sector Internal Audit Standards (PSIAS) is as follows:

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

In April 2021 the Audit Committee changed its name to Governance and Audit Committee. For the purpose of this report when making reference to the Committee it will be referred to under its new name even if reference is made to a committee meeting prior to April 2021.

The role and responsibilities of the Flintshire County Council's Internal Audit Service are outlined in the Internal Audit Charter, which has been approved by the Governance and Audit Committee and is part of the Constitution. It also specifies the department's independence, authority, scope of work and reporting arrangements. All audit work is carried out in accordance with the contents of the Charter.

The role of Internal Audit is to provide an independent and objective opinion to the organisation on the overall adequacy and effectiveness of the framework of internal control, risk management and governance. Internal audit is therefore a key part of Flintshire County Council's assurance cycle, and if used effectively, can inform and update the organisation's risk profile. Internal Audit is just one of the sources of assurance available to the Council and Governance and Audit Committee that assists the Council to prepare the Annual Governance Statement.

1.2 Professional Standards

The professional responsibilities for Internal Auditors are set out in the International Standards for the Professional Practice of Internal Auditing, published by the Chartered Institute of Internal Auditors (CIIA) in the UK and Ireland. Public Sector Internal Audit Standards (PSIAS) are based on these Standards.

The Standards require the Audit Manager to develop a Quality Assurance and Improvement Programme (QAIP), designed to enable an evaluation of Internal Audit's conformance with the Standards. The QAIP must include both internal and external assessments. External assessments must be completed at least every five years. Internal assessments must include:

- Ongoing monitoring of the performance of the Internal Audit activity; and
- Periodic self-assessments

Ongoing monitoring of performance is in place. The quality of audit work is ensured by the use of an audit manual, ongoing supervision and management of staff and the review of all audit work. Performance targets are set and actual performance reported to quarterly Governance and Audit Committee meetings.

An external assessment of Flintshire's Internal Audit Service against the Standards is required every five years. This was undertaken in March 2017 by the Chief Internal Auditor, Ceredigion County Council and the final external assessment report was presented to Governance and Audit Committee in June 2017. All actions identified as part of the external assessment have been implemented.

A self-assessment against the Standards has been completed and the results were reported to the Governance and Audit Committee in March 2021. The Internal Audit Service was self-assessed as being generally conforming. The Internal Audit service maintains a quality assurance improvement programme (QAIP). The programme includes the evaluation of the Internal Audit service's conformance with the Standards and an evaluation of whether internal auditors apply The Institute of Internal Auditor's Code of Ethics and the QAIPS components to ensure continuous improvement.

QAIP reflects the actions following the external assessment and the annual self-assessment. This was presented to Governance and Audit Committee separately and is within Appendix C of this report.

Overall internal and external assessment concluded:

> **Following both the internal self-assessment and the external assessment, the Internal Audit Service continues to Generally Conform to the Standards.**
>
> **That means that the relevant structures, policies and procedures for the department, as well as the processes by which they are applied, comply with the requirements of the standards and of the Code of Ethics in all materials respects.**
>
> **General Conformance does not require complete / perfect conformance, the ideal situation etc.**

1.3 Declaration of Independence

During the year 2020/21, all Auditors have acted with integrity and objectivity. To support the Council during the height of the pandemic a number of officers within the Internal Audit Service were deployed to other operational roles within the Council e.g. Test Trace Protect and Business Rates. In accordance with the Internal Audit Charter, paragraph 4.11, this is permissible in an emergency situation. At no point has their independence been compromised.

Annually each Auditor completes an independence and pecuniary interest declaration to identify any pecuniary or non-pecuniary interests they have. Where declarations are made work is allocated on the basis to ensure a conflict does not exist.

Internal Audit is well positioned within the Council to ensure independence remains. The Internal Audit Manager reports direct to the Chief Officer, Governance and the Council's Monitoring Officer and has direct access to and meets bimonthly with the Chief Executive and the Leader of the Council.

2   Internal Audit Assurance for 2020/21

2.1   Context

The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

In mid-March the Coronavirus Pandemic started resulting in the Council invoking its Business Continuity Plan. Given the unprecedented nature of the pandemic and its impact on the Council's service delivery and its workforce, all Internal Audit work was paused to allow the organisation to respond to the emergency. For the period April to August the Internal Audit Service supported the Council's response to this emergency. The work of internal audit during this period included the review of direct management assurance, key financial decisions, risk method statements, review and challenge of new business processes to aid alternative service delivery, validation and challenge of complex business support grants saving the Welsh Government circa £180K, working with multi-agency partner to deliver Test Trace Protect and Deeside Rainbow Hospital within Flintshire as well as attendance that the various emergency tactical working groups providing guidance and advice.

In September the original Internal Audit Plan for 2020/21 – 2022/23 was revised to reflect on the work of Internal Audit service for the first part of the year and to re-evaluate the service's work for the remainder of the year. The revised Strategic Audit Plan for 2020/21-2022/23 was presented and approved by the Governance and Audit Committee in September 2020. Due to the in-depth work Internal Audit were involved with during April to August and the revised Audit Plan in September sufficient work had been completed during the year to allow an assurance opinion to be provided.

There have been no limitations made on the scope of Internal Audit coverage during the year.

2.2   Resources

At the start of the year in April 2020, the department was carrying one full time vacancy for the Principal Auditor who retired in 2018. We experienced difficulties in recruiting to this post and for the interim the position was covered by the Principal Auditor in post and the Internal Audit Manager.

In May 2020 the Principal Auditor post was advertised as a secondment to all Senior Auditors within the service and following a formal recruitment process this position was filled. This has been a successful appointment with Principal Auditor already half way through their professional qualifications to become a Chartered Internal Auditor.

In early 2021 our application for a further Graduate Trainee was successful, recruitment will commence in June 2021 and the Graduate Trainee will be in position by September 2021.

There has been some long term sickness in the service, however overall there has been sufficient resources within the team to draw a reasonable conclusion on the adequacy and effectiveness of Flintshire County Council's governance, risk management and internal control arrangements.

2.3 Internal Audit Opinion

> **For the year ending 31 March 2021, based on the work the Internal Audit Service has undertaken, the direct assurance from management and external assurance from Audit Wales, my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.**

During 2020/21 we have not issued a 'Red / Limited assurance' opinion compared to previous years (2019/20 one audit, 2018/19 two audits, 2017/18 three audits, 2016/17 four audits & 2015/16 six audits), where an urgent system revision was required.

Overall 82% of assurance opinions issued were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.

An analysis of the category of actions raised during 2020/21 show actions primarily relate to policy and / or operational matters of the service. The graph below provides you with further information of the other category of actions raised during 2020/21.

Categories of Actions

- Contracts
- Data Protection
- Financial
- Fraud Prevention
- Governance
- ICT
- KPIs / Performance
- Legislative
- Operational
- Policy / Procedure
- Procurement
- Project Management
- Risk Management
- Safeguarding of Assets
- Specific to this Review
- Strategic
- Training

2.4 Scope of the Internal Audit Opinion

In arriving at this opinion, I have taken into account:

- The results of all internal audits undertaken during the year ended 31 March 2021 (see Appendix B for a summary of audit opinions and number of agreed actions);
- The results of follow-up action taken in respect of audits from previous years;
- The appropriateness of the proposed action by management to address control weaknesses and consequent risks;
- Matters arising from previous reports or other assurance providers to the Governance and Audit Committee and/or Council;
- Direct assurance from management;
- External assurance from Audit Wales;

- No limitations have been placed on the scope of Internal Audit;
- No resource constraints have been imposed upon us which may have impinged on our ability to meet the full internal audit needs of the organisation; and
- Where weaknesses have been identified I am happy that appropriate action plans are in place to address those weaknesses and to mitigate risks.
- During 2019/20, 110 actions were raised and 89* were implemented to date. *Some relate to previous years audit reviews.*

2.5 The Basis of the Opinion

In reaching this opinion the following factors were taken into particular consideration:

Corporate Governance

A Corporate Governance Working Group operated during the year and were tasked with updating and co-ordinating the annual governance self-assessment, and preparing it in line with the seven principals from the CIPFA/SOLACE guidance on 'delivering good governance' in Local Authorities in Wales released in 2016.

The group was chaired by the Internal Audit Manager and members included the Democratic Services Manager, Strategic Performance Advisor, IT Business Services Manager, Senior Manager Human Resources and Organisational Development and a Principal Accountant. The group updated the Council's Code of Corporate Governance, then prepared and drafted the Annual Governance Statement. The group issued corporate governance self-assessment assurance questionnaires to the Chairs of Overview and Scrutiny Committees and facilitated a challenge workshop with nominated members of the Governance and Audit Committee. This process provided an opportunity for senior officers and members to consider the effectiveness of governance arrangements. The group also considered the overall assurance framework.

The Annual Governance Statement explains how Flintshire County Council complies with its own Code of Corporate Governance, in line with the seven principles and also meets the requirements of the Accounts and Audit (Wales) Regulations 2018. The Annual Governance Statement includes actions to cover:

- Emerging risks and areas for improvement following a review against the Code of Corporate Governance.
- Enhance on the performance already made.
- How the governance framework supported Council to effectively manage the Pandemic
- Strategic risks of the Council.

The Council is subject to external inspections by Audit Wales (AW), Estyn, and CIW. Assessments undertaken by AW are both on a local and national level where the Council may be part of thematic review. Regardless of whether the Council is directly involved, the Council performs a self-assessment against the reports' findings. All actions from external inspections are monitored. During 2021/21 the Council has received the reports and undergone reviews from Audit Wales these being:

Reports Received:
- Raising our Game Tacking Fraud in Wales
- Commercialisation in Local Government
- Rental Income
- Rough Sleeping

External Reviews:
- TTP the regional approach
- Flintshire's Approach to Covid 19.

The outcome of the reviews are reported in accordance with the protocol. The report on Raising our Game and Tacking Fraud in Wales will be presented to Governance and Audit Committee in July 2021. In March 2021, the Annual Audit Summary 2020 summarises the audit and regulatory work undertaken at the Council by Audit Wales during preceding 2019/20. At the time of this report, the final Audit Summary 2021 for work completed during 2020/21 had not been published however, from feedback there are no significant issues arising which would raise concern.

Information Governance

Information Governance is a major component to the overall governance framework of the Council. To ensure the Council's IT infrastructure is secure, IT Services is subject to a number of external inspections and these are detailed in the table on the following page.

Area of IT Independently Assessed	Independent Assessor	Supporting Information
IT Infrastructure:	Public Services Network (PSN)	To assess the Council's infrastructure and ensure it is meeting best practices as define by the Cabinet Office in Line with National Cyber Security Centre (NCSC) Guidance. The assessment is undertaken annually. The council successfully met the requirements as part of the latest accreditation process and the current certificate expires in December 2021. The resubmission was impacted by inevitable delays due to the COVID-19 pandemic.
IT Infrastructure:	Cyber Essentials Plus (CEP)	There are two elements to this independent assessment. Cyber Essentials is a desktop self-assessment and the plus element is an independently verified element of the assessment. The council's certificate expired in April 2021. Whilst significant work has been undertaken towards reaccreditation, demands on the service due to Covid-19 pandemic have impacted this work. It is currently being worked on as a priority action.
Information Management & Address Standards:	Geoplace	Monthly assessment undertaken of the Council's address data to ensure the addresses used to populate the National Land and Property Gazetteer meet the required Standards. The Council has been award the Gold Standard for this assessment. The council was recently awarded joint best address data in Wales by Geoplace for the second year running.
Information, Processes and Procedures around Financial Systems	Wales Audit Office	As part of the annual audit, WAO considers the adequacy of the Council's security and interfaces with the Council's financial systems. No actions have been raised following this review. This work is currently underway and due to be completed by end of April. Any actions will be prioritised within the service accordingly.
Website Accessibility	Government Digital Service (GDS)	All public sector websites must reach Web Content Accessibility Guidelines (WCAG) 2.1 by September 23rd 2020. The council must publish an accessibility statement and review it regularly. The majority of the councils website already meets the standard, however a major piece of work is being undertaken to review the accessibility of documents published on the website in portable document format (pdf). Whilst the majority of documents were completed on time (over 3,000), there are a small number that remain to be completed due to their complexity, the additional workloads due to Covid-19, and translation requirements. All work is due to be completed by end May 2021.

Any actions arising from these external assessments are monitored and managed by IT services ensuring any developments required are implemented to support and complement the role out of the Digital Strategy.

Risk Management

In 2020/21 Internal Audit worked closely with the Council's Performance team to support and challenge the risk management arrangements in place to manage the Council's risk during the pandemic and captured in the emergency and recovery risk registers together with their supporting method statements. Progress reports against the Council's emergency and recovery Plans were presented to the member recovery board and latterly to the Overview and Scrutiny Committees.

During 2020/21 all risk registers were regularly reviewed and updated during the response to the pandemic. These were reported regularly to member recovery board between May and September 2020, then more recently to the Overview and Scrutiny Committee.

The Strategic Risks are considered when identifying the audit work for the forthcoming year. My annual opinion is also informed by the number of risk based audit assignments completed during the year review.

Internal Control

Audits were carried out in all areas of the Council during the year. The overall level of control found in audit assignments this year was good. 82% of audits resulted in a 'green' or 'amber green' assurance level. No area stood out as being worse than the others. In all cases the findings were reported to the Governance and Audit Committee. During 2020/21, 110 actions were raised to improve the internal control, risk management and governance arrangements across the authority. During the year a total 89 actions have been implemented. Some of these relate to actions raised in previous years. All actions are monitored and progress reported to Chief Officers monthly and at each Governance and Audit Committee meeting. Summary results are given in Appendix B, together with definitions of the assurance levels (Appendix A).

2.6 Level of audit coverage during the year

The number of reviews / audit work in each area of the Council is detailed in the table below.

Review Type	High	Medium	Annual / Follow Up	A&C (Incl 8 New)	In Progress	Deferred / NLR	Total
Corporate	4			4			8
Education and Youth	4	4	2	1		1	12
Governance	1	1	3			1	6
Housing & Assets			3			1	4
People and Resources	4		5				9
Planning, Environment & Economy	1	1		2		1	5
Social Services	4	1		2	1		8
Streetscene and Transportation	1	2		1	1	1	6
External	1					2	3
Total	**20**	**9**	**13**	**10**	**2**	**7**	**61**
			52				

The revised annual plan showed 61 audits / areas of work to be undertaken (including carry forward work). The approach to managing the audit plan changed for 2018/19 and this was

approved by Governance and Audit Committee in March 2018. It was agreed that the plan would be reviewed quarterly with Chief Officers and their senior management team. All high priority audits would be undertaken and any new requests for audit assistance would be considered and replace (where applicable) medium priority audits. In total only one new request for audit work was received during the year and undertaken. Any changes to the plan were reported back to Governance and Audit Committee.

Status of 2020/21 Audit Plan					
Priority	**Completed**	**In Progress / Draft Report**	**Deferred**	**NLR ***	**Total**
High	20	1	3		24
Medium	9	1		1	11
Annual / Follow Up	13		3		16
Advice & Consultancy (Incl. Covid related work)	10				10
Position Original Plan	**52**	**2**	**6**	**1**	**61**

* No Longer Relevant. This is where the service requested the work and this was no longer needed or the audit has been combined within another review.

There is always a time lag in terms of the dates of audits. The audit plan for the following financial year will always include work carried over.

Within 2020/21, including carry forward work, 52 final audit were brought to the Governance and Audit Committee and at the time of this report a further two issued, due to be issued as awaiting finalisation or near completion.   Given the exceptional circumstances overall the 2020/21 plan was substantially completed.

All the deferred audits were considered during the planning meetings for the 2021/22 to 2024/25 audit strategic plan and all six deferred audits from 2020/21 have been included within the 2021/22 Audit plan.

2.7 Assurance Levels

The definitions for the assurance levels are given in Appendix A of this report. The tables in Appendix B show the assurance opinions and number of agreed actions made in 2020/21.

2.8 Other Internal Audit Work

In addition to the reviews analysed in Appendix B, we have also carried out the following internal audit work during the year.

Area of Work	Comments
Schools Audits	2 individual school audits and a Control Risk Self-Assessment (CRSA) sent to all schools
Investigations	See 2.9 below
National Fraud Initiative	9 days on work relating to National Fraud Initiative
Advisory work	111 days on advisory work in the year
Grant audits	4 audit of grants
COVID19	Involved in specific workstreams detailed in 2.10

2.9 Anti-Fraud and Corruption and Investigations

At the start of the year there were four live investigations. During the year one more investigation was started and six were completed leaving no investigations at the end of the year. This new investigation was received following a referral from management. In total 25 days was spent on investigations. The nature of this investigation is covered in the table below:

Nature of the Investigations	No.
People & Resources - Fraudulent request to change bank details	1

The financial impact of this fraud resulted in the loss of £22K to the Council. The fraud was reported to Action Fraud for further investigation however no further action has been taken to date by Action Fraud. Internal controls were reviewed and recommendations for further improvements made and implemented.

2.10 Advisory / Consultancy work

This includes work that, in some cases, does not result in an audit report and or assurance opinion however adds value to the Authority by contributing to working groups or providing advice. Examples include:

- Advice on GDPR Project Group and Board
- Membership of the Corporate Governance Working Group
- Membership of Accounts Governance Group
- Membership of the E-Procurement Board
- Membership of the Programme Co-ordinating Group
- Membership of the Emergency Management Response Team
- COVID19 - Membership of Tactical Silver Groups
- COVID19 - Lead of Bronze Group for Postal Arrangements
- COVID19 - Emergency Response for Local Businesses Silver Tactical Group
- COVID19 - Temporary Hospital Provisions – Risk Management
- COVID19 - Governance and Legal Silver Tactical Group
- COVID19 - Organisational Recovery Group
- COVID19 - Business Compliance Group
- COVID19 - TTP Regional Tracing, Operation and Performance Group
- COVID19 - TTP Regional Oversight Group
- COVID19 - TTP Flintshire Oversight Group
- COVID19 - Prevention & Surveillance Group
- Corporate Health & Safety Group
- Corporate Data Protection Group

It should be noted that the number of days spent on advisory work (111 for 2020/21) continues to remain high (97 2019/20, 91, 2018/20, 124 days for 2017/18, 79 days for 2016/17) and demonstrates the noticeable rise in requests for Internal Audit to become involved in emerging issues, supporting the business to response to the emergency of the pandemic whilst working with the organisation to ensure a robust control environment is in place.

2.11 Audit of Third Parties

Following the transformation changes of services and the creation of Aura Leisure and Libraries and NEWydd in 2016/17 the Internal Audit Service has a 3 year SLA to deliver an internal audit service to these organisations. During 2019/20, theses SLAs were renewed for a further three years.

Due to the impact the pandemic has had on both external third parties it has not been possible to audit these services. Audit reviews are scheduled to resume in 2021/22.

2.12 Internal Audit Performance

The performance of the department against performance measures and targets is set out below. Performance monitoring resumed in September when the service returned to full internal audit work and reported to the Governance and Audit Committee from November onwards.

Performance against target is reported to each Governance and Audit Committee, and is summarised in the table below. Overall apart from two all were achieved or exceeded the internal targets. There continues to be a low number of questionnaires returned and whilst the method for calculation was changed last year, the pandemic may have impacted on services returning their questionnaires.
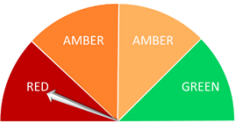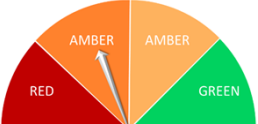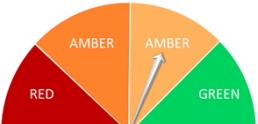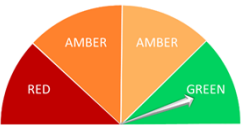
Internal Audit Performance Indicators

Performance Measure	Reporting Period			Overall Average Performance 20/21	20/21 Target
Reported to Committee	Nov 20	Jan 21	Mar 21		
Audits completed within planned time	100%	75%	75%	**83%**	80%
Average number of days from end of fieldwork to debrief meeting	3	9	9	**7**	20
Average number of days from debrief meeting to the issue of draft report	1	1	1	**1**	5
Days for departments to return draft reports	3	0	1	**1**	7
Average number of days from response to issue of final report	1	1	1	**1**	2
Total days from end of fieldwork to issue of final report	6	17	16	**13**	34
Productive audit days	71%	73%	79%	**74%**	75%
Client questionnaires responses as satisfied	100%	100%	100%	**100%**	95%
Return of client satisfaction questionnaires	100%	66%	53%	**73%**	80%

Levels of Assurance – Standard Audit Reports   Appendix A

The audit opinion is the level of assurance that Internal Audit can give to managements and all other stakeholders on the adequacy and effectiveness of controls within the areas audited. It is assessed following the completion of the audit and is based on the findings from the audit. Progress on the implementation of agreed actions will be monitored. Findings from **Red** assurance audits will be reported to the Governance and Audit Committee.

Level of Assurance	Explanation
Red – Limited	**Urgent system revision required (one or more of the following)** • Key controls are absent or rarely applied • Evidence of (or the potential for) significant financial / other losses • Key management information does not exist • System / process objectives are not being met, or are being met at a significant and unnecessary cost or use of resources. Conclusion: a lack of adequate or effective controls.
	Follow Up Audit - <30% of actions have been implemented. Unsatisfactory progress has been made on the implementation of high priority actions.
Amber Red – Some	**Significant improvement in control environment required (one or more of the following)** • Key controls exist but fail to address all risks identified and / or are not applied consistently and effectively • Evidence of (or the potential for) financial / other loss • Key management information exists but is unreliable • System / process objectives are not being met, or are being met at an unnecessary cost or use of resources. Conclusion: key controls are generally inadequate or ineffective.
	Follow Up Audits - 30-50% of actions have been implemented. Any outstanding high priority actions are in the process of being implemented.
Amber Green – Reasonable	**Key Controls in place but some fine tuning required (one or more of the following)** • Key controls exist but there are weaknesses and / or inconsistencies in application though no evidence of any significant impact • Some refinement or addition of controls would enhance the control environment • Key objectives could be better achieved with some relatively minor adjustments Conclusion: key controls generally operating effectively.
	Follow Up Audit: 51-75% of actions have been implemented. All high priority actions have been implemented.
Green – Substantial	**Strong controls in place (all or most of the following)** • Key controls exist and are applied consistently and effectively • Objectives achieved in a pragmatic and cost effective manner • Compliance with relevant regulations and procedures • Assets safeguarded • Information reliable Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.
	Follow Up Audit: 75%+ of actions have been implemented. All high priority actions have been implemented.

Categorisation of Actions	Actions are prioritised as High, Medium or Low to reflect our assessment of risk associated with the control weaknesses
Value for Money	The definition of Internal Audit within the Audit Charter includes 'It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.' These value for money findings and recommendations are included within audit reports.

Internal Audit Opinions and Recommendations 2020/21

Appendix B

Auditable Area	Number of Reports & Audit Opinions						Priority & Number of Agreed Actions			
	Red	Amber -	Amber +	Green	Advisory / Grant - No Opinion Given	In Total *	High	Medium	Low	In Total
Corporate					8	8				
Education and Youth		3	5		3	11	6	17	19	42
Governance			3	2		5		7	6	13
Housing & Assets			1	1	1	3		3	2	5
People and Resources		1	5	2	1	9		9	5	14
Planning, Environment & Economy			2		2	4		5	7	12
Social Services		1	2	1	3	7	1	6	3	10
Streetscene and Transportation		1	2		1	4	3	6	4	13
External				1		1		1		1
Total	**0**	**6**	**20**	**7**	**19**	**52**	**10**	**54**	**46**	**110**

* the total number of audit report may not tally with the number of audit given due to the school audits

PSIAS –Quality Assurance Improvement Programme (QAIP)   Appendix C

Actions from External Assessment (EA) March 2017 and Self-Assessment (SA) March 2021 (questions not scored as conforming)

Ref	Conformance with the Standard	Compliance	Planned Actions	Person Resp.	Timescale	Comment
2120 (SA)	Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?	Partial	Improve awareness of fraud. Collect data on fraud risk.*(2120)*	LB	Implemented Implemented Partly Complete - April 2021	Fraud risk analysis is undertaken as part of each audit review. Anti-Fraud and Corruption Strategy and Fraud Response Plan has been updated and presented to Governance and Audit Committee in February 2019. Develop an online reporting solution which would support digital and customer strategies during 2019/20. This is currently at the test stage however due to COVID-19 this was on hold for a period however this is now ready to go live in the new financial year. Once operational the fraud reporting system and Whistleblowing policy will be promoted via change exchange.
2110 (SA & EA)	Internal Audit reviews the activities in place that manage and monitor the effective implementation of the organisation's ethics and values.	Partial	(SA) Review as part of CGWG – review of Code of Corporate Governance. (EA) The Service needs to undertake a review to evaluate the design, implementation and effectiveness of the Council's ethics related objectives, programs & activities. *(2110.A1)*	LB	Partly Complete	Audit work is based on the Council's objectives and priorities and covers areas in the Code of Corporate Governance such as organisational, performance management, and communication of risk and control information. Whilst ethics is considered as part of routine audits, a specific review on ethics and values has been included within the 2019/20 audit plan. This audit is currently in progress.