

AUDIT and GOVERNANCE COMMITTEE – 22 JULY 2020

Internal Audit Update, including 2020/21 Internal Audit Plan

Report by the Director of Finance

RECOMMENDATION

1. **The committee is RECOMMENDED to comment and note the Internal Audit Plan for 2020/21.**

Executive Summary

2. This report presents the Internal Audit update, including the Internal Audit Plan for 2020/21. The report includes an update on counter-fraud case activity. A separate report on Counter Fraud Strategy for 2020/21 will be presented to the September committee.
3. The audit planning process was completed for 2020/21 and a draft annual plan produced which was agreed with each Director. However, due to the Covid-19 pandemic, a refreshed internal audit approach was required as the organisation goes through a period of significant disruption and change. The report to the May 2020 committee meeting therefore set out the workplan for Quarter 1. The plan for the remainder of the year has since been revised and is presented in this report.

Introduction

4. The Internal Audit Strategy for 2020/21 (alongside the quarter 1 workplan) was presented to the May 2020 Audit & Governance Committee. This detailed the audit planning methodology, resources for 2020/21, agreed performance measures and standards to which Internal Audit operate.

Completion of 2019/20 Internal Audit Plan

5. At the May 2020 Committee, the annual report of 2019/20 was presented. Due to the events of covid-19 there were 4 audit reports not issued. Three of these audits have now all been completed, and the executive summaries are included within Appendix 1.
 - Capital Programme Procurement 2019/20, Final Report – Amber
 - Client Charging / Payments to Providers Follow up 2019/20, Final Report – Amber

- Direct Payments 2019/20, Final Report – Red (report already considered by 24 June Audit Working Group)

The fourth audit of SEND, required additional fieldwork to be completed through to July 2020, which had been delayed due to covid-19, and therefore has been carried forward into the 2020/21 plan. The report is now at preliminary draft report stage and will be included in the Internal Audit quarterly updates to the September Committee and AWG meetings.

Quarter 1 Internal Audit Plan

6. Appendix 2, sets out the revised quarter 1 work plan for Internal Audit and progress against completion.
7. The completion of 2019/20 audit plan work would normally have been achieved by the end of April; however, this year was extended to June, due to the pandemic.
8. The internal audit approach was adapted to undertake the work remotely and to work mindfully around the other priorities of the officers/teams involved.
9. Work during quarter 1 for has included, being involved with advising on new control processes for covid-related payments, for example payments to providers.
10. There is an increased fraud risk whilst operating during the pandemic, and this will need to be a key focus within both the internal audit and counter-fraud work plans, with the focus on helping to prevent loss.

2020/21 Internal Audit Plan

11. The chargeable days available (less overheads and non-chargeable days, e.g. annual leave, training, 1:1s) have remained the same as 2019/20, with chargeable days available for audit assignments for OCC = 915 days.
12. The impact of covid-19 has meant that the quarter one work plan was mainly focussed on the completion of the 2019/20 work plan, development of remote working, responding to requests for advice regarding supplier payments/reliefs due to the pandemic, etc and during late June commencing the revised 2020/21 plan.
13. From quarter 2, this provides an estimated 685 chargeable days remaining to complete the revised plan. The plan is presented in appendix 3. The plan focuses on key risk areas such as Contract Management, Financial

Management, ICT and will recognise emerging risks due to the pandemic and potential changes which may result to the governance and control environment.

14. The 685 chargeable days available for Q2 – Q4: will be approximately split as following across the directorates/services:

Directorate / Service	Chargeable days available for audit assignments (Q2 – Q4)
Corporate / Cross Cutting / Contingency	120
Adults, Children and Public Health	220
Communities / Place & Growth	65
Finance	80
Commercial Development, Assets & Investment	65
Customers and Organisational Development (including ICT)	100
Grant Certification	35
TOTAL	685

15. It should be noted that delivery of the planned days is reliant on being able to successfully recruit a permanent senior auditor, which is currently vacant.

Counter-Fraud

16. Internal Audit have the responsibility for Counter-Fraud. The future model for delivery of both the pro-active fraud plan and management of reactive work / investigations is subject to review, looking for opportunities to further build and strengthen our pro-active fraud activity. The Counter Fraud Strategy and Plan for 2020/21 will be presented separately to the September Audit & Governance Committee.
17. Within this report we have included in appendix 4, an update on open and closed fraud referrals and cases as at July 2020. With the new case management system, we are now establishing our processes to ensure that for all cases we capture the financial data for us to be able to report going forward; alleged losses, actual losses and amounts recovered. We will review how this information can be included in future updates to the AWG and the Committee. From April 2020 we are also now routinely issuing post-investigation fraud reports, where control weaknesses are identified during the investigation, either by case or on a thematic basis. This ensures our review of

control weaknesses and the required control improvements are formally captured, with agreed management actions logged on the 4action audit tracking system, which will be included within our reporting.

LORNA BAXTER

Director of Finance

Background papers: None.

Contact Officer: Sarah Cox, Chief Internal Auditor, 07393 001246

APPENDIX 1:

Capital Programme - Procurement 2019/20

Overall conclusion on the system of internal control being maintained	A
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
A: Procurement Strategy, Policies & Procedures	R	1	2
B: Compliance with Procurement & Contract Guidance	A	0	5
		1	7

Opinion: Amber	10 June 2020	
Total: 9	Priority 1 = 1	Priority 2 = 7
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	8	

Over the past two years there have been significant changes to the way capital programme works are procured and completed, due to the contractual arrangements with Carillion being brought back in house shortly before their collapse in 2018. Works must now be procured on an individual basis, ensuring accordance with EU Procurement Regulations and the Council's Contract Procedure Rules (CPRs).

The audit recognised the ongoing work across Commercial Services and the Programme Office to allow a more standardised approach in the delivery of capital procurement activity. This includes a standard contract template for projects below £25k, allowing contracts for low value works to be issued more efficiently; the development of OCC Frameworks, including a Multi-Disciplinary Framework (to be tendered in April 2020) and a Construction Framework (to be tendered towards the end of the year); and a review of all forms and documents required in capital procurement, to streamline processes and provide consolidation across departments. The quality surveying and governance support currently provided by Commercial Services is also going to be expanded, to provide support across all of Property, Investment and Facilities Management.

Note that this was a compliance audit and did not review the Capital Governance arrangements. The Capital Governance arrangements are currently subject to corporate review and the audit of these is scheduled under the 2020/21 audit plan.

Procurement Strategy, Policies & Procedures

Whilst acknowledging both capital governance processes are currently under review and the provision cycle work is ongoing, a review of policies and procedures available to staff both on the intranet and locally, found the majority of documents are out of date, referring to old governance processes and ways of working. The current Procurement Strategy available to staff has not been updated since 2013, however it was reported a new Provision Strategy will be developed and completed once the provision cycle work is complete. Various other documents on the intranet, including the Council's Contract Procedure Rules, have not been updated since 2015, and Terms of References for Governance Boards that are no longer functioning are also still held on the intranet. Local guidance documents were also found to be inaccurate, referring to processes that are no longer required or have since been updated.

There is currently no formal training for staff responsible for procurement of services for capital projects, however it was reported this will be reviewed by Commercial Services as the new OCC Frameworks are implemented and the provision cycle work is completed.

Compliance with Procurement & Contract Guidance

A review of 20 capital projects, covering different values (and therefore procurement requirements), areas of work, and contractors, found compliance with the CPRs could be demonstrated in some cases, but not all. Where required under the CPRs, works had gone out to tender in all cases, with appropriate tender evaluations following the bids, and for lower value projects, the appropriate number of quotes had been obtained. However, several issues were noted with lower value contracts. In one case, a single quote was obtained for a project with a forecast budget of below £25k, in line with the CPRs, however the quote came back higher, with the contractor awarded the works without any communication with Procurement or obtaining further quotes to ensure value for money. Another instance was noted where a contract was never in place for the works, and in a final case, involving emergency structural works in a school, it could not be demonstrated the Director had authorised the works in writing (in line with the CPRs), or that the appropriate individuals were made aware of the emergency works, as required in the CPRs.

Sample testing identified issues with timeliness of the exemption reports. All exemption reports sampled had been subject to the appropriate appraisals and authorisations, however in one case, the exemption report was completed 4 months after practical completion of the project, and in another case, the exemption report was written in July 2018, but sign off by the relevant Portfolio Holder was not obtained until March 2019, at which point the contractor had received some payments. A review of invoices and payments confirmed that for all exemptions in the sample aside from this one, no payments were made prior to the exemption report being signed off.

It was noted during sample testing the Council's contract management system, Atamis, is not used consistently or accurately to records details of contracts for capital projects. Of the 20 projects sampled, contracts were recorded on Atamis in only 5 cases, 2 of which had an incorrect contract value recorded, and for 1 case, the contractor had not been assigned to the contract. The spend recorded against these 5 contracts was also inaccurate, with Atamis showing either no spend or spend considerably greater than the contract's value (as payments from other projects had been assigned to the contract).

The inconsistent use of and inaccuracies within the system were acknowledged by Corporate Procurement who reported it is the intention for Atamis to be used more widely following the Provision Cycle work, including monitoring to ensure data is correct, and the utilisation of a central storage function to hold copies of all contracts in place.

Client Charging / Payments to Providers Follow Up 2019/20

Overall conclusion on the system of internal control being maintained	A
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Opinion: Amber	11 June 2020	
Total: 21	Priority 1 = 0	Priority 2 = 21
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	21	

Introduction

An audit of Client Charging and Payments to Providers was undertaken as part of the 2019/20 Internal Audit plan, to provide assurance over the accuracy, integrity, and timeliness of charging and payments. The audit focused on the effectiveness of implementation of previous actions and the service improvement projects being carried out to address ongoing issues. The management letter provides an update on the improvement work undertaken so far and the status of outstanding management actions.

Overall Conclusion

The overall conclusion of this audit is **Amber**. While the service is aware of key issues and have various improvement projects and trials in place to address these, progress in resolving a number of the recurring control issues highlighted in the last 3 years' audits of both Client Charging and Payments to Providers has been limited ahead of wider scale systematic improvements to processes, improvements to the consistency of LAS input for care packages, and performance management information flowing through from the implementation of the Finance Functions project. The Council therefore continues to be open to the financial and reputational risks identified in previous audits, which include delayed or inaccurate payments and charges.

Summary of Findings

The 2018/19 audits of Client Charging and Payments to Providers were both graded Amber, identifying similar areas of weakness as in previous years' audits due to unresolved control issues. These include inaccuracies or inconsistencies in charging and payments due to errors in recording care packages on LAS (such as incorrect

dates, service types, or duplicate care packages) or delays in the completion of forms and contracts (such as Annex 2s, Support Plans, and Third Party Top Ups).

In order to address these ongoing issues, Adult Social Care have set up, or are involved in, a number of trials and projects, including the care home trial project to streamline the contract and payment process for service users entering residential care; the service provision errors trial to identify, analyse, and correct LAS errors; and the finance functions project to review and assign responsibilities for the end-to-end care package process, from brokerage to payment. It is acknowledged that the onset of the Covid-19 pandemic has resulted in delays in completion of the Finance Functions project, which has impacted on the service's ability to progress a number of management actions over the past few months. The project was due to go out to consultation at the beginning of April but has been paused. It is now expected to recommence from September 2020.

Although management actions for the majority of issues newly identified in the 2018/19 audits have been effectively implemented, the historic issues / management actions covered in some of the previous reports have not. As part of the service provision errors trial, the LAS Improvement Team have maintained a log detailing each issue they are contacted about, and analysis of this found a number of the issues highlighted during previous audits are continuing to cause inaccurate payments, resulting in financial loss and reputational damage, as well as an increased workload for the teams correcting the errors.

The most common error reported is incorrect start or end dates on care packages, making up 39% of the issues recorded. This has been an ongoing issue across previous years' audits of both Client Charging and Payments to Providers, increasing the risk of inaccurate payments to providers and charges to service users. It is intended the work of the finance functions project will address this, creating clear responsibility for setting up and ending care packages. Other errors frequently reported include duplicate services, missing services, incorrectly deleted services, and incorrect service type, hours, provider, or banding being added.

An action plan with 21 either revised or new management actions covering Client Charging and Payments to Providers processes has been agreed.

Direct Payments 2019/20

Overall conclusion on the system of internal control being maintained	R
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Opinion: Red	11 June 2020	
Total: 9	Priority 1 = 9	Priority 2 = 0
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	9	

The full audit report has been previously shared with Audit & Governance members, distributed with Audit Working Group papers and was considered at the June meeting. (see report of the AWG 24/6/20).

The audit noted a number of weaknesses in the current arrangements, which are fragmented and complex – with different internal teams and external providers included in the Direct Payment (DP) setup, monitoring and payment arrangements. Sample testing highlighted gaps in processes with the potential for incorrect payments. DP Online Accounts were launched in 2018 and should provide the Council with greater financial transparency over DP accounts, as well as a reduced administrative burden for both the Council and Service Users. However, there has been a very low uptake.

Whilst the report is graded Red, the audit acknowledges that improvements have been made to the control environment supporting DP's however many of these actions are either yet to be fully embedded and working effectively or to be completed. Examples of these new controls include the introduction of the social care DP Checklist; greater scrutiny and oversight of DP's at the Performance Board; and targeting DP care packages for overdue annual reviews.

APPENDIX 2:

INTERNAL AUDIT QUARTER 1 PLAN 2020/21

This plan was presented to the May 2020 committee.
This reports progress / completion of the Q1 plan.

Audit / task	Detail	Status as at 10 July
Completion of 2019/20 Internal Audit Programme	This is normally completed by the end of April. This has been delayed due to covid-19 and has been extended until the end of June.	Completed
Covid-19 funding / payments.	<p>Internal Audit have been involved with supplier relief payments.</p> <p>At OCC Internal Audit were initially involved in the processes being established to support adult and children's provider payments from the Service Sustainability Fund.</p> <p>Internal Audit have reviewed and advised on the processes established for the early years covid-19 funding, supporting both nursery settings and childminders.</p> <p>Internal Audit will also look to support further by providing assurance over the accuracy and integrity of Supplier Relief Payments across the directorates and also the 10% uplift payments made to social care providers.</p>	Ongoing
Public Health – Alcohol Capital Grant	Chief Internal Auditor verification and sign off is a requirement of the grant conditions. This needs to be completed by the end of May 2020.	Timescales extended – awaiting information from service.
Troubled Families	The condition of the grant claim is that Internal Audit test a sample of 10% and sign off on each claim submitted. The service plan to submit 3 claims during the financial year 2020/21	Timescales extended – Internal Audit will be required to sign off by the end of July 20.

	– the first one will be before the end of June 2020.	
Action Tracking	Work required to reconfigure system to enable us to onboard CDC exiting actions and be able to report on them separately to the two different audit committees.	Ongoing
	No soft chasing of officers due to covid-19 during March-May. Review position in June and get updates where required and escalate where appropriate through DLTs.	Complete – will be next reporting to September AWG.
	Review dashboard access for senior managers – OCC and CDC	Ongoing
PSIAS	Annual self-assessment against PSAIS and renewal of IA charter	Complete
Revision of Internal Audit Plan	Draft plan to be reviewed with each Directorate, emerging risks and control environment changes to be identified, with new areas for assurance included.	Complete
Quarter 1 audits	It is planned that 4 audits will commence mid-end of June. These are currently being selected. One of these where scoping has already been undertaken is IT Disaster Recovery Audit 20/21 (which had been deferred from 2019/20). An update will be made to the July A&G committee on the work started in June.	<p>Audits commenced during June 2020 (will be finalised and reported to the Sept meetings of AWG/A&G):</p> <ul style="list-style-type: none"> - Payroll - Highways Contract Management - Carterton Community College - IT Disaster Recovery <p>Grant certification completed during June 2020:</p> <ul style="list-style-type: none"> - Better Broadband Programme. <p>Audit c/f from 2019/20:</p> <ul style="list-style-type: none"> – SEND (fieldwork completed July 2020 and at preliminary draft report stage).

APPENDIX 3: Internal Audit Plan 2020/21

Summary level plan (for detailed plan description, see next pages)

Corporate Director / Area	Audit
All	For 20/21 there will be an element of contingency to allow for emerging risks and governance/control environment changes as they are identified and to allow for new ways of undertaking assurance activities to be developed (for example remote auditing).
All	Covid-19 funding / payments – where requested we are reviewing and advising on processes being established, providing assurance on some of the payments and reliefs made.
Commercial Development, Assets and Investments	Contract Management – Payments by Results Contracts (sample across services) - (Combined Audit and Counter Fraud activity)
Commercial Development, Assets and Investments	Property, Investment & Facilities Management
Communities	Highways Contract Management
Communities / Place and Growth / Finance	Capital Programme – Governance, Formulation and Prioritisation
Finance	Payroll
Finance	Pensions Administration
Finance	Combined audit & counter fraud reviews of financial systems / processes – areas to be determined based upon risk.
Childrens	Childrens Payments via Controcc/LCS Recording – Follow up audit
Childrens	Management of Placement Vacancies
Childrens	Family Safeguarding Plus – Financial Management
Childrens	Troubled Families (4 claims)
Childrens	ICT new system implementation - Children’s Education System (including design of internal controls / processes, including IT security controls)

Childrens	ICT – Application audit - Childview System (OYJS)
Childrens	SEND (audit started at the end of 2019/20, c/f to 20/21 due to covid-19)
Schools	Carterton Community College
Adults	Order of St Johns Contract
Adults	Mental Health – Outcomes Based Contract Contribution
Adults	Client Charging
Adults	Payments to Providers
Customers & Organisational Development	Cultural Services – Music Service
Customers & Organisational Development	Corporate - Risk Management
Customers & Organisational Development - ICT	ICT Incident Management
Customers & Organisational Development - ICT	ICT Disaster Recovery Planning
Customers & Organisational Development - ICT	ICT Asset Management
Customers & Organisational Development - ICT	ICT Web Portals
Grant Certification	Various (approx. 10 for OCC)

Detailed Plan:

Oxfordshire County Council Internal Audit Plan 2020/21

Corporate Director / Audit	Scope	Audit Needs Assessment – Priority	Link to Corporate Plan & Leadership Risk Register
All			
Covid-19 Funding/Payments	<p>Where requested Internal Audit/Counter Fraud team have been involved in the review of processes to make grants/payments in respect of covid-19.</p> <p>Internal Audit will provide assurance over the accuracy and integrity a sample of grants / payments / supplier relief activities.</p>	H	-
Commercial Development, Assets and Investments			
Contract Management – Payments by Results (Combined Audit and Counter Fraud activity)	A combined audit / counter fraud proactive review will be undertaken to provide assurance over the effectiveness of the contract management arrangements where payments are made based upon results (sample across OCC services).	H	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Property, Investment & Facilities Management	The management of property, facilities and energy management operations were brought back in house, following the collapse of Carillion in 2018. The scope of the audit will be agreed with the Director. It will also include follow up of the initial review of Facilities	M	<i>Corporate Plan: We provide services that enhance the quality of life in our communities and protect the local environment. To achieve our vision, we will listen to residents so we can continuously improve our services</i>

	Management undertaken in 2018/19.		<i>and provide value for money.</i>
Communities			
Highways Contract Management	The council has a major contract in place for highways management. The audit will provide assurance over the robustness of contract management arrangements. The audit will also include follow up on the previous audits of Highways Contract Payments ensuring that the system improvements implemented by the contractor have resulted in a more robust position for the monitoring and payment of costs.	H	<i>Corporate Plan: We support a thriving local economy by improving transport links to create jobs and homes for the future. We provide services that enhance the quality of life in our communities and protect the local environment. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Communities / Place & Growth / Finance			
Capital Programme – Governance, Formulation and Prioritisation (deferred from 2019/20 plan)	The audit will provide assurance on the revised governance arrangements in place for the management of the Capital Programme. It will also review processes in place for formulation and on-going prioritisation of projects to be included within the capital programme.	H	<i>Corporate Plan: We support a thriving local economy by improving transport links to create jobs and homes for the future We provide services that enhance the quality of life in our communities and protect the local environment. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Growth Deal</i>
Finance			
Payroll	The audit will provide assurance over the key controls and processes operated by OCC to ensure that payments are accurate, timely and only paid to legitimate employees. Hampshire Internal Audit provides separate assurance over the IBC operated controls	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>

	and processes.		
Pensions Administration	This is an annual audit to test the key controls providing assurance that members records are accurately maintained and that payment through the pension's payroll are accurate, timely and legitimate.	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Combined Audit and Counter Fraud Review – see counter fraud plan.	Combined audit & counter fraud reviews of financial systems / processes. The areas covered are to be determined and will be based upon risk (for example, procurement cards). These will be included within the Counter Fraud Plan on completion of a risk assessment.	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Childrens			
Children's Payments via ContrOCC / LCS Recording	Following the implementation, during 2019, of the new Children's Social Care IT system (LCS) and a new integrated finance system (ContrOCC), the audit will provide assurance on the controls in place to ensure accurate and timely social work recording on LCS and over the accuracy, validity, timeliness and authorisation of payments made from ContrOCC. This will include follow up of the previous audit work undertaken during Q4 of 2019/20.	M	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Management of Placement Vacancies	The audit will provide assurance over the policies and procedures in place for the management of vacancies with both the internal provision and also the external provision of block contract arrangements.	M	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>

			<i>Leadership Risk Register: Demand Management</i>
Family Safeguarding Plus – Financial Management	The Family Safeguarding Plus (FSP) model provides a planned strategic alternative approach that will help manage demand, whilst also delivering better outcomes for children and their families. The FSP model is one of the main workstreams within the Childrens Transformation Programme. The envisaged go live date for the model is Autumn 2020 with significant service improvements and efficiencies expected from the following year. The audit will provide assurance over financial management including the monitoring and delivery of the planned savings.	H	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. We help people live safe, healthy lives and play an active part in their community. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Demand Management, Safeguarding of vulnerable adults and children, Organisational Change and Service Design.</i>
Troubled Families	The conditions of the grant claim require that Internal Audit test a sample of 10% and sign off on each claim submitted. The service plan to submit 3 claims during the financial year 2020/21.	Mandatory	<i>A requirement of the grant conditions is that Internal Audit independently sample 10% of each claim.</i>
ICT new system implementation – Children’s Education System	Children’s are going out to tender for a new education system. An IT audit review of the implementation of the new system, including design of key security controls will be undertaken. Internal audit will also look to provide assurance over the design of the new system and any changes to operational processes and the internal control environment, pre-implementation.	H	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: ICT Infrastructure</i>

ICT – Application audit - Childview System (OYJS)	The Childview system is used within OYJS (Oxfordshire Youth Justice Service) and was last subject to an ICT application audit during 2013. The audit will review the security and management controls over the application to ensure they are adequate for processing activities and the protection of sensitive data.	M	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Safeguarding of vulnerable adults and children.</i>
SEND (Special Educational Needs & Disability)	This audit was started at the end of 2019/20; however, the fieldwork was not completed until July 2020 due to covid-19 so has been c/f into the 2020/21 plan. Following the implementation of the SEND Code of Practice 2015, there has been an Ofsted inspection of the service. The audit will review the governance, financial and operating processes within the SEND team.	H	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Safeguarding of vulnerable adults and children.</i>
Schools Audit – Carterton Community College	Audit requested by the Director of Finance and Childrens Finance Business Partner.	M	<i>Corporate Plan: We strive to give every child a good start in life and protect everyone from abuse and neglect. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Adults			
Order of St Johns Contract	The Council has a major contract in place with the Order of St John’s Care Trust (OSJ) for the provision of residential placements. The audit will provide assurance over	H	<i>Corporate Plan: We enable older and disabled people to live independently and care for those in greatest need. We help people live safe, healthy lives and play an</i>

	governance and contract management, including specific focus on the policies and procedures in place for the management of vacancies within block contract arrangements.		<i>active part in their community. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Demand management, Safeguarding of vulnerable adults and children.</i>
Mental Health – Outcomes Based Contract Contribution	Oxfordshire Clinical Commissioning Group are the lead commissioners for the Mental Health Outcomes Based Contract (OBC) on behalf of Oxfordshire County Council (OCC). The overall contract value is approximately £35m per annum, with the Council's contribution over £6m pa. The OBC is designed to deliver recovery and well-being for adults who live with severe mental illness through the achievement of specified outcomes. The contract is delivered by the Oxfordshire Mental Health Partnership. The current contract ends on 30 September 2020, with an option to extend for a further two years. The audit will review the adequacy of the governance, oversight and assurance arrangements regarding the value the Council get from their financial contribution to this contract.	M	<i>Corporate Plan: We enable older and disabled people to live independently and care for those in greatest need. We help people live safe, healthy lives and play an active part in their community. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Safeguarding of vulnerable adults and children, Management of partnerships.</i>
Client Charging	The audit provides assurance over the accuracy, integrity and timeliness of client charging. The scope of the audit will also include the processes in place for the management of Adult Social Care debt.	M	<i>Corporate Plan: We enable older and disabled people to live independently and care for those in greatest need. To achieve our vision, we will listen to residents so we can continuously improve</i>

			<i>our services and provide value for money.</i>
Payments to Providers	The audit will provide assurance over the accuracy and integrity of the payments processes in place for payments to residential and home support providers. It will include testing from the initial processes within LAS through to payments and then reporting of those payments through the budget monitoring processes.	H	<i>Corporate Plan: We enable older and disabled people to live independently and care for those in greatest need. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Customers & Organisational Development			
Cultural Services – Music Service	A service/establishment audit of the Music Service will be undertaken to provide assurance on compliance with council policies and procedures in key areas including governance, HR and financial management.	M	<i>Corporate Plan: We provide services that enhance the quality of life in our communities and protect the local environment. To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>
Corporate - Risk Management (deferred from 2019/20 plan)	The audit will provide assurance over the corporate level processes for risk management, including the arrangements in place for the Leadership Risk Register. This follows on from work completed during 2019/20 at the directorate level.	H	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: Corporate Governance</i>
Customers & Organisational Development – ICT audits			
ICT – Incident Management (deferred from 2019/20 plan)	A new IT service management tool is being implemented in 2020. The audit will review how incidents and service requests are reported to the IT service desk and managed	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register:</i>

	through to resolution.		<i>ICT Infrastructure</i>
ICT – Disaster Recovery Planning (deferred from 2019/20 plan)	New IT disaster recovery arrangements have been introduced as part of the recent Datacentre Refresh project. The audit will provide assurance that there are plans in place to recover IT systems and services, within agreed timescales following a major incident.	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: ICT Infrastructure</i>
ICT - Asset Management	The audit will provide assurance over the management of end-user devices through the lifecycle, including procurement, recording of assets, security of stock items and disposal.	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money. Leadership Risk Register: ICT Infrastructure</i>
ICT - Web Portals	New web portals are being introduced within services. The audit will review the security of web portals to ensure access to corporate data is restricted to authorised users only.	M	<i>Corporate Plan: To achieve our vision, we will listen to residents so we can continuously improve our services and provide value for money.</i>

Grant Certification				
Grant Certification – various.	There are several requests made throughout the year for Chief Internal Auditor sign off, of grant certifications. For 20/21 these will include: <ul style="list-style-type: none"> • Local Growth Fund • Integrated Transport Highways Management Block Grant • Highways Maintenance Challenge Fund 	Mandatory	Chief Internal Auditor sign off – requirement of grant claim conditions.	July and Sept sign off

	<ul style="list-style-type: none"> • Pot Hole Action Fund • Disabled Facilities Grant • Bus Subsidy Revenue Grant • Cycling Ambition Grant • Safer Roads Fund 			
Other (Chargeable days – non-audit assignment)				
There are days which are not attributed to specific planned audit activity and include:	<ul style="list-style-type: none"> • Chief Internal Auditor’s management days • Preparation of the audit plan and operational planning • Reports for the AWG and Audit & Governance Committee • Attendance at Directorate Leadership Teams meetings and regular meetings with Senior Management • Attendance at the Corporate Governance Assurance group including contribution to and overview of the Annual Governance Statement • External Audit liaison • Liaison with other assurance providers, for example Hampshire Internal Audit and OCCG Auditors. • Follow up on implementation of agreed management actions. • Annual self-assessment against internal audit standards – In accordance with the requirements of the Public Sector Internal Audit Standards • Advice and Liaison • Production of the Chief Internal Auditors’ Annual Report • Development of data matching / analytics • Contribution to change management programmes • Admin support for actual audit work 			

Appendix 4:

NB: The Counter Fraud Strategy and Plan for 20/21 will be presented to the September Committee

Fraud referrals and cases as at July 2020

2018/19 Cases

There are still 4 fraud investigations open from 2018/19 – two are Direct Payment investigations that are ongoing; one is subject to a police investigation.

2019/20 Cases

There were 23 fraud cases in 2019/20 of which 9 are open and 14 are closed, broken down by category as follows:

Whistleblowing: 4
Deprivation of Assets/Financial Abuse: 6
Direct Payments: 4
Blue badge / Parking permit / Bus pass Fraud: 1
Procurement/Contract Management: 4
Internal: 3
Pensions: 1

2020/21 Cases

There are 11 fraud cases so far in 2020/21 of which 9 are open and 2 are closed, as follows:

Deprivation of Assets: 3
Direct Payments: 3
Whistleblowing: 3
No Recourse to Public Funds: 1
Internal: 1

Additional Blue Badge cases

There were 46 Blue badge misuse referrals in 2019/20 and 7 so far in 2020/21, of which:

8 are still under investigation
2 blue badge destroyed
1 badge withdrawn
25 Caution letters issued
6 Closed NFA
2 Closed Unproven
9 Insufficient referral information so NFA.