

- Present:** Councillor Rebecca Longbottom (*in the Chair*)
- Councillors:** Jackie Kirk, David Clarkson, Thomas Dyer, Calum Watt and Emily Wood
- Independent Member:** Jane Nellist
- Apologies for Absence:** Councillor Gary Hewson

**44. Confirmation of Minutes - 15 November 2022**

RESOLVED that the minutes of the meeting held on 15 November 2022 be confirmed and signed by the Chair.

**45. Declarations of Interest**

No declarations of interest were received.

**46. Matters Arising**

The Chair referred to minute number 34 in relation to recruitment to the vacant posts in the Audit Team and requested an update.

Amanda Stanislawski, Audit Manager, responded that the posts were currently being advertised and the closing date was on 17<sup>th</sup> December 2022, there had been some applications received. The University contact details had been provided and Jaclyn Gibson, Chief Finance Officer would be in contact with the University to try and recruit to the posts if unsuccessful this time.

**47. Internal Audit Progress Report**

Amanda Stanislawski, Audit Manager:

- a. presented the Internal Audit Progress Report to Audit Committee, incorporating the overall position reached so far and summaries of the outcome of audits completed during November 2022, as detailed at Appendix A
- b. advised that currently 48% of the revised plan had been completed. There were six pieces of work in progress, two of which were at draft report stage. There had been one change made to the revised plan which had removed one audit and replaced it with another
- c. reported that one report had been issued since the previous progress report in November, this was the ICT Programme and Project Management report which had been given a Substantial assurance rating
- d. explained that the Council continued to co-ordinate the submission of information for the National Fraud Initiative and all data sets required by 18<sup>th</sup> November had been submitted

- e. detailed the content of the report covering the following main areas:
- Progress against the plan
  - Summary of Audit work
  - Current areas of interest relevant to the Audit Committee
- f. invited questions and comments

Councillor Clarkson, referred to the ICT Programme and Project Management Audit and commented that he was disappointed to see that a Project Initiation Document (PID) had not been completed, as this was fundamental to the project. He questioned why it had been awarded Substantial Assurance without a PID included within the project,

Amanda Stanislawski, Audit Manager, responded that the audit opinion was based on the review of the whole area, everything else that was required had been included in the project.

Councillor Clarkson, further referred to the wording in the report which stated that “a PID should be completed, as a minimum for all projects’ and commented that PID’s were fundamental and must be included in all projects.

Amanda Stanislawski, Audit Manager, agreed that the wording needed to be changed to “a PID must be completed, as a minimum for all projects”.

RESOLVED that the report be accepted and the monitoring arrangements be continued

#### **48. Internal Audit Recommendations Follow Up**

Amanda Stanislawski, Audit Manager:

- a. presented an update to Audit Committee on outstanding audit recommendations including recommendations over 12 months old.
- b. referred to Appendix A attached to her report which provided details of relevant audits, outstanding recommendations, agreed actions and the current position/explanation from the service manager
- c. explained that within the report there were 4 actions which were overdue and which had requested extensions. As per the revised protocol all extensions had to be approved by the relevant Director and at the time of writing the report these had not been received. These included ICT Anti-Malware, Housing Allocations and Safeguarding
- d. invited members’ questions and comments.

**Question:** Asked if Officers required the Committees support in progressing the overdue recommendations.

**Response:** It was felt that it was not required at the moment as the ICT Anti-Malware overdue recommendation had been addressed via a final extension to the end of March. If support was required it would be brought to the attention of the Audit Committee.

**Comment:** Expressed concern that due to all of the staffing and control issues, there could be potential for something to go wrong across the organisation. This was not just an issue at the City Council but across all of the public sector.

**Question:** Asked if this issue would be eased if recruitment to the team was successful.

**Response:** It would address the issue within the Audit Team, when fully staffed there would be capacity to chase outstanding recommendations and find out why they had not been completed.

**Comment:** Referred to the ICT Anti-Malware recommendation and commented that the deadline was 2 years ago and that the 'short document' required was not a large piece of work. It was suggested that the responsible Officer be invited to attend Audit Committee if the recommendation had not been completed 7 days before the next Audit Committee which would be held on 31<sup>st</sup> January 2023.

**Comment:** Referred to paragraph 3.1 of the Recommendation/Agreed Action Follow Up protocol and commented that the paragraph was ambiguous in the way it was written and could be interpreted that extensions should be approved. It was suggested that the wording be amended to read "Directors will consider and approve extensions where appropriate"

**Question:** Referred to the "Review and update the incident management policy and procedure" in relation to the ICT Anti-Malware Audit and asked if the resource had been found to progress this.

**Response:** The East Midlands Warning, Advice and Reporting Group (WARP) were responsible for this and there was a lack of resources within the group. The group was not controlled by the City Council.

**Question:** Referred to the Office 365 Audit and asked if there was a date for completion.

**Response:** The date for completion was June 2024, due to the amount of time it would take for the migration of the data.

**Question:** Referred to the Creditors Audit in relation to the action "Review and approve authorising officers on Aggresso" and commented that the action was overdue and asked if this had now been completed.

**Response:** An answer would be circulated following the meeting.

**Question:** Referred to the Housing Allocations Audit in relation to the action "Annual Review of Allocations" and asked what was the testing phase and how had it delayed the implementation of the live system.

**Response:** An answer would be circulated following the meeting.

## RESOLVED

1. that updates on Audit Recommendations older than 12 months be noted.
2. that the requested extensions be approved
3. that the responsible Officer for the ICT Anti-Malware Audit be invited to attend Audit Committee if the recommendation had not been completed 7 days before the next Audit Committee due to be held on 31<sup>st</sup> January 2023.

#### 49. Six Monthly Fraud and Error Report

Amanda Stanislawski, Audit Manager:

- a. presented a report to update committee on the performance against the 2022/23 Counter Fraud Work Plan and the outcomes of pro-active fraud work and investigations
- b. summarised the number of fraud cases during 2022/23 compared to the previous year as detailed at appendix A of the report
- c. gave an overview of the progress that had been made against completing the actions within the Counter Fraud Action Plan as detailed at paragraph 2.3 of the report
- d. further updated members on the following areas of work that had been undertaken as detailed within the report:
  - Housing Benefit/ Council Tax Support
  - Council Tax – Single Person Discount/ Empty Properties
  - Energy Rebate Scheme
  - NNDR
  - Housing Tenancy
  - Payroll and Human Resources
  - Other Fraud/Fraud Attempts
- e. invited members questions and comments

**Question:** Referred to page 55 of the report in relation to the cyber-attack and asked if the member of staff had completed the training.

**Response:** A response would be circulated following the meeting.

**Comment:** It was important that regular refreshers of the training was provided.

**Question:** Referred to the Counter Fraud E-Learning and commented that this was asked about in July 2022. As soon as this was available the committee would be happy to complete it.

**Response:** This continues to be chased up with Lincolnshire Council.

**Question:** Referred to Housing Tenancies fraud and asked if there was a pattern to the properties that had been abandoned by tenants.

**Response:** A response would be circulated following the meeting.

**Question:** Asked if the Whistleblowing policy was published and accessible.

**Response:** There was a dedicated whistleblowing phone line and the policy was also published on the Councils website.

RESOLVED that the contents of the report be noted.

#### 50. Audit Committee Work Programme

Amanda Stanislawski, Audit Manager

- a. presented a report to inform members of the Audit Committee on the work programme for 2022/23 as detailed at Appendix A of the report

- b. referred to paragraph 3 of the report which highlighted the changes to the work programme
- c. advised that the Audit Committee Terms of Reference was attached at Appendix A of the report for information
- d. invited members' questions and comments:

RESOLVED that the contents of the Audit Committee work programme 2022/23 be noted.