

Audit Progress

At the Audit & Governance Committee meeting of 14 February 2019, the Committee agreed an outline plan for the section for 2019/20.

Since the plan was provided to the Committee, work has been undertaken in the following areas:-

| <u>Code</u> | <u>Title</u> | <u>Work performed</u> |
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| RE03 | Main Accounting | <ul style="list-style-type: none"> • Self-assessment of Council arrangements / financial resilience against CIPFA's draft (consultation version) Financial Management Code commenced • (E&Y) Key controls testing completed |
| RE04 | Purchase Ledger | <ul style="list-style-type: none"> • Monitoring progress of roll-out of new procedure for corporate credit cards (following 2018/19 audit) • Liaison with Finance regarding possible introduction of virtual or embedded credit cards as payment methods • Ongoing monitoring of order amendment process (Jasper update required – to be progressed by Finance / vendor) • (E&Y) Key controls testing completed |
| RE05 | Value Added Tax | <ul style="list-style-type: none"> • Liaison with Insurance & Risk Officer regarding preparation for introduction of Government's Making Tax Digital (MTD) process – due 1/10/19 |
| RE08 | Payroll | <ul style="list-style-type: none"> • Monthly joiners and leavers checks • Enhanced key control checks review being progressed • (E&Y) Key controls testing completed |
| RE10 | Estates & Valuations | <ul style="list-style-type: none"> • Liaison with Property & Estates staff regarding set up and use of general fund property information in segregated area of QL system |
| RE11 | Corporate Property Management | <ul style="list-style-type: none"> • Liaison with Property & Estates staff regarding progress of Property Investment Strategy / Fund. Verbal update provided to A&GC (2/19) |
| CS03 | Housing Finance | <ul style="list-style-type: none"> • (E&Y) Key controls testing completed |
| CS16 | Housing Benefit (& Council Tax Reduction) | <ul style="list-style-type: none"> • Liaison with Finance, Procurement, Benefits and external audit in respect of arrangements for future Housing Benefit Subsidy Claim certification • Monthly new claim calculation checks • (E&Y) Key controls testing completed |
| CS17 | Council Tax | <ul style="list-style-type: none"> • Annual test checks on CT precept calculations for Finance • (E&Y) Key controls testing completed |

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| CS18 | NDR | <ul style="list-style-type: none"> • (E&Y) Key controls testing completed • Ongoing consideration of possible NDR fraud areas |
| CS19 | Income: Sundry Debtors | <ul style="list-style-type: none"> • (E&Y) Key controls testing completed |
| CE06 | Members' IT & Allowances | <ul style="list-style-type: none"> • Liaison with ICT and Committees staff regarding implementation of ModernGov system for Members and Committees in May 2019 |
| CS12 | Information Technology | <ul style="list-style-type: none"> • Liaison with ICT staff in respect of Council cybersecurity risk assessment and security measures. (Council has had assistance of an LGA consultant) • Input into progress of required Information Asset Register |
| CS13 | Information Technology – Physical Security & Disaster Recovery | <ul style="list-style-type: none"> • Liaison with ICT staff in respect of Council's ICT disaster recovery arrangements Advice received that Capita (WSCC) Power Place, Chichester data centre will close and move to Horsham (but not expected until 2022). PowerPlace houses Council servers for internet, email, etc. and also the back-up SAN • Liaison with Neighbourhood Services staff regarding the progress of Council Business Continuity Planning (BCP) arrangements and documentation |
| CS15 | PCI-DSS Compliance | <ul style="list-style-type: none"> • Update on Council's electronic payment processing arrangements via Capita and AllPay • Further review of use of CallPay for card payments and Capita's Electronic Licence Management System (ELMS) portal by the Council • Consideration of PCI-DSS areas of non-compliance and past / current consultant and vendor advice on way forward • Senior management have been advised that there will need to be a major Council-wide project to consider future payment processing (e.g. use of one supplier rather than two), potential technology and/or customer service changes and compliance issues. Also requires agreement of Council's future Customer Access Strategy |
| CP02 | Information & Data Governance | <ul style="list-style-type: none"> • Liaison with Group Head of Council Advice & Monitoring Officer regarding future work on data protection • Review of pre-GDPR data audit information to update Information Asset Register |
| PR01 | Arun Improvement Programme | <ul style="list-style-type: none"> • Liaison with ICT & Service Improvement Manager in respect of AIP agenda items, review of system proposals, etc. |
| PR04 | EDRMS / Workflow | <ul style="list-style-type: none"> • Liaison with ICT (e-Support) staff in respect of project to implement retention and deletion schedules (as agreed for GDPR compliance) into the Council's EDRMS |
| PR09 | Digital Arun Project | <ul style="list-style-type: none"> • Ongoing liaison as to what the Council's digital strategy is to be and who is responsible – further discussions to be progressed by CMT |

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| | | <ul style="list-style-type: none"> Brief review of publicised initiatives from other Councils |
| PR10 | Northgate Upgrade | <ul style="list-style-type: none"> Liaison with R&B and ICT staff regarding commencement of project to upgrade the Northgate Revenues and Benefits system in 2019. This will include use of Cloud storage / workflow and introduction of Citizen Access functionality |
| PR11 | Office/365 Migration | <ul style="list-style-type: none"> Liaison with ICT staff regarding Office/365 migration project Phase 1 (June 2019) is to convert desktop for staff from old, unsupported Office version Later Phases will include moving data to Cloud storage and will require security considerations as to access, labelling, GDPR requirements, etc. |
| CP03 MS01 | Corporate Governance Annual Governance Statement | <ul style="list-style-type: none"> Annual review of compliance against the Council's local Code of Corporate Governance Discussion with Director of Place regarding future terms of reference for the Council's Governance & Risk Group Identification of updates required to the Council's Code of Corporate Governance Preparation of the updated Annual Governance Statement and review by CMT Draft AGS published on website with draft Accounts (by 31 May) and provided to external audit Reviewed by G&R Group and CMT 5/19 Reported to A&GC 30/7/19 |
| MS03 | RIPA | <ul style="list-style-type: none"> Advice provided to service areas in respect of queries concerning possible use of surveillance, whether this would fall within the scope of the RIPA legislation and other options available Review of (Home Office) Code changes Review of changes from the Investigatory Powers Act 2016 Updates to Council's RIPA Policy being drafted for legislative changes |
| MS04 | NFI | <ul style="list-style-type: none"> The NFI Council Tax Single Person Discount reports were received in December 2018. These have been reviewed by Internal Audit and account queries referred to Revenues. (Old, redundant Electoral Roll entries have been referred to Elections) Reports from the main 2-yearly NFI exercise have been received and reviewed (except for those being reviewed by Benefits) |
| CE05 | Elections & Electoral Registration | <ul style="list-style-type: none"> High-level observation / review of postal vote processing for May 2019 Elections performed |
| CP04 | Risk Management | <ul style="list-style-type: none"> Monitoring of Strategic Risk Register (last updates provided to G&R Group and A&GC in 2018/19) Input to WSCC and Sussex Resilience Forum (SRF) risk registers for Brexit Updated SRR presented to A&GC 15/11/18 / 14/2/19 |
| IN02 | Fraud & Corruption | <ul style="list-style-type: none"> Compilation of data for publication to meet |

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| CP05 | Fraud & Corruption | <p>Government Data Transparency Code requirements</p> <ul style="list-style-type: none"> • Compilation and submission of data for CIPFA annual fraud survey • Review and update of the Council's Anti-Fraud, Corruption & Bribery Policy (due at A&GC 11/19) • Preparation of Annual Counter-Fraud Report Reported to A&GC 30/7/19 |
| AD08 | Audit Standards & Quality (PSIAS/QAIP) | <ul style="list-style-type: none"> • Update of appropriate Arun internal audit documents • Preparation of self-assessment to be used in Arun's future EQA (due in 2019) |
| ES01 | Environmental Health | <ul style="list-style-type: none"> • Liaison with ICT project manager in respect of the Tascomi system implementation – issues still to be addressed with the vendor • Liaison regarding the future linking of the Tascomi system to Capita payment processing |
| ES06 | Leisure Strategy / Management | <ul style="list-style-type: none"> • A governance review of the leisure centre project is being completed |
| CP06 | Ethics | <ul style="list-style-type: none"> • A review of ethical governance issues (as recommended by CIPFA) is being progressed |
| CP07 | Corporate Conduct | <ul style="list-style-type: none"> • Liaison with HR Manager in respect of progress of revised Officer Code of Conduct and review of draft |
| CP08 | Travel & Subsistence | <ul style="list-style-type: none"> • Analytical review of car use / mileage commenced at the request of the CEO |
| CP13 | Grants & External Funding | <ul style="list-style-type: none"> • Ongoing liaison with Finance and Technical Services staff in respect of Disabled Facilities Grant (DFG) certification and proposals for pooling across the County |
| CS02 | Housing Repairs | <ul style="list-style-type: none"> • Liaison with senior management on progress of investigation and agreed action plan to address the issues raised by the Regulator of Social Housing • Liaison regarding the progress of the current management restructure of the Housing department |
| MS05 | Contract Checking | <ul style="list-style-type: none"> • Sample checks on contract compliance with Council Standing Orders and contract management in respect of financials |
| LI02 | Member Liaison / Committees | <ul style="list-style-type: none"> • Review and update of past induction training for members of the Audit & Governance Committee for the new Council post-May 2019 Elections (to be provided to Committee on 2/7/19) |
| TP02 | Officer Group Representation | <ul style="list-style-type: none"> • Chaining meetings of the Information Security Group and liaison with members on progress |