

**Manchester City Council  
Report for Resolution**

**Report to:** Audit Committee – 26 July 2022

**Subject:** Internal Audit Assurance Report (Q1)

**Report of:** Head of Internal Audit and Risk Management

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**Summary**

The Internal Audit section delivers an annual programme of audit work designed to raise standards of governance, risk management and internal control across the Council. This work culminates in the Annual Head of Internal Audit Opinion and an Annual Assurance Report.

This report provides an update of progress on the agreed audit plan 2022/23; additional work assigned to the audit service and copies of the audit opinions issued in the period April 2022 to June 2023. A progress update on the period prior to this was included in the Annual Assurance Report presented to Committee in April 2022.

**Recommendations**

Audit Committee is requested to consider and comment on the Internal Audit Assurance Progress Report.

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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None
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<b>Equality, Diversity, and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
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None
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<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	An effective internal audit service is an integral part of the Council's governance arrangements. It helps to maintain and develop good governance and risk management and provides independent assurance over the effectiveness of the Council's systems of control. This contributes to being a well-run Council and indirectly to the achievement of organisational objectives and the OurManchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

**Financial Consequences – Revenue = None**

**Financial Consequences – Capital = None**

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**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Internal Audit progress reports to Audit Committee 2021-2022
- Internal Audit Annual Opinion 2021-2022 – April 2022

## 1 Introduction

- 1.1 The work of internal audit is a key part of the Council's overall assurance framework which is described in the Annual Governance Statement and in the Head of Audit and Risk Management's Annual Opinion. This report provides an update on work in the quarter ended June 2022.
- 1.2. Most of the planned work remaining from 2021/22 is nearing completion and focus this quarter has been to schedule the work that was deferred into 2022/23. We continue to assist on the provision of post payment assurances to the Department for Business, Energy, and Industrial Strategy (BEIS) across a range of Covid related grants. These demands are variable and hard to predict in terms of resource allocation but must be treated as a priority. BEIS related work is likely to continue through to September 2022.
- 1.3 Audits from the 2022/23 plan have commenced and we are now undertaking more system-based compliance reviews, as opposed to providing position statements and briefing notes. This will start to generate more formal recommendations.
- 1.4 Work continues to be prioritised in areas of highest risk and where changes have been made to policies, strategies, and systems. These factors alongside pressure across the organisation to recover from covid, manage resource reductions and capacity to deliver on key priorities; and in the delivery of substantial organisational change are all reflected in the opinions and findings of audit work.
- 1.5 Appended to this report are:
- Appendix One: Delivery status of the annual audit plan 2022/23
  - Appendix Two: Executive summaries April 2022 to June 2022
  - Appendix Three: Basis of Audit Assessments (Opinion/Priority/Impact).

## 2 Audit Programme Delivery

- 2.1 The following is a summary of progress against the 2022/23 plan, including the work carried forward from 2021/22.

<b>Audit Status</b>	<b>Audit Plan Status</b>	<b>Delivery %</b>
Final Report / Assignment Complete	13	16%
Draft Report	5	6%
Fieldwork Completed	2	2%
Fieldwork Started	6	7%
Terms of Reference Issued	3	4%

<b>Audit Status</b>	<b>Audit Plan Status</b>	<b>Delivery %</b>
Planning	9	11%
Not Started	44	54%
<b>TOTAL</b>	<b>82</b>	<b>100%</b>

- 2.2 The team is making good progress across each Directorate on the work carried forward from 2021 and against assignments planned for delivery in the current year. We continue active engagement with client Directors and their senior management teams to ensure our work remains risk focused, relevant, and that audit reviews are adequately supported so they can be conducted efficiently. There is increased demand for reactive counter fraud work. Working closely with auditors, these are being assessed by our fraud team and will be triaged through our normal processes, to understand the risk exposure. Detail of the reactive and proactive caseload and outputs will be provided to this Committee in September.
- 2.3 We have also seen increased demand for audit support from non-Local Authority maintained schools, under bought in arrangements; the schools are charged on a fixed day rate for this work. This is to address specific issues where potential fraud or malpractice is suspected, and the school is unable to provision the same standard of audit services at a reasonable open market price. The additional income generated will be reinvested in service improvement and a business case has been drafted to increase capacity in the team specifically for undertaking school assurance work.
- 2.4 Salford City Council ICT audit team are progressing work across our ICT assurance portfolio, and we are currently agreeing responses to recommendations with the client on two reviews that are drafted. We continue to liaise with the Director of ICT and his management team to prioritise our IT audit work for the coming months.

### **3 Resourcing and Plan**

- 3.1 The service review for internal audit is now part of a wider review being undertaken across the audit and risk management division and this has extended the time being taken to complete. The review involves proposed changes across internal audit, health and safety, insurance and claims investigation, risk management and business continuity and all these elements have been scoped.
- 3.2 As previously reported to this Committee, all the required work to support the new structure is complete. Human resources (HR&OD) have been provided with the information they require to complete the job evaluation reviews for 15 audit posts, and we are awaiting their confirmation before we can confirm the timings for consultation with staff. We are on track to complete the consultation in August and finalise structure in September. Separately the

Deputy Chief Executive and City Treasurer has approved additional resource for HR&OD to resolve the current capacity pressures.

- 3.3 For internal audit, the current resource is 12 staff in post. To support capacity, the placement of an officer within the team has been extended through to the end of October and it is hoped they will be successful in securing a permanent role. Our other secondee returns from maternity leave in August 2022 and is keen to continue working within the unit. An option is also being progressed to secure funding for a fixed term post to assist with the high volume of investigations and other work linked to Covid grants. It is the assessment of the Head of Audit and Risk Management that this will provide sufficient resource for the delivery of an effective risk-based audit plan for 2022/23.

## **4 Children's Services and Education**

### **School Financial Value Standard**

- 4.1 We completed the submission of the 2021/2022 Schools Financial Value Standard (SFVS) Chief Financial Officer (CFO) Assurance Statement during the quarter. We confirmed that we had received SFVS submission from all 103 maintained Manchester Schools, although seven of those were considered incomplete. Those that were incomplete were either not signed by the Chair of Governors or did not have answers for every question. Completion of the SFVS is mandatory and we are actively pursuing these schools for the additional information that is needed.
- 4.2 Where Governing Bodies identified weaknesses, we were satisfied that they had also identified appropriate remedial actions. As part of our school's Financial Health Check reviews, we will review the schools' SFVS returns and follow up areas of partial or non-compliance on a risk priority basis.
- 4.3 In the SFVS return this year, schools had to declare all related party transactions and we were required to review those over £20,000. There were eight such transactions where we sought further evidence to demonstrate appropriate financial controls were in place. For seven of these we were satisfied with the controls described, the evidence provided, and mitigating circumstances regards probity.
- 4.4 One transaction did not pass this probity test; from the Church of England School of the Resurrection Primary School. We met with the Head Teacher and Chair of Resources and raised our concerns over these arrangements. We agreed several remedial actions and have confirmed these in writing with the school.

### **Other work**

- 4.5 We are in the process of drafting a report following completion of fieldwork for our audit of Children's Supervisions and this report should be finalised in early July.

- 4.6 Audit are planning a review of Foster Care Payments and drafting the terms of reference for this in liaison with our clients. We will undertake fieldwork throughout July and plan to issue a draft report in early August.
- 4.7 We have developed the terms of reference for an Elective Home Education audit which we plan to start the fieldwork for in September when the schools return from their summer break.
- 4.8 We will meet with Children Services Senior Management Team in the next quarter to discuss planned audit work for the remainder of the year. At the time of developing the audit plan for 2022/2023, Children's Services were in the middle of an Ofsted inspection, we therefore included a piece of work on the plan entitled Post Ofsted Assurance, with a view to agreeing the scope of the work once the outcome of the inspection was known.
- 4.9 The Ofsted opinion has now been issued with a good rating overall, with inspectors finding the services for children in the city had significantly improved since the last inspection. The inspectors praised the overall effectiveness of services and the impact of leaders on social work practice and judged the experiences and progress of children in care and care leavers to be good. We therefore plan to agree the scope of a post inspection, based on Ofsted findings.

### **Schools**

- 4.10 We issued a final report for our financial health check audit of Devine Mercy Primary School during the quarter. We were only able to provide a limited assurance opinion overall over the adequacy, application and effectiveness of financial control systems being operated. This was largely due to the need for improvements in controls over the purchasing arrangements, including the use of quotations and tenders for higher value purchases and regarding the need to improve controls when using their debit card.
- 4.11 We have finished the fieldwork and are in the process of drafting the audit report for our thematic audit of Safer Recruitment in schools. The draft report for this audit will be issued later this month.
- 4.12 We have also completed a follow up exercise of all schools with limited assurance opinions issued since 2018 during the quarter. This involved the follow up of recommendations made at 10 schools. We plan to issue formal follow up reports to each school over the next few weeks. A separate paper for Committee consideration has been provided for the July meeting, that summarises the position.
- 4.13 Demand for 'paid for' audits from non-maintained Local Authority schools has increased dramatically, for various underlying reasons. Most have identified specific issues or concerns and sought advice and guidance from the audit team. We have completed or are in the process of completing five audits across three such schools (under a flat rate fee agreement). The results of this work will be reported directly to senior management and the school

Governing Bodies, and where necessary we recommend that the school feedback outcomes to their Senior School Quality Assurance Officers.

## **5 Adult Services**

### **Direct Payments**

- 5.1 We have issued two final reports since April 2022 for Adults Services. We had planned in the 2021/22 audit plan to complete a review of Adults Direct Payments in quarter four, however, in May 2021 a review was commissioned from the Greater Manchester Health and Social Care Partnership (GMHSCP), of the Council's approach to Direct Payments and Individual Service Fund (ISF) arrangements. This work was undertaken in June / July 2021. We therefore we agreed with management a full audit as planned would be a duplication of this work and agreed to incorporate this into our work and reporting of assurances.
- 5.2 The work concluded that Manchester was underutilising direct payments as an offer to provide choice and personalisation of support to citizens and identified several areas for development which resulted in 19 recommendations for improvement. It was agreed that the improvement project for direct payments would be integrated into the Better Outcomes Better Lives (BOBL) programme.
- 5.3 We are reasonably assured that the service improvement plan for direct payments developed from this externally commissioned work is comprehensive and clear. We have included further work in this area in the 2022/23 Audit Plan, once the recommendations made have been addressed; to provide independent assurance over the direct payments scheme, following the changes.

### **Multi Agency Safeguarding Hub (MASH)**

- 5.4 We issued a final assurance report in relation to the Adults Multi Agency Safeguarding Hub (MASH). We had planned to complete a full audit of the Adults MASH in quarter four of the 2021/22 audit year, however at the planning meeting for this work management outlined two similar pieces of work underway; an external review of Manchester's Multi Agency Safeguarding Partnership in December 2021 (including both Adult's and Children's Services) and a baseline review of Manchester safeguarding arrangements completed by consultants Impower as part of the process to include a safeguarding transformation programme for Adults in the Better Outcomes Better Lives framework.
- 5.5 We agreed that completing the original audit as planned would be a duplication of effort, as we are able to take assurance from the work already completed around multi agency safeguarding arrangements. Clear action has been taken to review safeguarding and identify areas for development with plans being in place to deliver improvements through the Better Outcomes,

Better Lives improvement framework. We will consider future audit work once revised arrangements have been developed and implemented.

### **Oversight and Supervisions**

- 5.6 We have also issued a draft report during the quarter covering our audit of Adults Management Oversights and Supervisions. At this stage we can provide a reasonable audit opinion over arrangements in place to ensure sufficient and appropriate supervision and management oversight arrangements in Adults Services.
- 5.7 We concluded that there has been significant progress made in developing and embedding supervision arrangements in Adults since the last time we reviewed arrangements in 2018. We did however identify several areas where we consider arrangements could be further strengthened specifically in relation to ensuring the timeliness of supervisions and ensuring current work to develop an accurate and up to date staff list for the central tracker record is completed to enable central monitoring and challenge of the timeliness of supervisions.
- 5.8 In addition, we recommended the need to address the current inconsistencies with how casework discussions are documented and evidenced in supervisions across the business.

### **Interim Quality Assurance Framework**

- 5.9 A short piece of work was planned to commence at the end of the 2021/22 audit year, to review the Interim Quality Assurance (QA) arrangements in Adults Services, which had been introduced in the absence of a full Adults QA framework. Whilst planning this work management confirmed that work had progressed considerably on the new full QA framework to the point where it had been approved by the Director and was due to go live in July 2022. A QA Board is also being developed to oversee the new framework.
- 5.10 As a result of the progress in developing the new QA framework, and work to make this operational, we decided it was more practical to delay the audit and allow time for these arrangements to fully embed. We will provide assurance over the new QA arrangements in quarter two.

### **Adults Payments**

- 5.11 We will be progressing further Adults Services work during quarter two with the first area where we will start fieldwork being a review of Adults Payments. We are in the process of agreeing terms of reference for this piece of work and will start the fieldwork later this month.

### **Adaptations Delivery Model**

- 5.12 We have a planning meeting booked in with the business in early July with a view to developing the terms of reference for our review of the Adaptations Delivery Model and plan to start fieldwork in August 2022.

## **6 Corporate Core and Information Governance**

### **Corporate Core**

- 6.1 The last of the COVID-19 business grants schemes made their final payments to businesses at the end of March 2022. Our work supporting the design of these schemes, and carrying out pre-payment checks on proposed grant awards, is therefore complete. However, we are required to provide ongoing submissions and assurance to the Department for Business, Energy, and Industrial Strategy (BEIS) in line with their Post Payment Assurance Scheme. We have completed four required returns as part of this scheme to date. BEIS have confirmed that more work in this area will be required - details of this will be released in the autumn.
- 6.2 A short piece of advice work in relation to the 2020/21 accounts has been completed. Several suggestions for improvement in working practices were identified through the External Auditor's review of the accounts, we sought to confirm the improvements made and sought assurance on further planned actions in respect of capital asset valuation.
- 6.3 We completed compliance work on the grant terms and conditions for Phase 1 of the Public Sector Decarbonisation Scheme. The Council received £19.47million from this scheme to deliver decarbonisation of energy in relation to 15 public buildings across the city. Certification was required to be completed before the conclusion of work on site, consequently we have agreed with managers to carry out a further short review of spend in this area once work is complete.
- 6.4 The final required grant certification in respect of spend on the European Regional Development Fund (ERDF) - Area Based Collaborative Entrepreneurship in Cities (ABCitiEs) was finalised. This project is now complete, with total project spend of €65,745.
- 6.5 Audit have provided ongoing advice and support in respect of the local design and implementation of the Council Tax Energy Rebate schemes. The core scheme has successfully distributed 87.5% of allocated funding, and the discretionary scheme 43.0% of funding (as at end June 2022). The government-specified end dates for the schemes are 30 September and 30 November respectively.
- 6.6 We have commissioned a further profit recovery exercise, to identify missed profit (from duplicate payments, supplier credit notes, and classification of VAT) to ensure this is returned to the Council. The start date for the work will be agreed in July.

- 6.7 We have begun field work on a grant certification for the Contain Outbreak Management Fund. This fund provided £25.8 million of funding to the Council between 2020 and 2022. As part of this work, we will review the plans to allocate and spend the remaining funding in 2022/23.

### **ICT and Information Governance**

- 6.8 We have finalised an audit reviewing the Council's arrangements for the provision of privacy information to data subjects. We were able to give reasonable assurance in this area. We have made recommendations in relation to the tailoring of Privacy Notices for specific user groups, and the efficient provision of information at the point of data collection.
- 6.9 A draft report in relation to ICT Hardware Asset Management has been issued. This report is with client managers to provide responses to the recommendations made. We are also sighted on progress in this area more widely through regular attendance at the End User Device project board.
- 6.10 The Vulnerability Management audit is also in draft and being discussed with the client to finalise. This will be listed as a Part B paper in our next quarterly update to Committee.
- 6.11 The Council maintains a Public Services Network (PSN) connection, which enables it to share relevant information with other public sector organisations in a secure manner, as is crucial for the delivery of numerous essential Council services including Revenues and Benefits; Electoral Services, and Health and Social Care. To continue to be granted access to the PSN, the Council is required to meet specified ICT security standards. Each year, a Code of Connection (CoCo) assessment is completed and returned to the Cabinet Office, highlighting any areas of non-compliance with the PSN and the remediation plans in place to achieve full compliance. This year the Code of Connection expired on 29th May 2022, and we were keen to support the Cyber Security team to ensure there was no break in certification.
- 6.12 Each year an Information Technology Security Health Check (ITHC) is conducted by an external specialist consultant, in the form of a Penetration Test. Due to the pandemic and restrictions regarding access to our premises and IT assets, concluding the ITHC has been problematic and was delayed by approximately 3 months. This has the compound effect of reducing the time available to address any vulnerabilities prior to the PSN submission. Our penetration testing concluded January 2022 and was originally scheduled to have been completed October 2021.
- 6.13 Despite a challenging timetable, Audit were able to provide reasonable assurance around the assessment process, to enable the Council's Senior Information Risk Owner and Chief Executive to sign the certification application with confidence, so our CoCo will run concurrently until it expires on 29<sup>th</sup> May 2023.

6.14 A key transformation project towards building a better digital future for Manchester is the Resident and Business Digital Experience Programme (RBDXP). The council will implement an improved customer service offer to ensure that residents have a high quality, accessible and seamless experience when accessing council services. So that: -

- Digital is the preferred way for residents to access services leading to efficiency savings.
- Manchester City Council becomes a digital leader of public services, reducing internal demand costs and increasing customer satisfaction, providing the best customer experience.
- Residents are supported and enabled to become and remain regular and confident online users.
- Improved collaboration with partners leading to better resident data and better outcomes Service area staff able to spend more time delivering key service.

6.15 Internal Audit are represented on the programme board and receive regular progress updates. We will track the creation of six mobilisation workstreams and monitor their effectiveness, providing assurance as required.

## **7 Neighbourhoods; Growth and Strategic Development Asset Management Plan Management**

7.1 We provided a reasonable assurance opinion over the arrangements in place to ensure the effective selection and management of projects on the Asset Management Plan (AMP). Whilst the strategic priorities of the AMP were clear, the rationale over how the inclusion of individual schemes were decided could be better evidenced. We also made recommendations to strengthen the governance arrangements surrounding use of the contingency and clarification of the role and remit of the various groups to ensure sufficient scrutiny, challenge, and oversight of the AMP.

7.2 Although some reporting was evident this could be strengthened to increase visibility of the planned AMP schemes and to formalise the review of risk mitigations to ensure they remain sufficient to address identified risks.

### **Local Investment Fund**

7.3 We carried out a short piece of advice in respect of the newly established Local Investment Fund, providing substantial assurance over the design and proposed administration arrangements for the fund. The suggestions we made were incorporated into the scheme's design before it was finalised.

### **Protect and Vaccinate**

7.4 We carried out a certification over £729k spend from the Protect & Vaccinate Grant, which was provided to the Council to provide targeted support to rough sleepers during the outbreak of the Omicron COVID variant.

## **AVRO Hollows**

- 7.5 We published a report giving Limited assurance over the management and discharge of operational functions by Avro Hollows TMO. We were concerned that records of repair requests were not all consistently logged upon receipt, and that the Modular Management Agreement detailing service expectations had not been formally agreed. We will carry out a dedicated follow up review later in 2022/23 to determine whether all agreed recommendations have been completed.

## **Building Control**

- 7.6 As part of the 2022/23 audit plan, we have liaised with the Director of Planning, Building Control and Licensing, and scoped an audit to review building control. This will be focused on the processes for dealing with unauthorised building work, service effectiveness and interaction with the Planning Enforcement team. Fieldwork should commence in July and reports issued in August 2022.

## **Youth and Play Provision Transition**

- 7.7 To provide assurance over the transition of the commissioning of Youth and Play Provision from Young Manchester back to the Council, we have agreed the terms of reference for a service review commencing in July. Assurances are sought to ensure there is an agreed strategy that is aligned with the Council's key priorities and objectives, appropriate governance arrangements have been established, that align with wider Council governance arrangements, and there is effective decision making, resourcing, and performance reporting.

## **8 Procurement, Contracts and Commissioning (PCC) Social Value**

- 8.1 Work is currently underway to provide assurance over current social value monitoring activity across Council contracts. A sample of contracts were selected covering all directorates and the evidence to support monitoring activity is currently being reviewed. The review will also cover current governance arrangements over the Social Value Fund and systems for measuring and reporting on the overall impact of social value benefits. We will finalise the review and report our findings in quarter two.

## **Our Town Hall - Management of Work Package Delivery**

- 8.2 Following on from our previous review of work package management during 2021 we agreed to complete a second review of this type. The focus this time is a single work package with multiple contractors to provide assurance over arrangements to ensure the effective management of the work package. Specifically, work is defined and allocated, processes are in place to assess work against time and quality standards, payments are in line with prices agreed and key project documents inform decision making.

- 8.3 Fieldwork has commenced, and we are in the process of reviewing key documentation to support the arrangements in place. We will report on the outcome of our review in quarter two.

#### **Adult Social Care: Contract Governance**

- 8.4 We recently agreed the scope and timing of our review of the contract governance framework within Adult Social Care which will be undertaken during quarter two. The importance of effective contract management arrangements and the management of relationships with providers is key to ensuring there remains adequate capacity to meet demand given current challenges including capacity, labour market shortages, recruitment, and retention.
- 8.5 As such, the audit seeks to provide assurance over the design and operation of the contract governance structure, performance framework and contract compliance and control arrangements.

#### **The Factory Project Assurance**

- 8.6 We agreed the scope and timing of this review last year but have been unable to progress the work as originally planned; to assess the arrangements in place for ensuring effective management of work packages for the project.
- 8.7 This work will focus on controls to ensure work is clearly defined and allocated to support the management of delivery; systems and processes are in place to assess work against time and quality standards; payments are made in line with prices agreed; and there are suitable controls over any variations and work package progress and delivery is reported to key stakeholders and used to inform decision making. The review will remain on our work programme as it is still considered to be a viable risk area over which assurance is sought. We will re-engage with the client in the next quarter.

#### **New Contract Management System**

- 8.8 The Council does not have a centralised Contract Management System that monitors all contracted activity/spend. Contracts are recorded locally in directorate contract registers on spreadsheets with no central repository to collate the individual directorate data. Audit and Risk Management provided support to the procurement team through the facilitation of a risk workshop and creation of a risk register, that now forms part of the project documentation.
- 8.9 When operational, the new CMS will: -
- Ensure all commercial activity is carried out in a transparent, auditable manner, compliant with internal regulations.

- Improve the efficiency and effectiveness of our contracting, whilst also mitigating the issues and risks associated with outsourcing.
- Enable services to identify and proactively plan for the pipeline of upcoming procurements to enable all contracts to be competitively tendered.
- Enable services to accurately record, manage and monitor all performance indicators including social value and environmental targets.

## **9 Counter-Fraud and Investigations**

### **Proactive**

- 9.1 Internal Audit have continued to liaise with officers from across the Council to co-ordinate the completion of the NFI exercise 2020/2022. This programme will close in Quarter 3 with uploads required in relation to the new exercise. Comments were feedback to the Cabinet Office in May as part of the NFI consultation on the future shape and scope of the work.
- 9.2 Work has been undertaken during the quarter to develop a fraud risk assessment tool for schools, this is being progressed with a view to it being rolled out to schools in July. Feedback from the exercise will be used to help direct future counter fraud training with school business managers.

### **Reactive: Corporate Cases**

- 9.3 Internal Audit have received 13 referrals of potential fraud or irregularity during the period April to June 2022. Of these 5 were considered whistleblowing allegations made either anonymously or from a named source and have been handled under the Council's Whistleblowing Policy and Procedure.
- 9.4 The nature of this work has remained consistent including concerns raised in several key areas including staff conduct, financial irregularities, related party transactions, false insurance claims and employee compliance with procedures.

### **Reactive: Other Investigations: Business Grants, Council Tax Reduction Scheme and Housing Tenancy**

- 9.5 Whilst the number of new referrals received in relation to the Covid 19 Business Support Grants has reduced significantly (5 were received in the period April to June), there remains a high number of investigations still ongoing which are being progressed positively in line with BEIS requirements.
- 9.6 In addition to this, 21 new referrals of fraud or irregularity in relation to the Council Tax Reduction Scheme, Housing Tenancy and Right to Buy discount were received in the period.
- 9.7 Two cautions were issued in relation to false claims for Covid 19 Business Support Grants and a further one was issued in relation to a false claim for a

Right to Buy discount. Invoices have been issued in relation to all three cases, totalling £63k.

- 9.8 The initial hearing took place in Magistrates Court in April in relation to one individual who had falsely claimed a Covid 19 Business Support Grants totalling £10k. A further hearing for this case is due to take place in July.
- 9.9 Keys have been returned to Northwards in relation to one property where the tenant had parted with possession and was illegally subletting the property.
- 9.10 Further details in relation to the counter fraud work undertaken in 2022 will be provided as part of the Annual Fraud Report scheduled for September 2022.

## **10 Appendices**