

Report sponsor: Strategic Director – Corporate Resources
Report author: Head of Internal Audit

Internal Audit Progress Report

Purpose

- 1.1 The progress report attached at Appendix 1 provides the Committee with an overview of the output from Internal Audit assurance work for the period from 1st September 2022 to 31st October 2022.

Recommendations

- 2.1 To note the progress being made by Internal Audit on its work in 2022/23 in the report at Appendix 1.
- 2.2 To review the control issues being raised by Internal Audit and management's response to the risks.
- 2.3 To review the “risk accepted” response to a recommendation in the Pre-employment Checks audit review and decide whether as a Committee it is comfortable with the decision taken by management.
- 2.4 To review the progress being made by management in respect of the implementation of internal audit recommendations.

Reasons

- 3.1 The Audit and Governance Committee is responsible for providing assurance to the Council on the effectiveness of its governance arrangements, its risk management framework and the internal control environment. The work of Internal Audit supports the Committee in providing this assurance.

Supporting information

- 4.1 An internal audit plan needs to take account of changes in the Council's risks. The move to a rolling quarterly based internal audit plan has helped to achieve a more responsive approach to changes in risk.
- 4.2 A report on the progress against the 2022/23 internal audit plan is attached at Appendix 1.

- 4.3 The progress report (page 7) contains details of the recently completed audit review of the Council's system of pre-employment checks. Members will note that management has opted to "risk accept" a recommendation on the checking of declared qualifications by the candidates. Given issues a number of years ago around an incident of an employee declaring "fake qualifications", the Head of Internal Audit sought a fuller explanation of the reasoning behind the decision. The report has been finalised on the grounds that all qualifications that are an essential requirement of the job are checked and that relevant staff have been trained in recognising fraudulent and/or counterfeit documents which should mean that any such documents are identified and properly followed up. The Committee is asked to consider the response from management (see Recommendation 2.3) and decide whether it is comfortable with the decision taken. The full explanation is shown below under "Agreed Actions".

Recommendation 7	Summary Response
<p>Risk Rating: Moderate Risk</p> <p>Summary of Weakness: Candidate's qualification certificates were not checked to ensure they were legitimate.</p> <p>Suggested Actions: We recommend that candidates qualification certificates are checked to ensure they are legitimate. Where fraudulent or invalid qualification certificates are identified, the applicant should not proceed to appointment. These checks should be evidenced and documented on the individual's recruitment file.</p>	<p>Responsible Officer:</p> <p>Issue Accepted</p> <p>Agreed Actions:</p> <p>Whilst accepted as good practice there is not enough resource in the team to introduce this. The team have received training in identifying fraudulent/counterfeit documents and refresher training is being sourced. The team does check all original qualification certificates that are listed as essential in the Person Specification. They do not routinely check with training establishments as to their authenticity as this could delay the recruitment process significantly. However, they are all trained in spotting and being aware of counterfeit and fraudulent documents. If they suspect that a document is counterfeit or has not been issued by a bona fide organisation or training provider they would of course follow this up with a secondary check as to its authenticity.</p> <p>Implementation Date: Risk accepted</p>

- 4.4 At its meeting on 5th October 2022, the Committee made the decision to call in officers in respect of the following audit areas to seek assurance on the progress with the implementation of recommendations:

- CCTV – Members were concerned at the length of time it was taking to implement recommendations.
- Neighbourhood Boards – Members wanted an update from officers on progress with implementation of the recommendations but were also wanting officers to provide an update to Committee on Neighbourhood Board meetings.
- Fixed Assets – Members expressed concern at the lack of updates being provided on progress with implementing the recommendations. Members had previously called in this audit due to lack of responses to the draft audit report.

- 4.5 The progress report also contains an update for Committee on CMAP's progress with the actions identified in its Quality Assurance and Improvement Plan (QAIP). This can be found on pages 19 to 21 of Appendix 1.

Public/stakeholder engagement

- 5.1 None

Other options

- 6.1 None

Financial and value for money issues

- 7.1 None

Legal implications

- 8.1 None

Climate implications

- 9.1 None

Socio-Economic implications

- 10.1 None arising directly from this report.

Other significant implications

- 11.1 None

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance		
Service Director(s)		
Report sponsor	Simon Riley, Strategic Director – Corporate Resources	
Other(s)		

Background papers:	None
---------------------------	------

