HILLINGDON
LONDON

A

VIRTUAL Audit Committee

Date: **TUESDAY, 24 NOVEMBER 2020**

Time: **5.10 PM**

Venue: **VIRTUAL - LIVE ON THE COUNCIL'S YOUTUBE CHANNEL: HILLINGDON LONDON**

Members of the Committee

John Chesshire (Chairman)
Councillor Martin Goddard (Vice-Chairman)
Councillor Tony Eginton (Opposition Lead)
Councillor Duncan Flynn
Councillor Edward Lavery

This Agenda is available online at:
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Putting our residents first

Lloyd White
Head of Democratic Services
London Borough of Hillingdon,
Phase II, Civic Centre, High Street, Uxbridge, UB8 1UW

Terms of Reference

The Constitution defines the terms of reference for the Audit Committee as:

Introduction

The Audit Committee's role will be to:

- Review and monitor the Council's audit, governance, risk management framework and the associated control environment, as an independent assurance mechanism;
- Review and monitor the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and/or weakens the control environment;
- Oversee the financial reporting process of the Statement of Accounts.

Decisions in respect of strategy, policy and service delivery or improvement are reserved to the Cabinet or delegated to Officers.

Internal Audit

1. Review and approve (but not direct) the Internal Audit Strategy to ensure that it meets the Council's overall strategic direction.

2. Review, approve and monitor (but not direct) Internal Audit's planned programme of work, paying particular attention to whether there is sufficient and appropriate coverage.

3. Through quarterly Internal Audit summary reports of work done, monitor progress against the Internal Audit Plan and assess whether adequate skills and resources are available to provide an effective Internal Audit function. Monitor the main Internal Audit recommendations and consider whether management responses to the recommendations raised are appropriate, with due regard to risk, materiality and coverage.

4 Make recommendations to the Leader of the Council or Cabinet Member for Finance, Property and Business Services on any changes to the Council's Internal Audit Strategy and Internal Audit Plans.

5. Review the Annual Internal Audit Report and Opinion Statement and the level of assurance this provides over the Council's corporate governance arrangements, risk management framework and system of internal controls.

6. Consider reports dealing with the activity, management and performance of Internal Audit.

7. Following a request to the Corporate Director of Finance, and in consultation with the Leader of the Council or Cabinet Member for Finance, Property and Business Services, to request work from Internal Audit.

External Audit

8.	Receive and consider the External Auditor's annual letter, relevant reports and the report to those charged with governance.

9.	Monitor management action in response to issues raised by External Audit.

10.	Receive and consider specific reports as agreed with the External Auditor.

11.	Comment on the scope and depth of External Audit work and ensure that it gives value for money, making any recommendations to the Corporate Director of Finance.

12.	Be consulted by the Corporate Director of Finance over the appointment of the Council's External Auditor.

13.	Following a request to the Corporate Director of Finance, and in consultation with the Leader of the Council or Cabinet Member for Finance, Property and Business Services, to commission work from External Audit.

14.	Monitor arrangements for ensuring effective liaison between Internal Audit and External Audit, in consultation with the Corporate Director of Finance.

Governance Framework

15.	Maintain an overview of the Council's Constitution in respect of contract procedure rules and financial regulations and where necessary bring proposals to the Leader of the Council or the Cabinet for their development.

16.	Review any issue referred to it by the Chief Executive, Deputy Chief Executive, Corporate Director, any Council body or external assurance providers including Inspection agencies.

17.	Monitor and review, but not direct, the authority's risk management arrangements, including regularly reviewing the Corporate Risk Register and seeking assurances that appropriate action is being taken on managing risks.

18.	Review and monitor Council strategy and policies on anti-fraud and anti-corruption including the 'Raising Concerns at Work' policy, making any recommendations on changes to the relevant Corporate Director in consultation with the Leader of the Council.

19.	Oversee the production of the authority's Annual Governance Statement and recommend its adoption.

20.	Review the Council's arrangements for corporate governance and make recommendations to the Corporate Director of Finance on suggested actions to improve alignment with best practice.

21.	Where requested by the Leader of the Council or Cabinet Member for Finance, Property and Business Services or Corporate Director of Finance, provide recommendations on the Council's compliance with its own and other published standards and controls.

Accounts

22. Review and approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from financial statements or from the external auditor that need to be brought to the attention of the Council.

23. Consider the External Auditor's report to those charged with governance on issues arising from the external audit of the accounts.

Review and reporting

24. Undertake an annual independent review of the Audit Committee's effectiveness and submit an annual report to Council on the activity of the Audit Committee.

Agenda

PART I

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Minutes

Audit Committee
Thursday, 1 October 2020
Meeting held at VIRTUAL - Live on the Council's
YouTube channel: Hillingdon London

Published on:
Come into effect on: Immediately (or call-in date)

Members Present:
John Chesshire (Chairman)
Councillors Martin Goddard (Vice-Chairman)
Tony Eginton (Opposition Lead)
Eddie Lavery
Raymond Graham

Officers Present:
Muir Laurie, Deputy Director of Exchequer Services & Business Assurance
Sarah Hydrie, Head of Internal Audit & Risk Assurance
Zac O'Neil, Head of Counter Fraud
Stephanie Rao, Internal Audit Manager
Paul Whaymand, Corporate Director of Finance
Luke Taylor, Democratic Services Officer

81.   APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Duncan Flynn, with Councillor Ray Graham substituting.

82.   DECLARATIONS OF INTEREST

There were no declarations of interest.

83.   TO CONFIRM THAT ALL ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THAT ANY ITEMS MARKED PART II WILL BE CONSIDERED IN PRIVATE

Items 1 to 9 were marked Part I and considered in public, and Items 10 and 11 were parked Part II and considered in private.

84.   MINUTES OF THE MEETING HELD ON 3 FEBRUARY 2020

RESOLVED: That the minutes of the meeting held on 3 February 2020 be approved as a correct record.

85.   2019/20 ANNUAL STATEMENT OF ACCOUNTS AND EXTERNAL AUDIT UPDATE

The Corporate Director of Finance introduced the report that outlined the revised statutory deadlines as a result of Covid-19, relating to the publication of the 2019/20 Statement of Accounts and completion of the external audit.

The Committee heard that the draft accounts were usually published by the end of May and then the audited accounts would be signed off and published by the end of July. However, due to the impact of Covid-19, the draft accounts were published by the end of August and the final audited accounts will be published by the end of November. The Corporate Director of Finance confirmed that the audit accounts will come before the Committee on 29 October 2020. Members heard that good progress was being made and that the final report would be issued shortly.

Responding to Members' questioning, the Corporate Director of Finance confirmed that the external audit process had progressed better than last year although it was a little disjointed due to the effects of COVID-19 on the process.

Councillors questioned how the external audit of the designated schools grant had progressed, and officers confirmed this was ongoing, and revised accounting practice and government guidance has been followed. At this point in time, the National Audit Office was talking to external auditors and there may be revised guidance from the NAO regarding how to document this in the account. Should this change, Members were advised that the Council would have to amend the accounts. The Corporate Director of Finance noted that he hoped this would be resolved and reported back to the Committee by the end of October.

The Committee was informed that Ernst & Young were provided with information regarding the impact of Covid-19 on the Authority and how this has been managed, and this would be provided in the final opinion at the meeting on 29 October 2020.

The Chairman noted that he was pleased to hear the good progress that was being made by the Council and EY this year, and looked forward to hearing more at the end of the month.

RESOLVED: That the 2019/20 Annual Statement of Accounts and External Audit Update be noted.

86.   **ANNUAL INTERNAL AUDIT REPORT & OPINION STATEMENT 2019/20**

The Deputy Director of Exchequer Services and Business Assurance introduced the report, and informed the Committee that due to redeployments in the Council during the Covid-19 pandemic, there was not a lot of internal audit or counter fraud work taking place between March and June 2020. Members heard that, despite this, more internal audit and assurance work has been carried out this year than in the previous year, and the overall Head of Internal Audit Opinion is reasonable assurance.

The Committee sought clarifications over the Employment Status Assessments and were informed by officers that the approach chose to tolerate the risk involved, as management did not see the risk as significantly as Internal Audit. Members requested confirmation over whether persons being contracted were informed on or before the time of entry into contracts, as per advice in the HMRC Employment Status Manual, and the Deputy Director of Exchequer Services and Business

Assurance noted that this would be checked and a response sent to Members after the meeting.

Responding to Councillor's questioning regarding issues identified in the payment process regarding New Years Green Lane, officers confirmed that a follow-up review on these issues was planned for Quarter 4.

The Chairman sought clarification over whether the Council's resources were looking at the right area, given that 80% of assurance reviews in 2019/20 resulted in a reasonable opinion, and were informed that all there was a robust risk profiling process that came with management highlighting areas of concern but figures were comparable to recent years. Officers noted that this would be monitored to ensure that assurance reviews were looking at enough areas of high risk. The Committee heard that some assurance reviews during the 2019/20 audit year were captured as consultancy reviews, but Internal Audit plans for the current year showed a bigger range of assurance work than in earlier years.

Responding to Members' questioning, officers noted it was Council policy that risk registers were encouraged but not mandated for a larger number of areas across the Council. The Deputy Director of Exchequer Services and Business Assurance stated that the Corporate Risk Register was presented to the Corporate Management Team and Audit Committee on a quarterly basis and Directorate Risk Registers were also shared with both, but each service had a different way of managing risk.

The Committee recognised that key performance indicators were at an excellent level, particularly given the disruption caused by Covid-19, and client satisfaction survey feedback questionnaires also reported excellent results. The Internal Audit Team were congratulated on their hard work and results, and officers thanked for a comprehensive report.

RESOLVED: That the Committee noted the Annual Internal Audit Report and Head of Internal Audit Opinion Statement 2019/20.

87. **DRAFT ANNUAL INTERNAL AUDIT PLAN 2020/21**

The Deputy Director of Exchequer Services and Business Assurance introduced the report, and noted that the Annual Internal Audit Plan allows the Internal Audit Team to focus on a wider area of assurance, with 595 days of assurance work.

The Committee stated that the increased allocation of days into assurance was excellent news and the additional investment of resources in the team and elimination of consultancy work was evident. Responding to Members' questioning, officers noted that the detailed Internal Audit Plan for the next quarter would be presented at the next Audit Committee meeting, but it would demonstrate that requests for consultancy have either been turned down or management has been convinced that it was better to have an assurance review than a consultancy review.

The Deputy Director of Exchequer Services and Business Assurance noted the Committee's assertion that it was important to link these extra days into considering risk areas and not better performing areas. The Committee heard that as part of risk assessment methodology, consideration would be given to management suggestions but the extra assurance days reflected a change in approach that would

lead to more robust assurance work and being able to follow-up recommendations and their implementation in a prompt and timely manner.

Members noted the excellent plan for the year ahead and increase in assurance work was a move in the right direction and looked forward to seeing the results of the work.

RESOLVED: That the Committee noted and approved the Draft Annual Internal Audit Plan 2020/21.

88.   **COUNTER FRAUD ANNUAL REPORT 2019/20**

The Deputy Director of Exchequer Services and Business Assurance introduced the report, and noted that the year was cut short due to Covid-19, which prevented the team from meeting their loss prevention target of £2m. However, Members heard that the team achieved £1.94m in loss prevention across the Council which was considered a very good result in the current circumstances. The Committee was informed that KPI performance also improved in all but one area and the work done by the Counter Fraud Team in 2019/20 exceeded the performance of the previous year quite significantly in nearly every area.

Councillors noted that loss prevention activity was hit by the pandemic, but to come in at £1.94m against the £2m loss prevention target was a tremendous result and congratulated the Counter Fraud Team on their work.

Responding to Councillors' questioning, the Deputy Director of Exchequer Services and Business Assurance noted that a target for the year ahead had not yet been agreed, but given the redeployment work of the team throughout Quarter 1 and the impact of Covid on work in Quarter 2, any target would be not be as high as the previous year. Officers noted that a discussion would take place regarding a future target and this could be detailed ahead of the next meeting on 29 October 2020.

Members heard that referrals of fraud activity from local residents could be achieved by phone or email and the Council also held a fraud awareness week in November to increase the number of internal referrals received, which was successful. The Head of Counter Fraud also noted that a considerable number of referrals were received from residents, particularly regarding housing, as well as Council Tax and Business Rates. The Committee heard the Counter Fraud Team wanted to increase residents' knowledge of how to refer potentially fraudulent activity and this activity would be built into the plan for this year.

Responding to Members, officers noted that while some priorities would remain the same this year, the Counter Fraud Team would also need to focus on grant work, as well as contracts, schools and other Covid-related areas, where there may be increased risk due to the changed environment since March 2020.

The Chairman reiterated their congratulations on the excellent level of performance by the Counter Fraud Team and noted that if March was not affected by Covid-19, the £2m target would have been met. Members also noted that the team were able to deliver very high levels of performance against demanding KPIs and congratulated them on this work.

RESOLVED: That the Committee noted the Counter Fraud Annual Report 2019/20.

89.   **AUDIT COMMITTEE FORWARD PROGRAMME**

RESOLVED: That the forward programme was noted, subject to:
1. **The removal of the Quarter 1 Risk Register and Annual Risk Management Report from the meeting on 29 October 2020;**
2. **Confirmation that February 2020 meeting would include "Quarter 2 and Quarter 3 Risk Register"; and,**
3. **Confirmation that future meetings of the Audit Committee would be virtual until further notice.**

90.   **ANNUAL RISK MANAGEMENT REPORT 2019/20**

This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).

The report presented the Risk Management Annual Report 2019/20 to Members. The report provided evidence about the movement of individual corporate risks across the year, how they have been managed by the Council, and horizons scanning for the future.

RESOLVED: That the Committee reviewed the Risk Management Annual Report 2019/20 as part of its role to independently assure the Council's corporate risk management arrangements.

91.   **QUARTER 1 2020/21 CORPORATE RISK REGISTER**

This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).

The Corporate Risk Register for Quarter 1 report was presented to Members. The report provided evidence about how identified corporate risks were being managed and the actions which were being taken to mitigate those risks.

RESOLVED: That the Committee reviewed the Corporate Risk Register for Quarter 1 (April to June 2020), as part of the Committee's role to independently assure the Council's corporate risk management arrangements.

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AUDIT COMMITTEE - Internal Audit Progress Report for 2020/21 Quarters 1 & 2 (including the Quarter 3 IA Plan)

Committee name	Audit Committee

Officer reporting	Sarah Hydrie, Head of Internal Audit & Risk Assurance

Papers with report	Internal Audit Progress Report for 2020/21 Quarters 1 & 2 (including the Internal Audit Plan for Quarter 3)

Ward	All

HEADLINES

The attached report presents the Audit Committee with summary information on all Internal Audit (IA) work covered in 2020/21 Quarters 1 & 2, and assurance in this respect. It also provides an opportunity for the Head of Internal Audit & Risk Assurance to highlight to the Audit Committee any significant issues that they need be aware of that have arisen since the last IA progress report. Further, it enables the Audit Committee to hold the Head of Internal Audit & Risk Assurance to account on delivery of the IA Plan and facilitates in holding management to account for managing risk and control weaknesses identified during the course of IA activity. Appended to this report is the IA Plan for Quarter 3 which has been produced in consultation with senior managers and outlines the planned programme of IA work due to commence in the October to December period.

RECOMMENDATIONS:

That the Audit Committee:

1. **Notes the IA Progress Report for 2020/21 Quarters 1 & 2 and considers the Quarter 3 IA Plan and, subject to any further minor amendments, approves it; and**
2. **Ensures that the coverage, performance and results of the Business Assurance IA activity in quarters 1 and 2 are considered and any additional assurance requirements are communicated to the Head of Internal Audit & Risk Assurance.**

SUPPORTING INFORMATION

IA provides an independent appraisal and consultancy service that underpins good governance, which is essential in helping the Council achieve its strategic objectives and realise its vision for the borough of Hillingdon.

BACKGROUND PAPERS

The Business Assurance service holds various background research documents in relation to the Quarter 3 IA Plan.

Classification: Public
Audit Committee - 24 November 2020

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Internal Audit Progress Report to Audit Committee:

2020/21 Quarters 1 & 2
(including the 2020/21 Quarter 3 Internal Audit Plan)

1st October 2020

Contents

The Internal Audit key contact in connection with this report is:

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2020/21 Quarters 1 & 2 IA Progress Report (including Quarter 3 IA Plan)   2.

1. Introduction

1.1   The Role of Internal Audit

1.1.1   Internal Audit (IA) provides an independent assurance and consultancy service that underpins good governance, essential in helping the Council achieve its corporate objectives and realise its vision for the borough of Hillingdon. It is also a requirement of the Accounts and Audit (England) Regulations 2015 that the Authority undertakes an effective IA to evaluate the effectiveness of its risk management, internal control and corporate governance processes, taking into account the UK Public Sector IA Standards or guidance.

1.1.2   The UK Public Sector IA Standards (PSIAS) define the nature of IA and set out basic principles for carrying out IA within the public sector. The PSIAS help the Council to establish a framework for providing IA services, which adds value to the organisation, leading to improved organisational processes and operations.

### 1.2   The Purpose of the Internal Audit Progress Report to Audit Committee

1.2.1   This progress report presents the Council's Corporate Management Team (CMT) and Audit Committee with summary information on all IA work for Quarters 1 and 2 (1st April to 30th September 2020). Normally each quarter would be reported individually, however Covid-19 interrupted the Audit Committee timetable, therefore this report amalgamates two reporting periods and contains details about IA work undertaken in both quarters.

1.2.2   The IA Progress Report provides an opportunity for the Council's Head of Internal Audit & Risk Assurance (HIA) to highlight any significant issues which have arisen from IA work conducted during this reporting period. A key feature of this report is the inclusion of the Quarter 3 IA plan (refer to **Appendix B**). This has been produced in consultation with senior managers over the last few weeks and sets out the planned programme of IA coverage due to commence in the Quarter 3 period (1st October to 31st December 2020).

2. Executive Summary

2.1   As highlighted within the Business Assurance Annual IA Plan 2020/21 (presented to the Audit Committee on the 1st October 2020), when the country went into lockdown in March 2020 because of the Coronavirus pandemic, all IA work at Hillingdon was paused as part of the Council's **'Respond'** phase. Following this, most of the IA staff were redeployed for 3 months to support a range of critical front line Council services. IA work then resumed towards the end of June 2020 and initially focused on the **'Recovery'** phase and the return to 'business as usual'. Consequently, very little IA work was conducted during Quarter 1 and most of Quarter 2 has been focussed on completing residual 2019/20 work (for the statutory HIA audit opinion), along with 2020/21 IA planning.

2.2   Since the last IA Progress Report to CMT and the Audit Committee dated 2nd January 2020, **7 assurance reviews** are in progress, **3 grant claims** have been certified and **3 consultancy reviews** have concluded (excluding residual 2019/20 work). As discussed in para 2.1, progress with the 2020/21 IA Plan has been significantly delayed due to the pandemic. However, we have also been recalibrating our audit universe by performing an **Audit Needs Analysis (ANA)**, which involved:

- Scoring and profiling each service in the Council via a risk assessment;

- Identifying service areas that have not been subject to an IA review in the last 3 years;

- Highlighting any new functions that have been created, or significant process changes that have occurred within the last 6 months; and

- Liaising with CMT, the Audit Committee Chairman, senior managers, External Audit and the Chartered Institute of Internal Auditors to identify high risk areas post Covid-19.

2.3   The ANA has identified a clear business need to increase the level of assurance coverage provided by IA. The revised IA Plan and change in approach has meant that a different skills mix is required to ensure timely delivery of IA work to the required high quality standards. Specifically, this means an increased level of complex assurance work being carried out and significantly less consultancy reviews. Consequently, during Quarter 2, most IA staff were in consultation on a proposed restructure.

2.4   Despite changes to the IA work programme caused by Covid-19 and the restructure, the IA team has been working conscientiously to make progress with the 2020/21 programme of IA work, as depicted in <u>Chart 1</u> below:

Chart 1 - 2020/21 IA Work Undertaken to Date
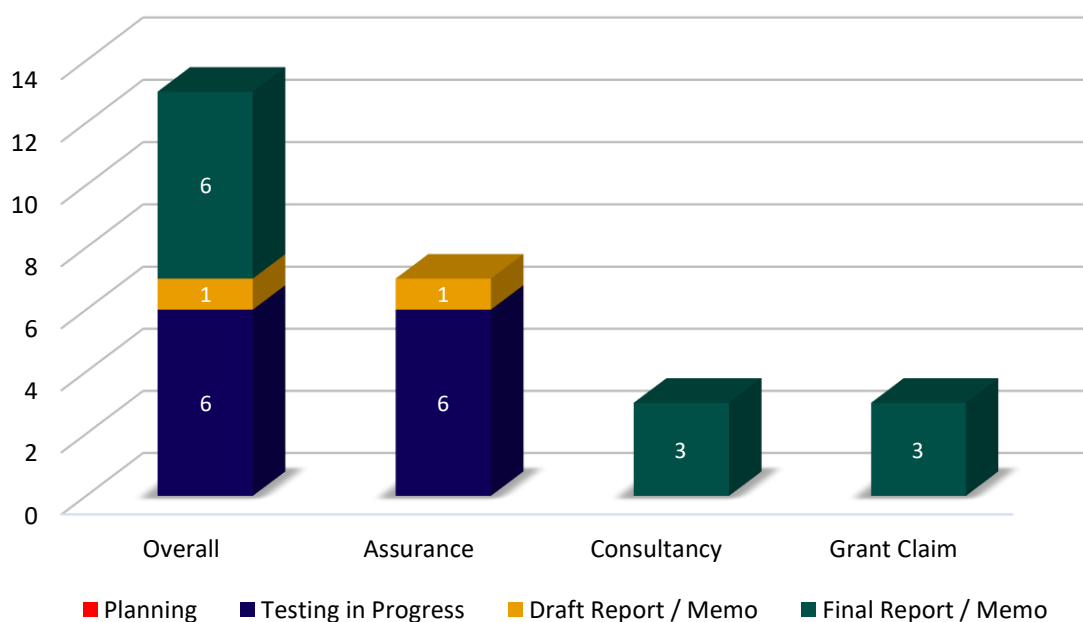
2.5   Under normal circumstances, the Audit Committee would review and approve the quarterly operational IA Plan prior to delivery. However, all non-critical Committee meetings were suspended between March and July 2020 due to Covid-19 and therefore IA's programme of work was agreed with senior managers, CMT and discussed with the Independent Chairman of the Audit Committee. We recognise that this is not in line with the normal process for approving the operational IA Plan before it is executed. However, we applied our professional discretion against the backdrop of extraordinary, unprecedented and unique challenges that the Coronavirus presented us with.

3. Analysis of Internal Audit Activity

3.1   Assurance Work in Quarters 1 & 2

3.1.1   During Quarter 2, **6** assurance reviews are at advanced testing stage and **1** is at draft report stage. All IA assurance reviews in progress in the financial year to date are listed at **Appendix A**. Areas under IA review during this period include Covid-19, Housing, Green Spaces and Estates.

3.2   Consultancy Work in Quarters 1 & 2

3.2.1   The IA team continues to undertake some consultancy work across the Council, although this work is limited as our primary focus is the delivery of assurance work. The consultancy coverage includes IA staff attending working groups or project groups, whilst ensuring they are clear about whether they are attending in an assurance or advisory capacity. This type of approach to IA work continues to help increase IA's knowledge of corporate developments that feed into the risk-based deployment of IA resource on assurance work.

3.2.2   Due to the nature of consultancy work, we do not provide an assurance opinion or formal recommendations for management action. However, as part of our advisory reports and memos we do provide specific observations and improvement suggestions for senior management to consider.

3.2.3   Attached at **Appendix A** is the list of consultancy work carried out in Quarter 2 with **2** consultancy reviews (**Xychro Solutions Limited** and **Benefits Performance Indicators**) finalised. IA also completed advisory work in assisting Exchequer Services and the Counter Fraud Team with the development and assessment of a risk register (**Business Energy and Industrial Strategy** [BEIS] – Fraud Risk Assessment).

3.3   Grant Claim Verification Work in Quarters 1 & 2

3.3.1   During this period, IA has assisted the Council in certifying **3** grant claims. As detailed at **Appendix A**, IA continues to carry out verification work on the **Troubled Families (TFs) Grant**, **Housing Benefit (HB) Subsidy Grant** and the **Bus Subsidy Grant**. During the Coronavirus pandemic it was agreed with the Ministry of Housing, Communities and Local Government that no **TFs Grant Claims** would be submitted by Councils for Quarter 1. The planned quarterly verification work on the TFs Grant was progressed in Quarter 2 (refer to **Appendix A** for further details). IA tested a sample of TFs that have been identified as being 'turned around' by the Council's TFs Team. At the conclusion of our work we issued IA memos in July, August and September 2020.

3.3.2   This quarter IA assisted the Council's External Auditors (Ernst & Young), with a review of the Council's **HB Subsidy Grant Claim**. This verification work has included:
Module 2 - Up Rating:
Testing to help ensure the Council's Revenues and Benefits software is using the correct housing benefit parameters to calculate benefit entitlement; and
Module 3 – Workbooks:
Testing calculations and verifying evidence for an initial sample of 60 cases (HRA, Non HRA and Private Tenants).

3.3.3   The **HB Subsidy Grant Claim audit** saves the Council considerable money by way of a reduced External Audit fee in relation to this grant claim. This type of approach also demonstrates good collaborative working between IA and External Audit, as well as an effective and efficient use of resources. Following the work carried out by the Benefits Team in Exchequer Services and the IA team, the HB Subsidy Grant Claim is complete and ready to be audited by External Audit. However due to External Audit's resourcing issues linked to the pandemic, it is understood that the HB Subsidy Grant Claim will now be audited in December or January, rather than November as originally planned.

3.3.4   The **Local Authority Bus Subsidy Grant** for 2019/20 covers both commercial and non-commercial bus routes and is administered centrally by the Department for Transport. The Grant is the partial refund on fuel duty received from the government by operators of local bus services in England. To the best of our knowledge and belief, and having carried out appropriate investigations and checks, it is IA's opinion that, in all significant respects, the conditions attached to Local Authority Bus Subsidy Ring-Fenced (Revenue) Grant Determination 2019/20 have been complied with.

3.4   Follow-up of Previous Internal Audit Recommendations

3.4.1   In March 2020, as the Council entered a Covid-19 lockdown, IA agreed to temporarily suspend **TeamCentral notifications** so that senior managers and risk owners could focus on planning for lockdown (which was naturally the corporate priority at the time). Once the organisation had successfully passed the **'Recovery'** phase and services had returned to something more resembling business as usual (end of Quarter 2), the TeamCentral notifications went live again, requesting risk owners to provide updates on their IA recommendations, or explain where this is not possible.

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2020/21 Quarters 1 & 2 IA Progress Report (including Quarter 3 IA Plan)   5.

3.4.2   As a result of IA's redeployment, the completion of the IA recommendation **Follow-up reviews** has not progressed as it normally would and instead this work will be picked up in Quarters 3 and 4. **Appendix B** contains a list of follow-up reviews that we plan to conduct, based on IA's continued objective to monitor all **HIGH** and **MEDIUM** risk IA recommendations raised, through to the point where the recommendation has either been implemented or management has proposed a satisfactory alternative risk response.

3.4.3   In addition to this, in response to the desire for greater assurance in this area of IA activity, moving forward IA will actively follow-up on all **HIGH** risk recommendations **within 2 weeks** after their implementation date and **MEDIUM** risks **within 4 weeks** after their implementation date. This a major positive change, rather than waiting for six months for assurance in this respect as has previously been the case.

3.4.4   TeamCentral was implemented in 2014 and since then IA recommendation owners have been given the authority to revise the implementation date for the recommendation they are responsible for. Currently where an implementation date is changed on TeamCentral by the risk owner, IA would be made aware via an automated message. Until this year the process had been working effectively with risk owners accountable for their recommendations and the recommendations generally being actioned in the agreed timescales.

3.4.5   However, this year we have seen a significant number of IA recommendations where the implementation date has been revised/extended several times by risk owners and consequently in the meantime these risks remain a threat to Council objectives. In addition, we have seen a number of cases this year where IA recommendations have passed the implementation date set by management with no action taken i.e. we had one case where 7 IA recommendations that were over 5 months past their implementation date with no update provided by the relevant senior manager on TeamCentral.

3.4.6   As a result, IA is amending this process so that the functionality to revise implementation dates is removed for risk owners and instead all requests for implementation extensions will go to the HIA for consideration. The HIA will then, in consultation with the relevant CMT Director, agree the most appropriate course of action. This discussion will take into consideration the Covid-19 related service pressures on each manager to ensure that IA continues to be balanced and proportional in its collaborative approach with management.

3.4.7   In future a summary of recommendations will be included in the progress reports to CMT and the Audit Committee. Specifically, the Quarter 3 IA Progress Report will include, for the first time, a table listing the numbers of **HIGH** and **MEDIUM** risk IA recommendations that have passed their implementation date and detail their current status. We will also **highlight the number of recommendations that have not been actioned in the agreed timescales** (where an extension has not been agreed) and provide the management explanation for that and the risk the Council is consequently still exposed to.

3.4.8   This revised approach will provide **greater accountability** to senior managers to manage their risk in the timescale that they have agreed. It will also provide **greater transparency** to CMT and the Audit Committee over the timely implementation of IA recommendations.

3.5   Other Internal Audit Work

3.5.1   We continue to undertake a quarterly approach to IA planning to ensure emerging risks and new areas of concern are captured, particularly following the global Coronavirus pandemic and the risk this still places on the Authority. Over the last quarter we have undertaken our risk based planning meetings, alongside operational and corporate risk register discussions due to the synergies between these two functions.

3.5.2   Further, we have produced the detailed operational IA plan for Quarter 3 of 2020/21 (refer to **Appendix B**) in consultation with management. This quarterly planning cycle helps ensure that IA resources are directed in a more flexible, risk-based and targeted manner, maximising resources as well as benefiting our stakeholders.
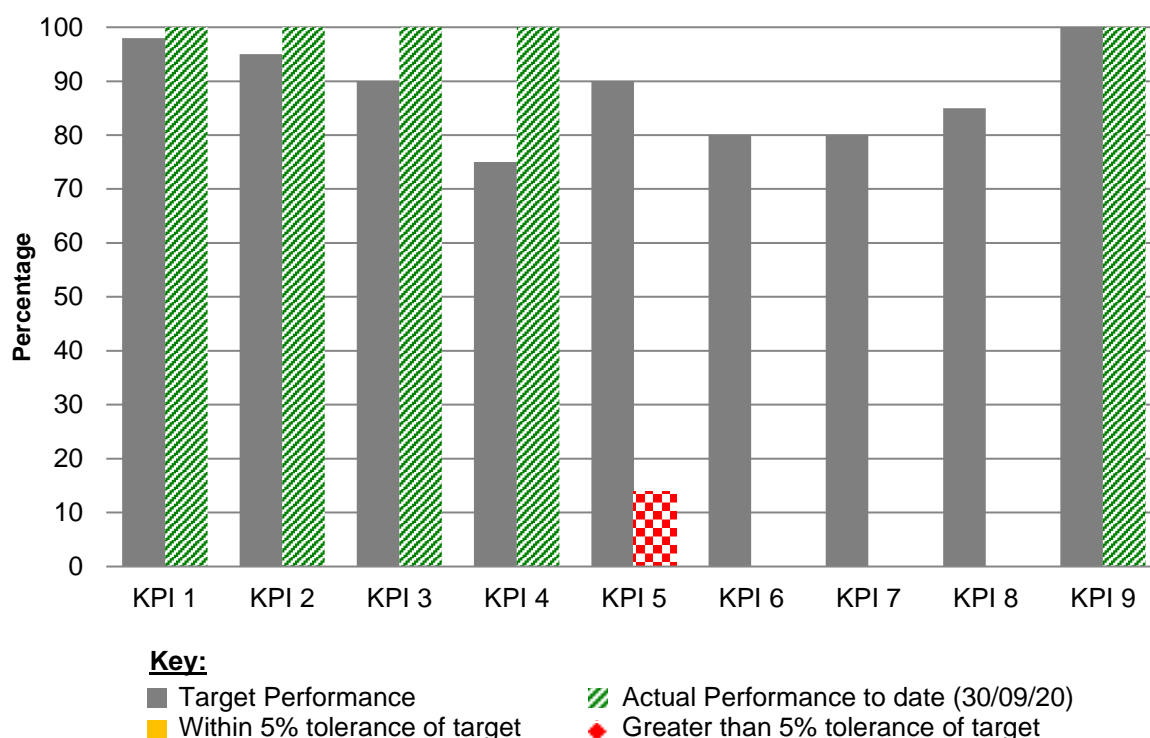
4. Analysis of Internal Audit Performance

4.1   IA Key Performance Indicators

4.1.1   The IA KPIs measure the quality, efficiency and effectiveness of the IA service. They assist IA and the Council in helping measure how successful IA has been in achieving its strategic and operational objectives. We believe that these KPIs (as detailed at **Appendix C**), are meaningful and provide challenge to the service. They measure the quality, efficiency and effectiveness of the IA service and thus assist us in providing an added value assurance and consulting service to our range of stakeholders.

4.1.2   Cumulative performance against the KPIs in the 1st April to 30th September 2020 period is summarised below:

Chart 2 - 2020/21 IA Key Performance Indicators

Key:

■ Target Performance   ▨ Actual Performance to date (30/09/20)
■ Within 5% tolerance of target   ◆ Greater than 5% tolerance of target

4.1.3   Performance data for **KPIs 6**, **7** and **8** are not yet available as none of the 2020/21 assurance reviews have reached final report stage. **KPI 5** shows that 1 assurance review (out of 7) has reached draft report stage, this accounts for **14% of work undertaken in Q1 and Q2, which is below our 90% target**. The drop in our performance is primarily due to the lack of IA work that was undertaken in Quarter 1 due to the Coronavirus. However, this drop in team performance against the KPIs was anticipated and the HIA is confident that the IA KPIs performance will be back on track now that IA has returned to focussing on delivery of the IA Plan.

4.2   London Audit Group Benchmarking Survey

4.2.1   The London Audit Group (LAG) is a working group whose members include HIAs across London's 33 local authorities. In September 2020, the LAG conducted a benchmarking survey which focused on IA teams in a post Covid-19 environment. 17 Councils responded (including LBH) and the results can be found in **Appendix E**.

4.2.2   A summary of the key results are highlighted below:

- **94% have changed their IA Plan** - this is mainly due to the common practice of using an Annual IA Plan, whereas IA at LBH produces quarterly operational IA plans therefore allowing LBH planning to be more responsive to emerging risks;

- **95% have added new audit areas including Covid Related Grants** - our ANA and Audit Universe have been updated to include this area and a number of other key risks including Cyber Security, Governance, Recovery Programme and Housing. Our quarterly planning meetings include challenging senior managers and Corporate Directors on Covid-19 related work and what controls and assurances they have in place, before deciding on the areas that IA should be focussed on; and

- **95% of IA teams have returned to IA work but are working remotely** – 100% of the LBH IA team have returned to the Civic Centre. As per statutory requirements our building, workspace and staff have been risk assessed and everything is in place to work from the Civic safely. Remote working options are available and team members have been splitting their time between working offsite and from the office to ensure social distancing within the office. Further, laptops for Business Assurance are due to be upgraded in Quarter 3 which will make remote working simpler more efficient when working off site, if/where required.

5. Forward Look

5.1   Looking ahead to Quarter 3, the **Coronavirus pandemic** continues to have a major impact globally and as a result Council services have had to adapt or in some cases radically change the way they operate. The consequences of this are significant changes to the Council's control environment including working to new processes and policies that are no longer practical or relevant. It is against this backdrop that IA revisited its **Audit Needs Analysis** which informed the Quarter 3 IA Plan attached at **Appendix B**.

5.2   The **IA restructure** is currently nearing completion with recruitment ongoing that will be completed in Quarter 3. IA at LBH is in a relatively unique position, in that the Council is investing additional resource into the IA team against a backdrop of significant budget pressures across the organisation. As a result, we are confident that the new IA structure with a stronger skills-mix of staff will allow the IA team to deliver the more complex IA assurance work required in a timely manner, as well the more robust process for follow up of previous IA recommendations.

5.3   IA would like to take this opportunity to formally thank all staff throughout the Council with whom it had contact during Quarters 1 and 2, particularly during these challenging times. There are no other matters that the HIA needs to bring to the attention of the Council's CMT or Audit Committee at this time.

Sarah Hydrie CMIIA, CIA
Head of Internal Audit & Risk Assurance

1st October 2020

APPENDIX A

DETAILED INTERNAL AUDIT WORK UNDERTAKEN IN 2020/21

Key:			
IA = Internal Audit	**H** = High Risk	**M** = Medium Risk	**L** = Low Risk
NP = Notable Practice	**CFQ** = Client Feedback Questionnaire	**ToR** = Terms of Reference	

2020/21 IA Assurance Reviews:

IA Ref.	IA Review Area	Status as at 30th September 2020	Assurance Level	Risk Rating				CFQ Received?
				H	**M**	**L**	**NP**	
20-A1	Starting and Terminating a Tenancy	Draft report issued on 15th Sept 2020						
20-A2	Tree Inspections	Testing in progress						
20-A3	Cemeteries – Bereavement Service and Ground Maintenance	Testing in progress						
20-A5	Property Acquisitions	Testing in progress						
20-A6	Estates – Lease Management	Testing in progress						
20-A7	Remote Working	Testing in progress						
20-A8	Covid-19 Equality Duty	Testing in progress						
			Total Number of IA Recommendations Raised					
			Total % of IA Recommendations Raised					

APPENDIX A (cont'd)

DETAILED INTERNAL AUDIT WORK UNDERTAKEN IN 2020/21

2020/21 IA Follow-Up Reviews:

IA Ref.	IA Follow-Up Review Area	Status as at 30th September 2020	Recommendations					CFQ Received?
			Implemented	Partly Implemented	Not Implemented	⁺N/A	Total	
Refer to section 3.4 for further information on this area								

⁺ *IA follow-up work has concluded this recommendation is no longer applicable*

2020/21 IA Consultancy Reviews:

IA Ref.	IA Review Area	Status as at 30th September 2020	CFQ Received?
20-C2	Business Energy and Industrial Strategy – Fraud Risk Assessment	Advisory work concluded in Q1	N/A
20-C1	Xychro Solutions Limited	Memo issued on 19th August 2020	✓
20-C3	Benefits Performance Indicators	Memo issued on 23rd September 2020	✓

2020/21 IA Grant Claim Verification Reviews:

IA Ref.	IA Review Area	Status as at 30th September 2020
20-GC2	Troubled Families Grant - Quarter 2	Certified, memos issued on 29th Jul, 26th Aug and 24th Sep 2020
20-GC1	2019/20 Housing Benefit Subsidy Grant	Certified and memo issued on 21st August 2020
20-GC3	Bus Service Operators Grant	Certified and memo issued on 1st October 2020

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APPENDIX B

DETAILED OPERATIONAL INTERNAL AUDIT PLAN 2020/21 ~ QUARTER 3

IA work scheduled to commence in the 1st October to 31st December 2020 period:

IA Ref.	Planned Audit Area	Audit Type	Risk Assessment	Review Sponsor	Rationale
20-A4	Homelessness	Assurance	**HIGH**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	The Rough Sleeping Strategy sets out central government's vision for halving rough sleepers by 2022 and ending it by 2027. This became an important part of central governments initiative to combat homelessness during the Covid-19 pandemic. Assurance is being sought over this high priority work and managements preparedness for the prevention of homelessness through the Hillingdon Homelessness Prevention Strategy 2017-2022.
20-A9	IT Governance	Assurance	**HIGH**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	IT is under increasing pressure to deliver systems and support Council services, with requests increasing year-on-year. Using our Cumulative Audit Knowledge and Experience, we are aware that not all requests for help and support are coming via the correct channels. This can make it difficult for the IT team to manage, prioritise and deliver work without the risk of losing control over the entire governance process. This review will seek to provide assurance over the governance process and suggest improvements if weaknesses are identified.
20-A10	Multi-Agency Response to Risk	Assurance	**HIGH**	**Tony Zaman** Corporate Director, Social Care	The Council relies on multiple agencies to support us with the safeguarding and protection of our vulnerable children and young people. This audit will independently and objectively verify the methodology, quality, contribution to strategy meetings and intervention of our partners.
20-A11	Music Service	Assurance	**HIGH**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	Following a series of payment retrieval issues, IA have identified an issue within Music Service where payments are not being collected or chased in accordance with the Council's financial processes and regulations. This IA review aims to confirm whether these issues are valid and make recommendations to improve the process so it complies with the Council's procedures.

APPENDIX B (cont'd)

DETAILED OPERATIONAL INTERNAL AUDIT PLAN 2020/21 ~ QUARTER 3

IA work scheduled to commence in the 1st October to 31st December 2020 period:

IA Ref.	Planned Audit Area	Audit Type	Risk Assessment	Review Sponsor	Rationale
20-A12	Educational Health & Care Plans and Local Offer	Assurance	**HIGH**	**Tony Zaman** Corporate Director, Social Care	The Councils SEND and Inclusion Service went through significant transformation in 2019/20 and new priorities have been established for 2020/21. The purpose of this audit is to provide assurance to management that procedures and controls within the system are effective. Further, following the recent Audit Needs Analysis that IA performed recently we identified that this area has not been reviewed for some time.
20-A13	Reunification	Assurance	**HIGH**	**Tony Zaman** Corporate Director, Social Care	There was a case last year where a Looked After Child (LAC) qualified for reunification; however, the process was not managed properly. Several issues were highlighted and assurance is required that these have been addressed appropriately to ensure no further risk is posed to any other LAC or young people Leaving Care (LC).
20-A14	Flooding – Lessons Learned	Assurance	**HIGH**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	A recent flooding incident in the borough, forced several families to leave their homes and take up temporary accommodation. A recovery piece of work was conducted but the actions have not been completed. The Council therefore runs the risk of not being able to provide efficient assistance and support to families in the future should a similar incident occur. This review will focus on roles and responsibilities, actions identified and their implementation status, flood plans, chain of command and multi-agency/ team support.
20-A15	Thematic Review of Purchasing and Payments in Schools	Assurance	**HIGH**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	IA was informed by the Corporate Director of Finance that maintained schools have chosen not to purchase the Council's procurement service. This is not an area of specialism for some schools and therefore there is a financial and reputational risk that schools could enter into contracts or make purchases that they are not experienced or qualified to partake in. IA will seek assurance through a sample of maintained schools to verify that they have the training, skills and experience they need to manage purchases and payments.

<u>APPENDIX B (cont'd)</u>

<u>DETAILED OPERATIONAL INTERNAL AUDIT PLAN 2020/21 ~ QUARTER 3</u>

<u>IA work scheduled to commence in the 1st October to 31st December 2020 period:</u>

IA Ref.	Planned Audit Area	Audit Type	Risk Assessment	Review Sponsor	Rationale
20-A16	Treasury Management	Assurance	MEDIUM	**Paul Whaymand** Corporate Director of Finance	Following the Audit Needs Analysis that IA have performed recently, we identified that this area has not been reviewed for several years. Further, this area was impacted by the Coronavirus and controls were adjusted to continue to deliver high priority services during lockdown.
20-A21	Children and Young People's Service (CYPS) Pathway Plans	Assurance	MEDIUM	**Tony Zaman** Corporate Director, Social Care	The Children's Act 1989, the Children and Social Work Act 2017 and the Children (Leaving Care) Act 2000 mandate Councils to exercise their duties with regards to a young person's best interests. The Council should sufficiently plan for care leavers in both semi-independent provisions and post 18 independent accommodation. This IA review will provide assurance over the process and quality of Pathway Plans.
20-A22	Former Tenant Arrears	Assurance	MEDIUM	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	The write-off process for former tenants who have rent arrears has been reviewed recently by Exchequer Services. Some queries have been raised regarding data quality and internal controls. IA will review the control framework environment and give assurance over the process.
20-A17	Follow-Up of implemented recommendations	Assurance (Follow-Up)	MEDIUM	**Paul Whaymand** Corporate Director of Finance	In preparation for the Annual Head of Internal Audit Opinion we will seek to undertake follow-up verification on the IA recommendations where management have self-certified that the recommendation has been implemented via the TeamCentral system.
20-A18	Early Years Centres Follow-Up	Assurance (Follow-Up)	MEDIUM	**Tony Zaman** Corporate Director, Social Care	Following the 2018/19 IA assurance review of Early Years Centres which received a **NO** assurance opinion we will check that the **3 HIGH** and **5 MEDIUM** risk recommendations marked as **Implemented** by management have been verified.
20-A19	Payment Process in New Years Green Lane Follow-Up	Assurance (Follow-Up)	MEDIUM	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	Following the 2019/20 IA assurance review of the Payment Process in New Years Green Lane which received a **LIMITED** assurance opinion we will check that the **4 HIGH** and **7 MEDIUM** risk recommendations marked as **Implemented** by management have been verified.

APPENDIX B (cont'd)

DETAILED OPERATIONAL INTERNAL AUDIT PLAN 2020/21 ~ QUARTER 3

IA work scheduled to commence in the 1ˢᵗ October to 31ˢᵗ December 2020 period:

IA Ref.	Planned Audit Area	Audit Type	Risk Assessment	Review Sponsor	Rationale
20-A20	Cyber Incident Management Follow-Up	Assurance (Follow-Up)	**MEDIUM**	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	Following the 2019/20 IA assurance review of Cyber Incident Management which received a **LIMITED** assurance opinion we will check that the **1 HIGH** and **5 MEDIUM** risk recommendations marked as **Implemented** by management have been verified.
20-GC4	Troubled Families (TF) Grant - Quarter 3	Grant Claim	N/A	**Tony Zaman** Corporate Director of Social Care	The TF programme is a Central Government scheme under the MHCLG, with the stated objective of helping troubled families turn their lives around. The Council receives a payment by results from the MHCLG for each identified 'turned around' troubled family. As per the grant conditions, IA will undertake verification work to confirm identified TF have been 'turned around'.
20-GC5	2019/20 Disabled Facilities Capital Grant	Grant Claim	N/A	**Jean Palmer** Deputy Chief Executive & Corporate Director of Residents Services	Disabled Facilities Grants (DFGs) are provided by the Council to help meet the cost of adapting a property for the needs of a disabled person. IA are required to undertake verification work for the DFG claim due for submission by 31ˢᵗ October 2020.

DETAILED OPERATIONAL INTERNAL AUDIT PLAN 2020/21 ~ QUARTER 3 (cont'd)

IA work scheduled to commence in the 1st October to 31st December 2020 period – Analysis by Corporate Director:

Finance
13% (2)

Social Care
35% (6)

Chief Executive's
Office
0%

Residents
Services
53% (9)
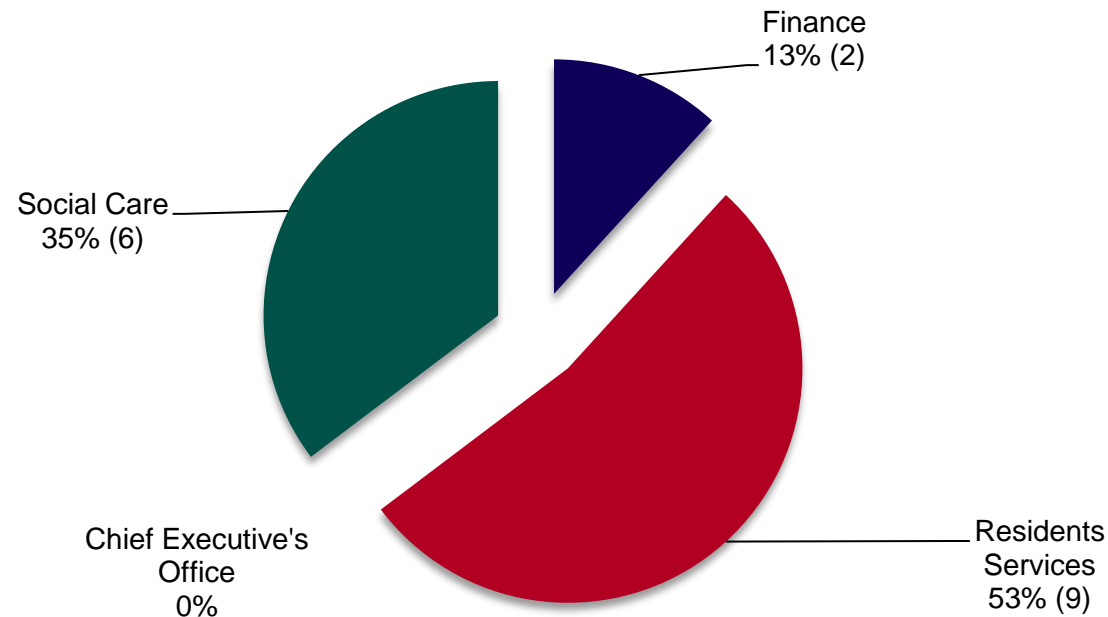
- The relevant Audit Sponsor (Corporate Directors, Directors, Deputy Directors, Assistant Directors and Heads of Service) will be consulted regarding the exact timing of each individual IA review; and

- Where an IA review is deferred or cancelled within the quarter, the relevant Audit Sponsor will be asked to provide an alternative audit in their Directorate (Group).

APPENDIX C

INTERNAL AUDIT KEY PERFORMANCE INDICATORS

KPI Ref.	Performance Measure	Target Performance	Actual Performance	RAG Status
KPI 1	2020/21 **HIGH** risk IA recommendations where positive management action is proposed	**98%**	**100%**	**GREEN**
KPI 2	2020/21 **MEDIUM** risk IA recommendations where positive management action is proposed	**95%**	**100%**	**GREEN**
KPI 3	2020/21 **HIGH** risk IA recommendations where management action is taken within agreed timescale	**90%**	**100%**	**GREEN**
KPI 4	2020/21 **MEDIUM** risk IA recommendations where management action is taken within agreed timescale	**75%**	**100%**	**GREEN**
KPI 5	Percentage of annual (Q1 to Q4) IA Plan delivered to **draft report** stage by 31st March	**90%**	**14%**	**RED**
KPI 6	Percentage of annual (Q1 to Q4) IA Plan delivered to **final report** stage by 31st March	**80%**	**N/A to date**	**-**
KPI 7	Percentage of draft reports issued as a final report within 15 working days	**80%**	**N/A to date**	**-**
KPI 8	Client Satisfaction Rating (from CFQs)	**85%**	**N/A to date**	**-**
KPI 9	IA work fully compliant with the UK **PSIAS** and **IIA Code of Ethics**	**100%**	**100%**	**GREEN**

Key for above:

- CFQs = Client Feedback Questionnaires.
- PSIAS = Public Sector Internal Audit Standards.
- IIA = Chartered Institute of Internal Auditors (UK).

Key for future reporting on actual KPI performance:

- **RED** = currently this performance target is not being met (significantly [**>5%**] short of target performance).
- **AMBER** = currently not meeting this performance target (just short [**<5%**] of target performance).
- **GREEN** = currently meeting or exceeding this performance target

<u>INTERNAL AUDIT ASSURANCE LEVELS AND DEFINITIONS</u>

ASSURANCE LEVEL	DEFINITION
SUBSTANTIAL	There is a **good level of assurance** over the management of the key risks to the Council objectives. The control environment is robust with no major weaknesses in design or operation. There is **positive assurance** that objectives will be achieved.
REASONABLE	There is a **reasonable level of assurance** over the management of the key risks to the Council objectives. The control environment is in need of some improvement in either design or operation. There is a misalignment of the level of residual risk to the objectives and the designated risk appetite. There remains **some risk** that objectives will not be achieved.
LIMITED	There is a **limited level of assurance** over the management of the key risks to the Council objectives. The control environment has significant weaknesses in either design and/or operation. The level of residual risk to the objectives is not aligned to the relevant risk appetite. There is a **significant risk** that objectives will not be achieved.
NO	There is **no assurance** to be derived from the management of key risks to the Council objectives. There is an absence of several key elements of the control environment in design and/or operation. There are extensive improvements to be made. There is a substantial variance between the risk appetite and the residual risk to objectives. There is a **high risk** that objectives will not be achieved.

1. **Control Environment:** The control environment comprises the systems of governance, risk management and internal control. The key elements of the control environment include:

   - establishing and monitoring the achievement of the authority's objectives;

   - the facilitation of policy and decision-making;

   - ensuring compliance with established policies, procedures, laws and regulations – including how risk management is embedded in the activity of the authority, how leadership is given to the risk management process, and how staff are trained or equipped to manage risk in a way appropriate to their authority and duties;

   - ensuring the economical, effective and efficient use of resources, and for securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness;

   - the financial management of the authority and the reporting of financial management; and

   - the performance management of the authority and the reporting of performance management.

2. **Risk Appetite:** The amount of risk that the Council is prepared to accept, tolerate, or be exposed to at any point in time.

3. **Residual Risk:** The risk remaining after management takes action to reduce the impact and likelihood of an adverse event, including control activities in responding to a risk.

INTERNAL AUDIT RECOMMENDATION RISK RATINGS AND DEFINITIONS

RISK	DEFINITION
HIGH 🔴	The recommendation relates to **a significant threat** or opportunity that impacts the Council's corporate objectives. The action required is to mitigate a substantial risk to the Council. In particular it has an impact on the Council's reputation, statutory compliance, finances or key corporate objectives. **The risk requires senior management attention**.
MEDIUM 🟡	The recommendation relates to **a potentially significant threat** or opportunity that impacts on either corporate or operational objectives. The action required is to mitigate a moderate level of risk to the Council. In particular an adverse impact on the Department's reputation, adherence to Council policy, the departmental budget or service plan objectives. **The risk requires management attention**.
LOW 🟢	The recommendation relates to **a minor threat or opportunity** that impacts on operational objectives. The action required is to mitigate a minor risk to the Council as a whole. This may be compliance with best practice or minimal impacts on the Service's reputation, adherence to local procedures, local budget or Section objectives. **The risk may be tolerable in the medium term**.
NOTABLE PRACTICE 🔵	The activity **reflects current best management practice** or is an innovative response to the management of risk within the Council. **The practice should be shared with others**.

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APPENDIX E

LONDON AUDIT GROUP BENCHMARKING SURVEY

Chart 3 below is an extract from a survey conducted by the London Audit Group (LAG). 17 respondents from London local authorities took part. The questions were focused on the IA work environment post Covid-19 and have been summarised below:

Chart 3 – LAG Survey September 2020
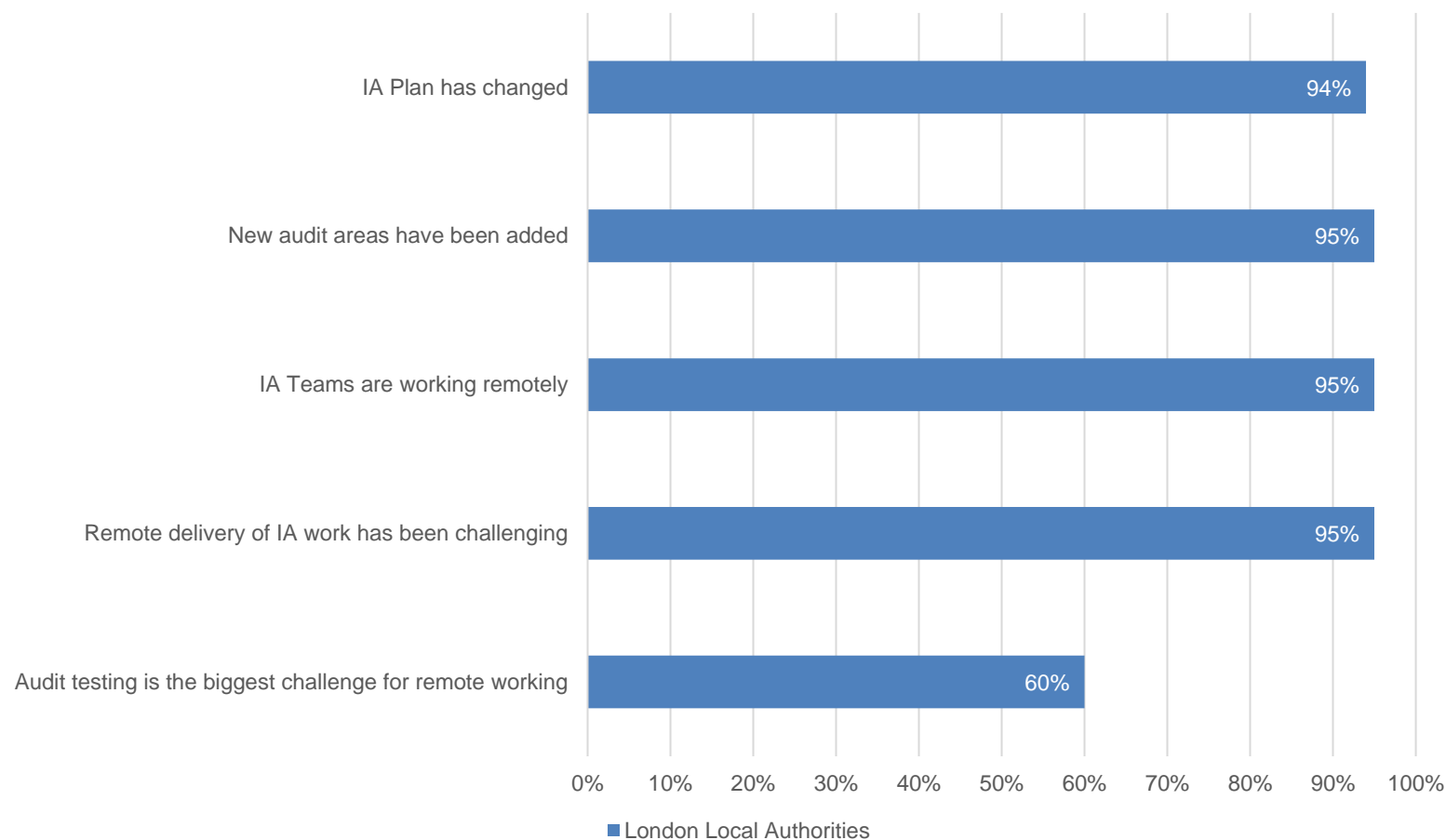
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AUDIT COMMITTEE - 2020/21 Counter Fraud Strategic Plan

Committee name	Audit Committee

Officer reporting	Muir Laurie, Deputy Director of Exchequer Services and Business Assurance

Papers with report	2020/21 Counter Fraud Strategic Plan

Ward	All

HEADLINES

The attached report presents the Audit Committee with the 2020/21 Counter Fraud Strategic Plan which sets out the planned approach and activity type for the current financial year and seeks to:

- Define the strategic approach that the Business Assurance Counter Fraud Team (BACFT) will take in effectively managing the various risks of fraud faced by the Council by full implementation of a risk based Counter Fraud Strategy;

- Set out the updated organisational fraud risk profile (Fraud Universe) within a Covid-19 global pandemic environment;

- Set out the BACFT's Operational Work Plan for 2020-21, commencing 1st September 2020, designed to deliver on the counter fraud strategic aims;

- Demonstrate the Council's commitment to a zero tolerance approach to fraud; and

- Set out BACFT's resource structure for 2020-21 following a restructuring of the team.

RECOMMENDATIONS:

That the Audit Committee:

1. **Approves the 2020/21 Counter Fraud Strategic Plan including the operational work plan.**

SUPPORTING INFORMATION

The BACFT supports the Council in meeting its statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The work of the team underpins the Council's commitment to a zero tolerance approach to fraud, bribery, corruption and other irregularities, including any money laundering activity.

The Council's Fraud Universe forms a large part of the counter fraud strategic approach. The overarching aim of the strategy is to embed a risk based approach to counter fraud activity and ensure that counter fraud is seen as a key part of the Council's risk management processes.

Classification: Public
Audit Committee – 24th November 2020

The approach is to achieve this by working towards four key objectives:

- Risk Based Strategic Overview;
- Partnership & Engagement;
- Prevent, Detect, Pursue & Deter; and
- Innovation & Modernisation.

Implications on related Council policies

None

How this report benefits our governance arrangements and residents

The Counter Fraud Strategic Plan reinforces the Council's governance arrangements in relation to the prevention of financial loss, fraud and corruption, and gives confidence to residents over the administration of public funds.

BACKGROUND PAPERS

The Business Assurance service holds various background research documents in relation to the Counter Fraud Strategic Plan.

Counter Fraud Strategic Plan 2020/21:

31st August 2020

HILLINGDON
LONDON

Contents

The Counter Fraud key contacts in connection with this report are:

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Zac O'Neil
Head of Counter Fraud
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e: zoneil@hillingdon.gov.uk

1. Introduction

Anti-Fraud and Corruption - Vision and Priorities

1.1   Hillingdon Council is the second largest London Borough and a port authority with the UK's main international travel hub within its boundaries. This means that it is faced with significant challenges in ensuring that public finances are protected from fraud and corruption. Fraud is an ever evolving pressure on public sector organisations, with those engaged in it always looking for opportunities to exploit system weaknesses, and gain access to money or valuable information. It is the Council's duty to stop this wherever it can, ensuring that fraud risk is understood, actively prevented and appropriate action taken against those who commit it.

1.2   The impact of fraud and corruption threatens the prosperity of the London Borough of Hillingdon (LBH) and its residents, with the potential to erode confidence in the Council as an institution. It also takes money away from essential Council services and reduces the Council's ability to help those most in need. The effects of fraud are often compounded by its link to organised criminal activity and the negative impact on the community and increased levels of related crime. This makes counter fraud work a crucial activity for LBH.

1.3   The Council's vision is '*putting our residents first'*. Combating fraud and corruption within its services fully supports this vision. Our priorities are to fully implement a 'zero tolerance' approach to fraud and a Council where fraud and corruption is unable to thrive due to an organisational environment hostile to fraud and its causes. LBH is fully fraud-aware and enabled, preventing fraud through front line defences, advanced and early detection, and appropriate fraud deterrents.

The Purpose of the Counter Fraud Strategic Plan 2020/21

1.4   The Counter Fraud Strategic Plan 2020/21 defines the Council's approach to effectively manage both the internal and external risk of fraud and corruption against the Council and the services it provides to residents. LBH has a statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The Counter Fraud Strategic Plan sets out how LBH will meet this requirement and supports the Council's vision by ensuring there are robust safeguards against the unlawful loss of taxpayer funds.

The Role of the Business Assurance Counter Fraud Team

1.5   The Business Assurance Counter Fraud Team (BACFT) is responsible for delivering the Counter Fraud Strategic Plan and ensuring that the Council meets its statutory objectives in relation to fraud and corruption. A key feature of the Counter Fraud Strategic Plan is the BACFT's Operational Work Plan for 2020/21 (please refer to **Appendix B**). This has been produced using a risk-based approach to the Council's 'Fraud Universe'.

1.6   As well as a range of counter fraud activities, the BACFT has historically conducted a range of other types of investigative work which do not necessarily have a criminal or fraud element to them i.e. revenue inspections, disciplinary investigations, etc. The work that the BACFT carries out is set out within the Counter Fraud Strategic Plan. It includes preventative work such as fraud awareness training, advising management on fraud risks and counter fraud controls and ensuring the Council has up-to-date and appropriate investigation policies and procedures.

2. Integration of approach with Internal Audit

2.1   An element of the overall counter fraud strategy since August 2017 has been to achieve integration between the work of Internal Audit (IA) and the BACFT. This remains an important feature of the counter fraud strategy due to the benefits of an IA service and BACFT that are fully integrated and risk-based, whilst remaining as two distinct functions.

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2.2   The nature of work of both the IA and BACFT services means a natural alignment can be found in the provision of assurance around risk management. It is intended that through this integration, a counter fraud culture and awareness of fraud will be more easily embedded across the organisation.

2.3   The key elements of this approach include:

- A coordinated IA and BACFT annual planning process which is monitored and updated on a quarterly basis;

- Flexibility of approach on cases of suspected fraud where there are elements falling across both remits;

- Shared view of fraud risks across the Council and a joined up approach to risk management where fraud risk exists;

- IA and BACFT utilisation of each other's work, focussing resource towards the highest risk areas providing a greater level of context for investigations and IA reviews;

- Shared understanding of the emergence of new fraud risks across the Council and within the public and private sector; and

- A greater level of assurance to Audit Committee/all Members and Senior Managers that fraud risks are being managed appropriately.

2.4   This approach has been proven to be more effective in the management of fraud risks. It also provides an efficient use of resource in dealing with fraud and a greater opportunity to minimise the Council's fraud losses.

3. Defining Fraud & Corruption

3.1   The term '**fraud**' commonly includes activities such as theft, deception, bribery, forgery, extortion, conspiracy, and money laundering. These include, but are not confined to, the specific offences in the Fraud Act 2006. Fraud can be an attempted or actual act committed against the Council and/or its partners.

3.2   Fraud was defined in law for the first time with the introduction of the Fraud Act 2006. Fraud essentially involves a dishonest misrepresentation, failure to disclose information or abuse of position, with the intent to make a personal gain for oneself and/or create a loss for another.

3.3   **Corruption** is 'the offering, giving, soliciting, or acceptance of an inducement or reward, or showing any favour or disfavour which may influence any person to act improperly'. It is primarily an offence under Bribery Act 2010, although there are other related offences under the Prevention of Corruption Act 1906.

4. Strategic Aims & Objectives

4.1   The fraud and corruption risks faced by the Council are varied and span across all service areas. Fraud risk is highly sensitive to environmental factors with new challenges in preventing or detecting fraud emerging frequently. It is especially prevalent during circumstances of local or national crisis or emergency, which, given the current global pandemic, means new and previously unrecorded fraud risks for the Council to respond to. An updated assessment of LBH's current fraud risks is documented within the Council's 'fraud universe' (please refer to **Appendix A**).

4.2   The aim of our strategic approach is to embed all elements of good practice in counter fraud into the existing governance arrangements for the Council to help achieve LBH's Counter Fraud Strategic Objectives. This will provide assurance to elected Members and Senior Managers that the Council's exposure to fraud risk is minimised.

4.3   The **Counter Fraud Strategic Objectives** for LBH are as follows:

1. Maximise loss prevention within Council services through effective counter fraud activity;

2. Limit the opportunity for instances of fraud and corruption across the Council through effective prevention measures;

3. Create a strong deterrent effect to fraud and corruption;

4. Improve the Council's reputation across all stakeholders through the visibility of effective counter fraud activities;

5. Improve the Council's overall governance arrangements;

6. Reinforce an organisational culture of zero tolerance to fraud;

7. Embed and maintain an organisation wide fraud risk awareness; and

8. Achieve the BACFT Operational Work Plan 2020/21.

4.4   To achieve these desired outcomes/strategic objectives, we consider there to be four key elements to this strategy per **Table 1** below.

Table 1 ~ Strategic Elements
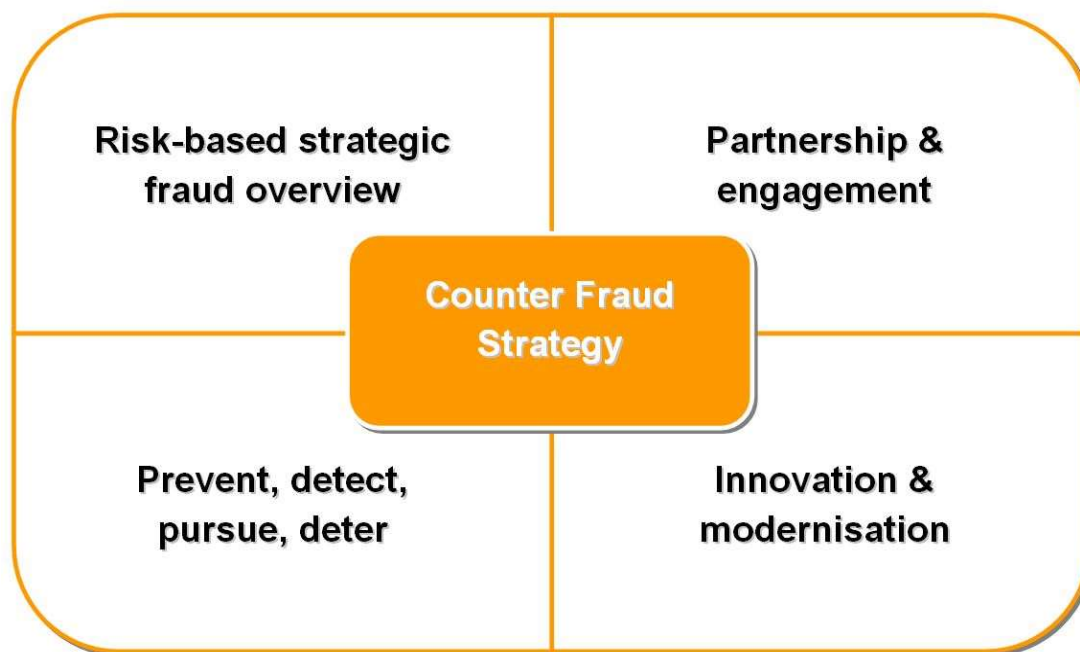
Risk-based Strategic Fraud Overview:

•   Developing and maintaining an organisation wide fraud risk profile (Fraud Universe). Internal and external data and information is used intelligently and effectively to identify and fully define the key areas of fraud risk for the Council. Changes to these risks are continually monitored and the Fraud Universe updated in line with a current analysis of fraud risk.

•   Ensuring the implementation and maintenance of appropriate counter fraud policies, processes and practices as part of a corporate framework to underpin all counter fraud measures and the effective use of deterrents.

Partnership & Engagement:

•   Building and maintaining strong working relationships with counter fraud stakeholders, obtaining buy-in from residents and colleagues in order to drive a strong counter fraud culture and promote ownership of fraud issues, whilst enhancing the reputation of the BACFT.

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- Integration of Counter fraud and IA functions to inform fraud risk assessment methodology, counter fraud planning and internal control recommendations.

- Collaborating with our enforcement partners, including the police, enforcement officers and agencies to enhance investigation activities, lawfully share intelligence and maximise counter fraud outcomes.

- Work jointly with Council colleagues on the design and implementation of counter fraud projects, investigation activity and counter fraud controls, to embed a collaborative approach and enhance the counter fraud environment within the Council.

Prevent, Detect, Pursue & Deter:

- Embed fraud awareness through an ongoing programme of training and fraud risk control review, championing the implementation and maintenance of effective counter fraud controls.

- Deter fraud through fraud awareness campaigns focussing on key stakeholder groups including, staff, residents and partner organisations.

- Ensure regular communication on fraud referral and whistleblowing processes and fraud issues, both internally and externally, to encourage and maintain levels of fraud and corruption reporting.

- Identifying fraud, corruption and financial loss through a programme of targeted proactive counter fraud projects, targeting the highest fraud risk areas within the Council, as informed by the Fraud Universe.

- Robust and lawful intelligence led investigation of suspected cases of fraud and corruption in line with Council policy and professional good practice, and the application of appropriate sanctions and prosecutions where proportionate and necessary.

Innovation & Modernisation:

- Utilising existing and new technology to enhance and progressively modernise case management, intelligence gathering and investigative capabilities.

- Streamline operational processes to drive efficiencies, identify smarter ways of working and innovative counter fraud practices aimed at delivering enhanced outcomes.

- Implementation of Council wide data warehousing and data matching, utilising available information sharing and data analysis capabilities, working with internal and external partners, to deliver increased financial savings across all service areas, identify new fraud and error and enhance data management.

5. Corporate Framework

5.1   This strategic plan is part of an established corporate framework of interrelated policies and procedures covering the main elements of the Council's approach to countering fraud and corruption. These include:

- Prosecutions & Sanctions Policy;

- Whistleblowing Policy;

- Corporate Investigations Protocol;

- Anti-Bribery Policy;

- Anti-Money Laundering Policy; and

- Surveillance Policy.

5.2   It is the responsibility of the Deputy Director of Exchequer & Business Assurance Services, together with the Head of Counter Fraud and the Borough Solicitor to ensure this framework is reviewed and updated where necessary for compliance with statutory requirements and best practice in counter fraud and anti-corruption.

5.3   Clear information on the Council's approach to combating fraud and error and the related and procedures, will be regularly communicated with all council staff. Clear lines of communication are available for staff and residents to ensure there are no barriers to raising concerns about fraud and corruption. These include.

- Dedicated 'report a fraud' telephone hotline;
- Form for reporting fraud available to members of staff and members of the public via the Council's website and internally via Horizon with clear guidance;
- Anti-Money Laundering reporting form with clear staff guidance on when to report; and
- Fraud Awareness e-Learning package - mandatory for all new staff.

5.4   Staff responsibilities in relation to fraud, corruption and money laundering reporting are contained within the staff Code of Conduct and relevant policies. All staff are required to report suspected fraud, corruption and/or money laundering under all circumstances. Failure to do so will be considered a breach of the staff Code of Conduct and may lead to action under the Council's Disciplinary Policy and Procedure.

6. The Counter Fraud Team Approach

6.1   In August 2017 the BACFT implemented a risk-based approach to all counter fraud work. This methodology is in line with CIPFA's counter fraud and corruption strategy for local government *'Fighting Fraud & Corruption Locally'*. It helps ensure that the BACFT's resources are consistently deployed in an effective manner to help LBH achieve its overall Counter Fraud Strategic Objective of *'Maximising Loss Prevention'*.

6.2   The Head of Counter Fraud has recently commenced a restructure of the CFT in response to the updated fraud risk profile of the Council. The proposal will reduce the overall number of CFT staff, but strengthen the skills mix within the team to ensure sufficient capacity to deal with the range of new and emerging complex fraud risks. This proposed new structure (refer to **Appendix C**) will realign the sub-teams within the BACFT by fraud risk as opposed to function, creating three new investigation units; Housing Investigations, Revenues Investigations and Special Investigations. These three units will each have responsibility for their specified area of fraud risk and cases will be managed as part of a cradle-to-grave process, which reduces the handover of cases between teams and improves efficiency and quality of counter fraud service provided.

6.3   This proposed restructure will facilitate efficient delivery of the Operational Plan for 2020/21 (refer to **Appendix B**). This in turn will help the team achieve the Counter Fraud Strategic Objectives (refer to para. 4.2) and the overall aim/desired outcome of maximising fraud prevention and minimising the amount of LBH taxpayers' money lost to fraud.

7. Acknowledgement

7.1   The Counter Fraud Strategic Plan 2020/21 is due to be considered by Cabinet at its planned meeting on 22nd October 2020 and will then be presented to the Audit Committee at its planned meeting on 24th November 2020. Once approved, it will then be circulated to key stakeholders.

7.2   The BACFT would like to take this opportunity to formally record its thanks for the co-operation and support it has received from the Council's management as part of the risk-based planning process.

Muir Laurie FCCA CMIIA
Deputy Director of Exchequer Services & Business Assurance

31st August 2020

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<u>APPENDIX A</u>

HILLINGDON FRAUD UNIVERSE 2020/21

The fraud risks specific to LBH are set in **Table 2** below, which is a summary of the organisational fraud risk assessment (the Fraud Universe) for the Council.

<u>Table 2 ~ Summary Risk Assessment</u>

Fraud Risk Area	Risk Assessment
Covid-19 Global Pandemic	• Financial pressures on business community creating higher levels of unemployment and greater numbers of people seeking Housing services and tax exemptions creating higher instances of fraud within related services. • Increased financial pressure on individuals and concerns over money and fear of redundancy leading to higher likelihood and pressure to commit fraud. • Increased urgency of delivery within services leading to reduced due diligence over service delivery and overriding of controls and a greater opportunity for fraud. • Internal changes to working practice such as working from home, staff shortages stretching resources and higher levels of sickness, affecting the operation of preventative controls, decreased monitoring activity and increasing risk of fraud going undetected. • Decreased face-to-face meeting with service users, less availability of original documentation, more provision of services remotely leading to higher likelihood of fraud not being detected. • New provision of business grants and financial or tax relief to businesses together with untested and immature control environment for specific schemes creating new opportunities for fraud to occur. • Higher financial pressure on Council contractors creating increased desire to maximise profit from contracts leading to higher likelihood of misrepresentation and fraud within procurement processes and operation of contracts. • Crisis situation creating increased cyber-crime activity nationally and globally and the higher likelihood of cyber-attack against the Council such as 'ransom-ware' or a Denial of Service attacks.
Port Authority	• Higher numbers of Unaccompanied Asylum Seekers (UAS) approaching the council to non-port authorities, leading to greater levels of fraudulent approach to the Council for services. • Greater levels of service use by individuals where service provision is subject to immigration status leading to more likelihood of misrepresentation to access services where there is No Recourse to Public Funds (NRPF).
Procurement of Goods and Services	• Higher pressure to win government contracts because of financial pressures on businesses linked to Covid-19 leading to pressure to seek to fraudulently manipulate procurement processes.

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Table 2 ~ Summary Risk Assessment (cont.)

Fraud Risk Area	Risk Assessment
Statutory Duty to Provide Social Housing	• Higher levels of housing need and homelessness claims in the borough linked to Covid-19 pressures leading to increased levels of fraud within housing. • Higher levels of housing need, asylum claims and homelessness linked to Covid-19 leads to higher levels of expenditure on temporary accommodation and Section 17 funded accommodations and associated fraud. • Availability of low cost social housing leads to greater numbers of individuals seeking housing form the Council and high pressure to misrepresent circumstances within the process. • Increased pressure on Housing services requiring greater use by the Council of temporary accommodation and reduced ability to monitor use and occupation, and increased likelihood of misuse going undetected.
Social Care Provider	• High costs of social care provision leads to greater pressure to misrepresent circumstances in relation to assets and income in the financial assessment process. • Inability of vulnerable individuals to properly manage Direct Payments meaning greater involvement of family members and 3rd parties to manage payments, leading to increased risk of opportunistic misappropriation of funding by a 3rd party. • Absence of appropriate financial control or appropriate monitoring, or operation of existing control, leading to the increased risk of inappropriate Direct Payments expenditure and misappropriation of funding. • Access to Council services by individuals subject to immigration status checks leads to risk of misrepresentation of status in order to access services where there is NRPF.
Revenue Collection Authority	• Availability of new business grants linked to Covid-19 and pressure to pay out support to businesses leads to increased risks to misappropriation of funding by organised criminals and companies not eligible for funding. • High cost of rateable value of business premises leads to the risk of fraudulent misrepresentation of circumstances to take advantage of reliefs. • Pressure to reduce individual costs against the cost of Council Tax leads to the wrongful claiming of single person discount, and lost revenue across a large number of residential addresses. • Council Tax costs and Business Rates leads to the risk of deliberate avoidance of completion of new build properties and lost revenues for the Council.

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<u>**APPENDIX B**</u>

COUNTER FRAUD TEAM - OPERATIONAL WORK PLAN 2020/21

Set out below is the <u>***Draft***</u> BACFT Operational Work Plan for the key proactive projects and investigative work due to be carried out in 2020/21.
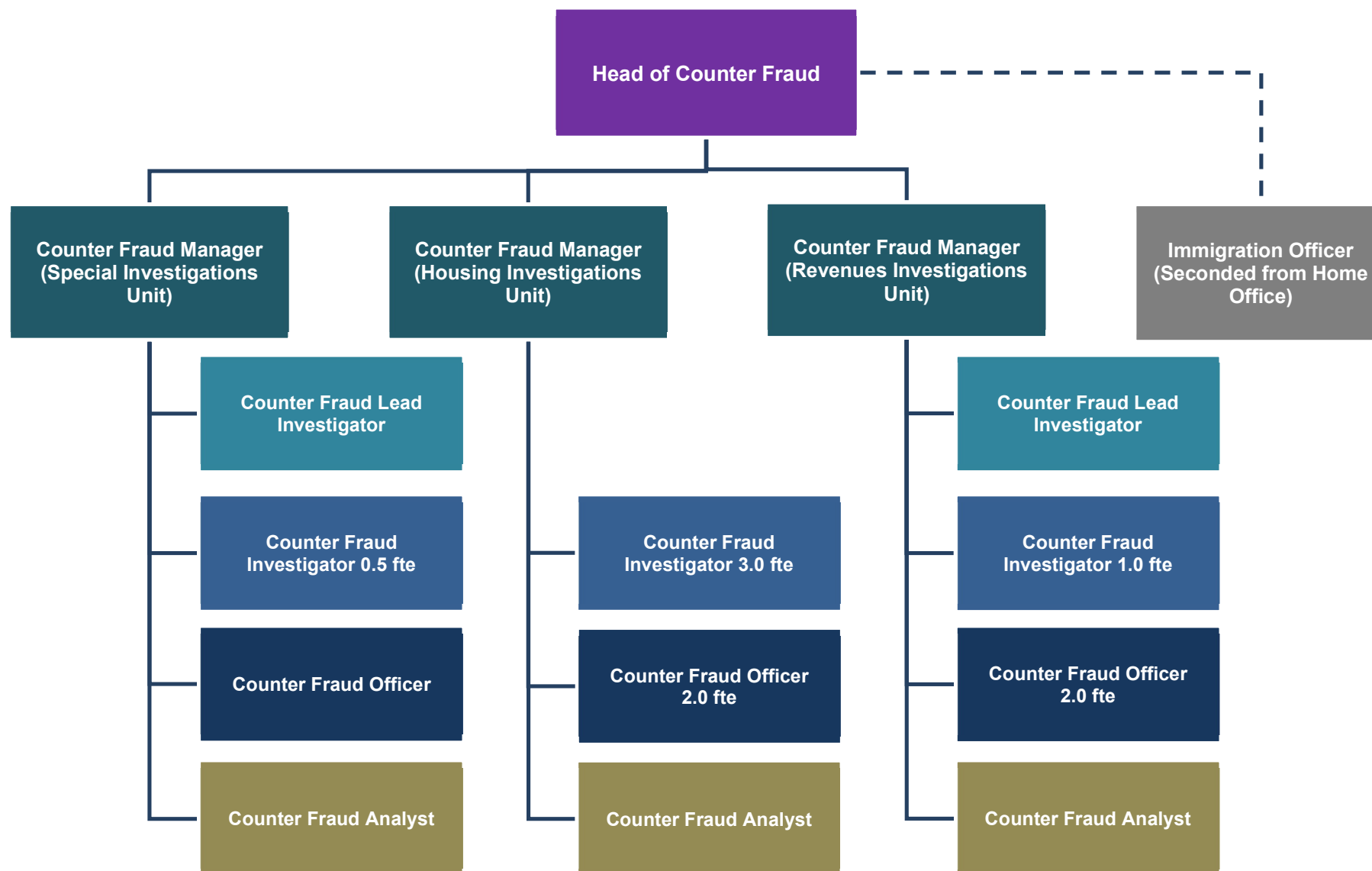
Counter Fraud Activity	Planned Work	Outcomes 19/20	Risk
Tenancy Fraud & Housing Investigations	The BACFT will continue to detect illegal sub-letting and non-occupation of Council properties as referred by colleagues and residents. This also includes false applications for housing, assignment and succession.	28 properties recovered, £504K notional savings	**HIGH**
Social Housing Residency Checks	A risk based approach to tenancy residency checks working with Housing team and using tenancy fraud data to identify hotspots. This will be delivered as part of proactive projects work		
Housing Key Fob Data Review	A new initiative to analyse data held by the Council to identify fraud. The BACFT will review all key fob activity of residents in social housing, to identify suspected subletting or non-occupation due to access and use patterns.		
Housing Right to Buy (RTB)	The BACFT will continue to provide a risk based verifications service of all RTB applications to identify fraud and where appropriate actively investigate applications found to contain suspected misrepresentation.	6 applications closed, £658K loss prevention	**HIGH**
Social Services S.17 Emergency Funding	Desk based checks to confirm eligibility of applicants requiring emergency accommodation and support from Social Care.	2 applications cancelled, £16K in savings	**HIGH**
Unaccompanied Asylum Seeking Children (UASC) Status Checks	The embedded Immigration Enforcement Officer will periodically check the status of all UASC clients, this helps identify those who's status allows them to access national schemes funding and no longer require funding by the Council.	17 cases identified saving £157K	**HIGH**
NFI Bi-annual Exercise	Continuous work on statutory data matches from the Cabinet Office, which will be investigated as an ongoing project throughout 20/21. The matches provide a significant contribution to savings areas such as Housing and Revenues.	£159K loss prevention	**HIGH**
'Beds in Sheds' - Unregistered Residential Dwellings	The Revenues Investigations Unit will identify unlawful and unregistered residential dwellings in order that properties are brought within Council Tax banding and evasion pursued as investigations. Any enforcement action on planning issues will be referred to Planning Enforcement and Housing Standards.	10 cases identified, revenue of £17K	**HIGH**

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COUNTER FRAUD TEAM - OPERATIONAL WORK PLAN 2020/21 (cont.)

Counter Fraud Activity	Planned Work	Outcomes 2019/20	Risk
Revenues Inspections and Investigations	In 2020/21 the BACFT will continue to deliver all inspections for Business Rates and Council Tax, and develop an investigations approach to Business Rates and Council Tax avoidance and illegal evasion. Proactive projects work is planned in the area of new build properties and Business Rates avoidance.	Not available for 2019/20	**HIGH**
Council Tax Discounts & Exemptions	A proactive desk top data review of discounts and exemptions utilising data held in-house. All discounts found to be fraudulent will be referred to Exchequer Services for removal of discounts and investigated for fraud where appropriate.	£132K in loss prevention savings	**HIGH**
Empty Properties/ New Homes Bonus	A yearly proactive project to maximise the grant received from Central Government by identifying empty properties that are now occupied, alongside monitoring new build properties for completion. The Net number of properties brought back into occupation by the Council attracts a grant from central government.	Over £300K above Finance Team forecast in NHB grant	**MEDIUM**
Housing Verifications	The BACFT will continue to verify applicants who apply for social housing, mutual exchange or succession/ assignment.	23 applications closed and 3 cases referred for investigation	**MEDIUM**
First Time Buyers Verifications	Desktop based checks to confirm eligibility of applicants who apply for the scheme, leading to investigations where fraud is suspected. Grants of up to £22K are issued to First Time Buyers within the Borough.	4 applications cancelled, £78K saving	**MEDIUM**
First Time Buyers Residency Checks	Post purchase residency checks to verify occupation, as continued residency for a set period is a mandatory scheme condition. Any properties where subletting or non-occupation is identified will be further investigated and the grant will be sought for recovery.	1 prosecution and 1 grant actively seeking recovery	**MEDIUM**
Blue Badge Operations	Bi-annual Blue Badge enforcement projects to confirm lawful use of Badges in identified misuse hotspots. A visual presence to provide assurance to residents that the Council takes Blue Badge Fraud seriously and deter misuse across the borough.	3 financial penalties, 6 seized badges	**LOW**

APPENDIX C

COUNTER FRAUD TEAM – *PROPOSED* STRUCTURE 2020/21

Head of Counter Fraud

Counter Fraud Manager (Special Investigations Unit)

Counter Fraud Manager (Housing Investigations Unit)

Counter Fraud Manager (Revenues Investigations Unit)

Immigration Officer (Seconded from Home Office)

Counter Fraud Lead Investigator

Counter Fraud Investigator 0.5 fte

Counter Fraud Officer

Counter Fraud Analyst

Counter Fraud Investigator 3.0 fte

Counter Fraud Officer 2.0 fte

Counter Fraud Analyst

Counter Fraud Lead Investigator

Counter Fraud Investigator 1.0 fte

Counter Fraud Officer 2.0 fte

Counter Fraud Analyst

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AUDIT COMMITTEE - 2020/21 Quarters 1 & 2 Counter Fraud Progress Report

Committee name	Audit Committee
Officer reporting	Muir Laurie, Deputy Director of Exchequer Services and Business Assurance
Papers with report	2020/21 Quarters 1 & 2 Counter Fraud Progress Report
Ward	All

HEADLINES

The attached report presents the Audit Committee with summary information on all Counter Fraud work covered in relation to 2020/21 Quarters 1 and 2 with assurance in this respect. It also provides an opportunity for the Deputy Director of Exchequer Services and Business Assurance to highlight to the Audit Committee any significant Counter Fraud issues that have arisen which they need to be aware of. Further, the report enables the Audit Committee to hold the Deputy Director of Exchequer Services and Business Assurance to account on delivery of the Counter Fraud Strategic Plan and facilitates in holding management to account for managing issues identified during the course of the Business Assurance Counter Fraud Team activity.

RECOMMENDATIONS:

That the Audit Committee:

1. **Notes the Counter Fraud Progress Report for 2020/21 Quarters 1 & 2; and**
2. **Suggests any comments/amendments.**

SUPPORTING INFORMATION

The Counter Fraud Team supports the Council in meeting its statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The work of the team underpins the Council's commitment to a zero tolerance approach to fraud, bribery, corruption and other irregularities, including any money laundering activity.

BACKGROUND PAPERS

The Business Assurance service holds various background research documents in relation to the Counter Fraud Strategic Plan.

Classification: Public
Audit Committee – 24th November 2020

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Counter Fraud Progress Report to Audit Committee:

2020/21 Quarters 1 & 2

1st October 2020

HILLINGDON
LONDON

www.hillingdon.gov.uk

Contents

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1. Introduction

1.1 The Role of the Business Assurance Counter Fraud Team

1.1.1 The Business Assurance Counter Fraud Team (BACFT) supports the Council in meeting its statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The work of the BACFT underpins the Council's commitment to a zero tolerance approach to fraud, bribery, corruption and other irregularities, including any money laundering activity.

1.1.2 As well as counter fraud activity, there is also a range of preventative work that the team is responsible for carrying out. This includes fraud awareness training and ensuring the Council have up-to-date and appropriate investigation policies and procedures.

1.2 The Purpose of the Counter Fraud Progress Report

1.2.1 The Counter Fraud Progress Report provides the Council's Corporate Management Team (CMT) and Audit Committee with summary information on all counter fraud work carried out during the Quarter 1 and Quarter 2 periods (1st April to 30th September 2020). In addition, it provides an opportunity for the Head of Counter Fraud (HCF) and the Deputy Director of Exchequer Services & Business Assurances (DDESBA) to highlight any significant issues arising from the counter fraud work in Quarters 1 and 2.

1.2.2 The progress report also highlights to CMT, the Audit Committee and other key stakeholders, the performance of the BACFT in meeting its strategic and operational objectives (as set out in the Counter Fraud Strategic Plan), which provides an opportunity for the HCF and DDESBA to be held to account in this respect.

2. Executive Summary

2.1 Whilst Counter Fraud is a statutory council function, the timing and scope of the work is not always time critical. As a result, following the Government's national lockdown announcement in March 2020, BACFT were redeployed for c3 months. Along with other colleagues from Business Assurance, the Counter Fraud Team took on the **responsibility for helping create and deliver the Council's Food Delivery Service;** a bespoke shopping and delivery service for LBH residents. The BACFT also worked with other Council colleagues and the Hillingdon 4 All (H4A) Charity, to carry out the Emergency Food Parcel and prescription collection and delivery service for residents who were shielding.

2.2 The BACFT was also redeployed to carry out work in Exchequer Services in the administration of the Government's **Business Grants scheme**. In addition, the team carried out **pre and post payment verification of grants** to determine eligibility. Where payment had been wrongly made due to fraud or error, the BACFT also provided help with recovering payments from the relevant businesses.

2.3 During the period of redeployment the BACFT continued to carry out essential counter fraud work activities, including monitoring of the counter fraud inbox and fraud hotline using a risk-based approach. In Quarters 1 and 2, **251 referrals for investigation** were received from internal and external sources. Despite the team's redeployment, the BACFT has achieved **loss prevention savings totalling £328,032** as at the end of Q2.

2.4 The loss prevention savings have been achieved across a range of service areas including Housing, Social Care and Exchequer Services. The positive results include **6 council properties that have been recovered** and **9 notices served by the BACFT seeking possession for suspected housing fraud**. One sub-letting fraud case is currently in the courts process for **criminal proceedings**. The team has also issued **one simple caution and financial penalty** related to an instance of Blue Badge misuse.

2.5   As at 30th September 2020, there are **102** ongoing investigations and approximately **60%** of these relate to different aspects of housing and tenancy fraud. It has been agreed with senior management that the BACFT will have a loss prevention savings **target of £1m for the 2020/21 year**. The reduction in target from £2m in 2019/20 is to take account not only of the team's redeployment, but also the significant challenges presented by the Covid-19 pandemic to counter fraud work in general.

2.6   Fraud risk is highly sensitive to environmental factors with new challenges in preventing or detecting fraud emerging frequently. It is especially prevalent during circumstances of local or national crisis or emergency, which, given the current global pandemic, means new and previously unrecorded fraud risks for the Council to respond to. An updated assessment of LBH's current fraud risks is set out within the Council's 'fraud universe' which underpins the **Counter Fraud Strategic Plan for 2020/21**.

2.7   In Quarter 2 the BACFT began a **major restructure of the service** alongside a major restructure of the Business Assurance Internal Audit team. This is in response to the changing risk profile of the Council and the appetite for increased assurance in key risk areas. Whilst the planned restructure of Counter Fraud proposes to reduce the team size in terms of staff numbers, the new structure will have a stronger skills-mix and therefore should improve the efficiency of the BACFT. As at the 30th September, the restructure is well progressed and recruitment into the new roles is underway.

3. Analysis of Counter Fraud Activity in Quarters 1 & 2

3.1   Housing Fraud

3.1.1   The main area of work for the BACFT continues to be the prevention and detection of housing fraud. The Council is exposed to several housing fraud risks, as detailed in the Counter Fraud Strategy for 2020/21.

3.1.2   The **Covid-19 pandemic** has created a pressure on the performance of the BACFT in recovering properties where the reason for recovery is sub-letting, Right to Buy fraud or false succession. This is because of the government's **moratorium on possession cases** in the civil courts which lasted until the 20th of September 2020. Following this an **extended notice period of 6 months** was brought in for all but "serious cases", which includes cases where a tenancy has been obtained by fraud but does not include cases of sub-letting. The courts have indicated that they will be prioritising the most serious cases, meaning that the new measures will likely have an impact on the BACFT's ability to recover properties for the Council in 2020/21.

3.1.3   Per **Table 1** below, in Quarters 1 and 2 the BACFT has successfully **recovered 6 Council properties**. There are **60** ongoing investigations into suspected tenancy fraud and the team are actively pursuing **9** cases for eviction.

Table 1 ~ Housing Tenancy Fraud Cases

Housing Tenancy Fraud Cases	2020/21*		2019/20		2018/19	
	Cases	£k/value**	Cases	£k/value	Cases	£k/value
Total number of properties recovered	6	£108k	28	£504k	19	£342k
Total number of ongoing cases	60	£1.08m	-	-	-	-

As at 30th September 2020.

** In 2014, the Audit Commission reported the national average temporary accommodation costs to Local Authorities for one family as £18k per property. We continue to use this prudent estimate for reporting purposes, although across London a number of authorities are reporting that the true cost of each tenancy fraud case is more accurately estimated as £94k per property and some as high as £150k per property as a representation of property replacement costs.

3.1.4   It is anticipated that despite the modest start to the year, the performance in Quarters 3 and 4 will improve, but this is likely to be impacted by the courts service approach to prioritisation of cases, which is currently not favourable to housing fraud cases.

3.1.5   The BACFT Key Performance Indicator (KPI) 4 (refer **Table 4** in **Appendix A**) targets an outcome of a Council property to be recovered for 20% of tenancy fraud referrals received. In 2020/21 to date the team achieved an average of **42%** which is reflective of the low number of referrals received in this period and where keys were returned to the Council voluntarily during the lockdown period in relation to ongoing cases started prior to lockdown.

3.1.6   In addition to tenancy fraud work, the team carry out investigations into cases of suspected **fraudulent Right to Buy (RTB)** applications. Under the statutory RTB scheme Council tenants can apply to buy their council property at a significant discount from its market value. The scheme operates under strict conditions that must be met by the applicant if they are to qualify for the discount. Fraud is normally committed by applicants who misrepresent their circumstances in order to qualify. The BACFT has so far this year stopped **1 fraudulent RTB application**. This equates to a loss prevention of **£103,900** in discount to the purchase price that would have been given to the buyer. Currently there are **7 cases of suspected RTB fraud** being investigated by the BACFT.

3.1.7   As part of the BACFT's **fraud prevention work** it proactively carries out verifications work on existing Council tenancies and other housing service areas. The BACFT uses the information gathered to conduct necessary checks, including announced (and unannounced) visits. The team also works with a variety of social landlords and statutory agencies to help detect fraud where information sharing protocols are in place. This is to ensure that the people residing in Council properties are genuinely entitled to do so.

3.1.8   Per **Table 2** below, in the 2020/21 year to date, the BACFT has successfully identified **242** housing register applications that should be rejected for a variety of different reasons.

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Table 2 ~ Housing Tenancy Verification Cases

Housing Tenancy Verification Cases	2020/21*	2019/20
Total number of cases reviewed	866	2,295
Total number verified as accurate	624	1,697
Total number rejected	242	598
% identified by BACFT for rejection	**28%**	**26%**

</div>

* *As at 30ᵗʰ September 2020.*

3.1.9   Of the **242** cases that have been rejected, **9** individuals' applications have been completely closed down. This was due to a range of reasons, such as they do not have 10 years borough residency, they have no immigration status, they own a property elsewhere or they have over £30k in savings or assets. Without the BACFT's enhanced verifications checks, these applicants may have been successful in obtaining a Council property that they were not entitled to.

3.1.10 The BACFT Key Performance Indicator (KPI) 2a (refer **Table 4** in **Appendix A**) targets a 90% outcome of Housing allocations verifications to be completed within the target date set by the Housing department**.** In 2020/21 to date the team achieved an average of **97%** which is an excellent result under the circumstances.

3.1.11 The BACFT cover a wide range of work streams, providing assurance over expenditure of residents' grants for property purchasing and high value expenditure on temporary accommodation. The main areas of verification are:

- *First Time Buyer Scheme* - eligibility based grant scheme helping residents who aspire to property ownership to buy their first home;

- *Right to Buy* - formal verification of every RTB application to identify suspected fraud and ineligibility;

- *Bed & Breakfast Accommodation* - residency check of all Bed & Breakfast accommodation as part of a proactive project;

- *Section 17 Applications* - Initial eligibility checks on applicants who approach the Council's Social Care team for assistance with accommodation;

- *Section 17 Accommodation* - residency check of all Section 17 accommodation as part of a proactive project;

- *Social Housing Allocations* - formal verification of all social housing applicants that are actively seeking accommodation to identify suspected fraud or ineligibility;

- *Mutual Exchange* - Desk checks and unannounced visits to ensure tenants meet the criteria required to exchange; and

- *Succession & Assignment* - Desk checks and unannounced visits, where appropriate, to ensure the applicants meet the relevant eligibility criteria.

3.1.12 As part of counter fraud work within Housing, the BACFT carries out investigations into suspected fraud within the **Disabled Facilities Grant scheme** (DFG). The DFG scheme operates within strict eligibility criteria which must be met if applicants are to receive a grant. In Quarter 2 the team has **prevented two DFGs** from being paid due to irregularities in the application, resulting in **loss prevention of £19,500**.

3.2 National Fraud Initiative & Internal Data Matching

3.2.1 The National Fraud Initiative (NFI) is a data matching exercise co-ordinated by the Cabinet Office and is conducted every 2 years. The NFI matches data from over 1,300 organisations, including councils, the Police, hospitals and almost 100 private companies to identify potential fraud and error. The latest **data for the next NFI matching exercise is currently in the process of being uploaded** and the next set of matches for Hillingdon will be received at the start of Quarter 4.

3.2.2 At the start of Quarter 1 the **NFI provided new matches utilising data provided by Disclosure of Death Registrations**, which was matched with tenancy data to help identify suspected tenancy fraud. The team have been working through 124 matches since then which has so far resulted in the **recovery of 2 Council properties**, with a further 2 investigations ongoing.

3.3 New Homes Bonus Empty Properties Project

3.3.1 The New Homes Bonus (NHB) is a grant paid by central government to the Council to incentivise local housing growth. It is based on the extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use.

3.3.2 During Quarter 2 the BACFT has worked to identify properties that were classified as long-term empty and are now occupied. Following initial checks and information gathering the **BACFT conducted 1,142 unannounced visits** to properties where it was determined that a visit is required. As a result of this work, **399 properties were identified as now occupied**. This work carried out jointly with Exchequer Services directly increases the amount of grant, as each long-term empty property that is identified as now occupied subsequently attracts additional grant funding for the Hillingdon taxpayers.

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3.4 **Revenues Inspections**

3.4.1 The **Business Rates & Council Tax inspections** operational processes are now fully integrated into the BACFT following the team taking on responsibility for this work in early 2019/20. As part of the restructuring of the team, the new **Revenues Investigations Unit (RIU)** will be responsible for this area of work. With a newly created **Counter Fraud Investigator role** within the RIU, the unit will be taking a more investigative approach to revenues work. The unit will be focussing on Business Rates avoidance, ensuring revenue maximisation for new build properties and Council Tax exemptions and discounts.

3.4.2 Per **Table 3** below, the RIU carried out **1,771 inspections** in the year to date, with **552 (32%) completed within the 10 day target.** The lockdown and then redeployment of the BACFT in Quarter 1 created a major backlog of inspections. This has gradually been addressed in Quarter 2 by the RIU, with performance set to move positively towards the **new 95% KPI** in Quarter 3.

Table 3 ~ Revenues Inspections Performance 2020/21

Revenues Inspections	Q1	Q2	2020/21*	2019/20
Total number of inspections completed	**340**	**1,431**	1,771	5,592
Percentage within 10 day target	**34%**	**30%**	32%	63%

* As at 30th September 2020.

3.4.3 In Quarter 2, proactive project work has been carried out to identify **'Beds in Sheds'** within the borough to increase Council Tax revenue. 'Beds in Sheds' is the term used to describe buildings or annexes on private properties that have erected without the Valuation Office being made aware and that can be considered habitable and should therefore be charged Council Tax. So far the team has in Q2 brought **8 unregistered residential dwellings** into rates, creating **increased revenue of £14,579**. Results for the remainder of the project will be reported in Quarter 3.

3.5 **Immigration Enforcement Officer**

3.5.1 The BACFT has had a Home Office Immigration Enforcement Officer (IEO) working as part of the team since April 2018, providing enhanced access to Home Office data for the purpose of assessing cases involving immigration issues and for assisting in a range of counter fraud work. In March 2020 the services of the IEO were temporarily suspended amid the Covid-19 pandemic lockdown measures. The service was resumed on the 1st July 2020 once a Covid-19 risk assessment had been put in place and the Home Office had approved the Hillingdon response. We understand that to date Hillingdon is the only London Borough where full IEO service has been resumed.

3.5.2 Since returning, the IEO continues to provide invaluable assistance in counter fraud work and many other Council service areas, such as Social Care and Housing. As a result, the IEO's financial loss prevention work across the Council in Quarters 1 and 2 is prudently estimated at **£47,299**. These loss savings are related to the prevention of Homelessness Applications where the applicant was identified by the IEO to have no recourse to public funds. Please refer to **Table 5** in **Appendix B** for a detailed breakdown of the identified loss prevention savings to date.

3.6 **Other Counter Fraud Activities**

3.6.1 During Quarter 1 and into Quarter 2, officers from the BACFT were tasked with assisting in the **verification of the business grants scheme** put forward by the government in response to the Covid-19 pandemic lockdown and the subsequent negative impact on businesses. Several different grants were verified including the Small Business Relief (SBR), Retail, Hospitality and Leisure Grant (RHLG) and the Discretionary Grant (DG).

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3.6.2   As part of this work stream, the BACFT carried out the **verification of 3,415 administered grants payments and applications**. Of these verifications, 147 were not able to be verified, and a further 21 are currently under further investigation. In the year to date, the BACFT has also assisted Exchequer Services in the identification of £2.3m in wrongful payments, of which £1.2m has been so far recovered - refer to **Table 6** at **Appendix C**.

3.6.3   Despite there being no work undertaken within the area of **Blue Badge** in Quarters 1 and 2, because of the lockdown and social distancing requirements, the team issued **one simple caution and financial penalty** for Blue Badge misuse. This related to an instance that had occurred prior to lockdown.

4. Analysis of the Counter Fraud Team's Performance in Quarters 1 & 2

4.1   In 2018/19 the BACFT agreed and implemented a set of KPIs for to allow effective measurement of team performance and enable the team, the HCF and the DDESBA to be better held to account by CMT and Audit Committee. **A new KPI (7) in the area of Revenues Inspections has been introduced** to ensure appropriate accountability for this new area of work.

4.2   Attached at **Appendix A** is **Table 4**, which sets out the performance by the BACFT against the seven KPIs in the year to date. **5 of the 9 KPIs are at or above targeted performance whilst 3 are red**, although the below required performance can be explained by the team's redeployment during the Quarter 4 lockdown. In addition, operational restrictions on counter fraud activities due to the pandemic have contributed to this drop in performance i.e. visits/inspections, face to face interviews, capacity of the courts to progress cases, has all been severely hampered.

4.3   **Table 5** at **Appendix B** provides an overview of the financial performance of the team in 2020/21 to date within each of the main areas of counter fraud activity.

5. Forward Look

5.1   Looking ahead to Quarter 3, the BACFT will **complete the restructuring of the service** into the three units arranged by key fraud risk; a **Revenues Investigation Unit**, **Housing Investigation Unit** and **Special Investigations Unit**. Each unit will be headed up by a professionally qualified and experienced Counter Fraud Manager, reporting into the HCF and cases will be dealt with from cradle to grave within each unit. This pioneering approach will provide a more efficient service with greater clarity and accountability on all investigations. This change will also enable the stronger skills-mix created from the ongoing restructure to be fully embraced to deal with the increase in more complex fraud cases.

5.2   Several **Tenancy Fraud proactive projects** are being planned for Quarter 3, including residency checks in high risk tenancies and a data analysis review of key fob data to detect fraud and illegal sub-letting. These will continue the team's proactive and risk-based approach to tenancy fraud and aims to significantly contribute to the number of properties recovered in 2020/21.

5.3   In Quarter 3 the BACFT will also deliver a further proactive project in the area of **Beds in Sheds**. This project will be intelligence led and target hotspots for this activity within the borough, increasing revenue by bringing in these unregistered residential dwellings into Council Tax.

5.4   In addition, in Quarter 3 the BACFT will deliver an ongoing review of expenditure and accommodation of **Unaccompanied Asylum Seeking Children (UASC)** using the embedded Immigration Enforcement Officer. Periodic checks by the BACFT will identify UASC who no longer require funding from the Council, therefore saving expenditure in this area.

5.5   The BACFT would like to take this opportunity to formally record its thanks for the co-operation and support it has received from the management and staff of the Council during Quarters 1 and 2. There are no other counter fraud matters that the DDESBA needs to bring to the attention of CMT or the Audit Committee at this time.

Muir Laurie FCCA CMIIA
Deputy Director of Exchequer Services & Business Assurance

1st October 2020

Table 4 ~ BACFT Quarters 1 & 2 KPIs and Actual Performance

BACFT KPIs	Target	Q1	Q2	20/21**	19/20
1. Percentage of fraud referrals risk assessed within 3 working days	95%	43%	100%	71%	98%
2. Verification work timescales for completion:					
a. Housing Allocations completion within the target date set by Housing.	95%	95%	99%	97%	95%
b. First Time Buyer completion within 5 working days	95%	100%	N/A*	100%	100%
c. Right to Buy case completion within 28 working days	95%	N/A*	100%	100%	81%
3. Investigation plan completion within 5 working days of case allocation	95%	46%	86%	66%	94%
4. Tenancy fraud referrals received resulting in property recovery	20%	50%	34%	42%	28%
5. Investigations resulting in sanction (*prosecution/penalty/caution*)	10%	N/A*	6%	6%	3%
6. Investigations resulting in loss prevention/financial saving outcome	25%	50%	24%	37%	33%
7. Revenues inspections completed within 10 days of raising	95%	34%	30%	32%	63%

* N/A indicates where no work was carried out in the quarter due to no new cases or that the team did not carry out any work due to redeployment.

** As at 30th September 2020.

Table 5 ~ BACFT Quarters 1 & 2 2020/21 ~ Financial Performance

Work Area	Description	Quarter 1	Quarter 2	2020/21*
Housing	Right to Buy discounts	£103,900	£0	£103,900
	Property Recovery (notional savings)	£36,000	£72,000	£108,000
	Other savings/loss prevention	£0	£24,885	£24,885
	Prosecution costs	£0	£0	£0
Social Services	Loss Prevention	£0	£0	£0
Revenues	Council Tax Reduction	£1,487	£1,425	£2,913
	Single Person Discount	£8,157	£1,900	£10,056
	Council Tax Arrears	£3,180	£1,185	£4,366
	Council Tax Exemptions	£0	£0	£0
	Beds in Sheds	£0	£14,579	£14,579
	Housing Benefit Overpayments	£2,934	£9,000	£11,934
Blue Badge	Simple Caution & Financial Penalty	£0	£100	£100
	Prosecution Costs Received	£0	£0	£0
Immigration Officer	Housing First Time Buyer scheme #	£0	£0	£0
	Housing Homelessness Applications**	£0	£47,299	£47,299
	Asylum Seeking Children Expense***	£0	£0	£0
	Social Services Section 17 Expense**	£0	£0	£0
	IEO Sub Total	£0	£47,299	£47,299
Totals	Loss Prevention	£103,900	£66,799	£170,699
	Notional Savings	£38,934	£81,000	£119,934
	Cashable Savings	£12,824	£24,474	£37,299
	Costs awarded and penalties	£0	£100	£100
	Total	**£155,659**	**£172,393**	**£328,032**

* As at 30th September 2020.

 # First time buyers - Average grant given per person based on 2018/19.

** Average weekly cost against average length of support. This figure fluctuates but has been provided by the Council's business performance team.

*** Cost of accommodation and subsidence per week for one year. This figure is a prudent estimate as the Council can and does often support asylum seeking children until they are 25 years old.

<u>APPENDIX C</u>

<u>Table 6 ~ BACFT Grants Verifications Work 2020/21 to date*</u>

Grant Type	Description	Number
Small, Business Rates Grants	Grants administered	2,121
	Cases verified	2,046
	Cases not verified	57
	Under further investigation	18
	Identified for recovery	**57 - £570k**
	Recovered[1]	**24 - £240k**

Grant Type	Description	Number
Retail, Hospitality & Leisure Grants	Grants administered	1,081
	Cases verified	993
	Cases not verified	87
	Under further investigation	1
	Identified for recovery	**87 - £1.7m**
	Recovered[1]	**52 - £1m**

Grant Type	Description	Number
Discretionary Grants	Grants administered	213
	Cases verified	208
	Cases not verified	3
	Under further investigation	2
	Identified for recovery	**3 - £30k**
	Recovered[1]	**0 - £0**

* As at 30th September 2020.

[1] *Recovery figures are related to joint work between the BACFT and the Debtors team within Exchequer Services. Due to the way that recovery is recorded within the Debtors system, the figures given are as at 10th November 2020.*

AUDIT COMMITTEE FORWARD PROGRAMME 2020/21

Committee name	Audit Committee

Officer reporting	Neil Fraser, Democratic Services

Papers with report	None

Ward	All

HEADLINES

This report is to enable the Audit Committee to review planned meeting dates and the forward programme.

RECOMMENDATIONS

That the Audit Committee:

1. **Confirms the dates for Audit Committee meetings; and**

2. **Makes suggestions for future agenda items, working practices and / or reviews.**

SUPPORTING INFORMATION

The virtual meeting on Tuesday 24 November 2020 will start at 17:10.

Meetings	Room
6 February 2019	CR 6
25 April 2019	CR 5
22 July 2019	CR 4
21 October 2019	CR 4
3 February 2020	CR 4
1 October 2020	Virtual
29 October 2020	CANCELLED
24 November 2020	Virtual
4 February 2021	Virtual
20 April 2021	Virtual

Meeting Date	Item	Lead Officer
29 October 2020 CANCELLED	N/A	N/A

Meeting Date	Item	Lead Officer
24 November 2020	*Private meeting with Corporate Director of Finance to take place before the meeting	
	Approval of the 2019/20 Statement of Accounts (Including Annual Governance Statement & External Audit Report on the Audit for the Year Ended 31/03/2020, & External Audit Report on the Pension Fund Annual Report & Accounts 2019/20)	Ernst & Young
	Internal Audit Progress Report Quarters 1 & 2 2020/21 (incl. the Quarter 3 Internal Audit Plan)	Head of Internal Audit and Risk Assurance
	Counter Fraud Strategic Plan 2020/21	Deputy Director of Exchequer Services & Business Assurance
	Counter Fraud Progress Report Quarters 1 & 2 2020/21	Deputy Director of Exchequer Services & Business Assurance
	Audit Committee Forward Programme	Democratic Services

Meeting Date	Item	Lead Officer
4 February 2021	*Private meeting with External Audit (Ernst & Young) to take place before the meeting	
	External Audit Annual Audit Letter 19/20	Corporate Director of Finance /Ernst & Young
	EY 2020/21 Annual Audit Plan; 2020/21 Pension Fund Audit plan	Corporate Director of Finance /Ernst & Young
	EY - Housing Benefit Certification	Corporate Director of Finance /Ernst & Young
	Internal Audit Progress Report Quarter 3 2020/21 (incl. the Quarter 4 Internal Audit Plan)	Head of Internal Audit and Risk Assurance
	Internal Audit Charter 2020/21	Head of Internal Audit and Risk Assurance
	Counter Fraud Progress Report Quarter 3 2020/21	Deputy Director of Exchequer Services & Business Assurance
	2019/20 Q2 Corporate Risk Register - Part II	Deputy Director of Exchequer Services & Business Assurance
	Audit Committee Forward Programme	Democratic Services

Meeting Date	Item	Lead Officer
20 April 2021	**Private meeting with Deputy Director of Exchequer Services & Business Assurance to take place before the meeting	
	Internal Audit Progress Report Quarter 4 2020/21 (incl. the Quarter 1 2021/22 Internal Audit Plan)	Head of Internal Audit and Risk Assurance
	Draft Internal Audit Plan 2021/22	Head of Internal Audit and Risk Assurance
	Counter Fraud Progress Report Quarter 4 2019/20	Deputy Director of Exchequer Services & Business Assurance
	Counter Fraud Strategic Plan 2021/22	Deputy Director of Exchequer Services & Business Assurance
	2019/20 Q3 Corporate Risk Register - Part II	Deputy Director of Exchequer Services & Business Assurance
	Audit Committee Forward Programme	Democratic Services