

Report To:	AUDIT PANEL
Date:	14 March 2023
Reporting Officer:	Christine Weston–Interim Head of Risk Management and Audit Services
Subject:	PROGRESS REPORT ON RISK MANAGEMENT AND AUDIT ACTIVITIES OCTOBER 2022 TO DECEMBER 2022
Report Summary:	To advise members of the work undertaken by the Risk Management and Audit Service from October 2022 to December 2022.
Recommendations:	That members note the report and the performance of the Service Unit from October 2022 to December 2022.
Links to Corporate Plan:	Internal Audit supports the individual operations, which deliver the objectives within the Corporate Plan.
Policy Implications:	Effective Risk Management and Internal Audit supports the achievement of Council objectives and demonstrates a commitment to high standards of corporate governance.
Financial Implications: (Authorised by the Borough Treasurer)	Effective Risk Management and Internal Audit assists in safeguarding assets, ensuring the best use of resources and reducing losses due to poor risk management. It also helps to keep insurance premiums and compensation payments to a minimum and provides assurance that a sound control environment is in place.
Legal Implications: (Authorised by the Borough Solicitor)	<p>This report is provided to Members to demonstrate compliance with the Accounts and Audit Regulations 2015 (as amended) which in turn demonstrates proper administration of the Council's affairs.</p> <p>Internal Audit when engaging and supporting individual operations need to evidence prudent management of affairs to secure economic, efficient and effective use of Council resources.</p> <p>Such prudent management is all the more critical during periods when the council is operating in a challenging financial climate and to ensure that where necessary lessons are learned and management improved.</p>
Risk Management:	Assists in providing the necessary levels of assurance that the significant risks relating to the Council's operations are being effectively managed.
Access to Information:	<p>The background papers can be obtained from the author of the report, Christine Weston, Interim Head of Risk Management and Audit Services by contacting:</p> <p> Telephone: 0161 342 2356</p> <p> e-mail: christine.weston@tameside.gov.uk</p>

1. INTRODUCTION

- 1.1 This progress report covers the period October 2022 to December 2022.
- 1.2 The main objective of this report is to summarise the work undertaken by the Risk Management and Audit Service during the period from October 2022 to December 2022 in respect of the revised Plan for 2022/23.

2. INTERNAL AUDIT PROGRESS AGAINST THE PLAN 2022/23

- 2.1 The Audit Plan approved on 15 March 2022 covered the period April 2022 to March 2023 and totalled 1,207 Days. A revised plan was approved at the Audit Panel in November 2022, with a reduced number of days totalling 855 days.
- 2.2 **Table 1** below provides a summary of the Audit Plan 2022/23 and details the Approved Plan Days, the Revised Plan and the Actual Days delivered to December 2022. **Appendix 1** provides a detailed breakdown for each service area and also the status of the audits and the Level of Assurance given for each audit report issued.
- 2.3 **Table 1 – Annual Audit Plan Summary 2022/23**

Service Area / Directorate	Approved Plan 2022/23	Revised Plan 2022/23	Actual Days to December 2022	Variance
Adults	82	67	33	34
Children's	121	79	14	65
Children's Learning and Schools	143	114	93	21
Crosscutting	61	31	34	-3
Digital Tameside	71	75	47	28
Exchequer Services	79	57	28	29
Finance	78	73	47	26
People and Workforce Development	68	55	40	15
Policy and Performance	28	3	2	1
Greater Manchester Pension Fund	300	205	126	79
Place	154	64	42	22
Population Health	22	32	32	0
Total Planned Days 2022/23	1,207	855	538	317

- 2.4 We have several new staff who have started in January 2023, and also an agency member of staff, so the revised plan should be achievable to the year end. We are only holding one Senior Auditor vacancy at the moment.
- 2.5 **Appendix 1** shows the progress made against the revised plan up to the end of December 2022.
- 2.6 The Risk Management and Audit Team are still working to a hybrid model, with staff coming into the office at least one day a week, or more often, as required to deliver the service.

3 AUDIT ACTIVITY FROM OCTOBER 2022 TO DECEMBER 2022

- 3.1 In the period October to December 2022, 9 Final Reports were issued, the results of which are summarised in Table 2 below. One of the reports was a control report, and one was a consultancy report, so they were not given a level of assurance, hence 7 reports are shown in the table below.

Table 2 – Final Reports October to December 2022

Levels of Assurance	Number of reports issued October to December 2022
High	1
Medium	4
Low	2
Totals	7

NB – the Low level of Assurance, related to the Council Tax Audit and Livingstone Primary School.

- 3.2 In addition to the Final Reports issued above, 5 Draft Reports have been issued for management review and responses and these will be reported to the Panel in due course.
- 3.3 Post Audit Reviews are undertaken approximately six months after the Final Report has been issued, however, where a Low level of assurance is issued the Post Audit Review is scheduled for three months to ensure that the issues identified are addressed. We have a number of Post Audit Reviews in progress, however none were finalised in the period October to December 2022. We will give a full update on the Post Audit Reviews completed in the next report to the Panel

4 IRREGULARITIES/COUNTER FRAUD WORK

- 4.1 Fraud, irregularity and whistle-blowing investigations are conducted by two Corporate Fraud Investigators within the Internal Audit Team under the direction of a Principal Auditor and the Interim Head of Risk Management and Audit Services. One of the Corporate Fraud Investigators left the Council in July 2022 and we have recruited a new member of staff who has started in January 2023.
- 4.2 Liaison with Legal Services takes place as and when required on a case by case basis. Ongoing assistance cases can range from obtaining information for an investigating officer to actually undertaking some analysis work and providing evidence for the investigatory process. This work can range from analysing expenditure records, internet usage, identification of undeclared assets and assisting other organisations to progress their investigations.
- 4.4 There were no new investigation case in the period October to December 2022, but there were 4 new assistance cases.
- 4.5 We received the latest NFI matches back from the Cabinet Office at the end of January 2023. Details will be reported to the next meeting of the Audit Panel.

5 RISK, INSURANCE AND INFORMATION GOVERNANCE

- 5.1 The Risk, Insurance and Information Governance Team provide services to the whole Council. The key priorities for the team during 2022/23 are detailed in Table 3 below together

with a progress update to the end of December 2022.

Table 3 – Risk, Insurance and Information Governance Key Priorities

Key Priorities 2022/23	Progress Report – December 2022
<p>To continue to work with the Single Leadership Team to review the Corporate Risk Register ensuring that it is linked to the Corporate Plan Themes and Priorities, to review the process for recording and evaluating risks and develop operational risk registers. A key priority will be to develop the monitoring of risk registers to ensure they are reported appropriately to officers and members.</p>	<p>The Corporate Risk Register is now updated and presented to the Single Leadership Team and the Audit Panel quarterly. Work with service areas to develop operational risk registers has been delayed to 2023/24 due to capacity issues.</p>
<p>To deliver the Information Governance Work Plan which is being developed with the Information Governance Group to ensure that the Council is compliant with all Data Protection legislation.</p>	<p>Delivery of the Work Plan is progressing well and a number of policies and procedures have been updated and approved. Progress during 2022/23 includes the release of an updated Information Governance Policy, an Information Governance Conduct Policy and a revised Redaction Guidance document.</p>
<p>To provide Data Protection/Information Governance advice and guidance to support services ensure new systems, processes and partnership working involving the collection, sharing, processing and storage of personal data are compliant with Data Protection legislation.</p>	<p>This forms the bulk of the daily work carried out by the team in relation to Information Governance. The volume of requests for advice and guidance is high. Work is prioritised in order to deal with urgent cases first.</p>
<p>To work with senior managers to ensure that Service Area/Units Business Continuity Plans are robust and fit for purpose and regularly reviewed to support management in responding to a major incident.</p>	<p>Following completion of the Work Smart Project, the team will provide guidance to Service Areas in 2023/24 to refresh plans to reflect the new working model.</p>
<p>To review the insurance database used to ensure it is fit for purpose and that the reporting functionality is efficient and effective.</p>	<p>This review has commenced, and a decision on the most suitable database product will be made during 2023/24.</p>
<p>To continue to support managers to assess their risks as services are redesigned to ensure that changes to systems and procedures remain robust and resilient offering cost effective mitigation and that claims for compensation can be successfully repudiated and defended should litigation occur.</p>	<p>The Team continue to provide advice and support to services areas as requested, in relation to Risk Management, Insurance and Business Continuity Planning:-</p>
<p>To review the information held and introduce regular reports for management in terms of claims received to inform and improve the risk management process.</p>	<p>The format of the report is being reviewed by the Risk, Insurance and Information Governance Manager and the proposed format will be discussed with the Assistant Director of Finance prior to it being presented to officers and members.</p>

6 RECOMMENDATION

6.1 As set out on the front of the report.