Audit Progress

At the Audit & Governance Committee meeting of 13 February 2020, the Committee agreed an outline plan for the section for 2020/21.

Since the plan was provided to the Committee, the global Covid-19 crisis has caused a significant impact on the Council and its operations – some planned audit activities have been postponed and resource has been used on areas of work relating to the crisis. Work has been undertaken in the following areas:-

Code	Title	Work performed
RE03	Main Accounting	• Self-assessment of Council arrangements / financial resilience against CIPFA's Financial Management Code (FMC) performed Additional review of the guidance notes to CIPFA's FMC (issued in May 2020) • (E&Y) Key controls testing in progress • Assistance provided to Finance on monitoring income and expenditure and checking Covid-19 returns for central government (lost revenue, additional expenditure, etc.)
RE04	Purchase Ledger	• (E&Y) Key controls testing in progress • Review of Covid-19 related expenditure for Government returns
RE08	Payroll	• Monthly joiner and lever checking • Checking of redundancy calculations
CS18	NDR	• Ongoing consideration of possible NDR fraud areas (including small business relief and exemptions) • Liaison with Revenues and review of Government, NFI, NAFN, etc. communications on Covid-19 Business Support Grants • Liaison with Revenues and conducting fraud checks on claims / payments made. Checks made and information updated in Government Spotlight tool
CS19	Income: Sundry Debtors	• (E&Y) Key controls testing in progress
CE06	Members' IT & Allowances	• Liaison with ICT and Committees staff regarding progress of implementation of ModernGov system for Members and Committees
CS12	Information Technology	• Liaison with ICT staff in respect of Council cybersecurity risk assessment and security measures • Input into progress of required Information Asset Register

CS13	Information Technology – Physical Security & Disaster Recovery	• Liaison with Neighbourhood Services staff regarding the progress of Council Business Continuity Planning (BCP) arrangements and documentation • Ongoing liaison in respect of arrangements for working during the Covid-19 crisis (including use of new methods e.g. Zoom, Microsoft Teams for remote meetings)
CS15 RE07	PCI-DSS Compliance Income Collection / Systems	• Liaison with ICT project staff on Council's electronic payment processing arrangements via Capita / AllPay and PCI-DSS areas of non-compliance • Review and discussion on report and recommendations from the ICT review
CP02	Information & Data Governance	• Ongoing liaison with Group Head of Council Advice & Monitoring Officer and Information Security Group regarding future work on data protection
PR01	Arun Improvement Programme	• Liaison with ICT & Service Improvement Manager in respect of AIP agenda items, review of system proposals, etc.
PR07	FMS Support / Replacement	• Liaison with Finance and ICT on future FMS upgrade and hosting
PR09	Digital Arun Project	• Ongoing liaison via steering committee on progress of the Council's digital strategy
PR10	Northgate Upgrade	• Liaison with R&B and ICT staff regarding progress of project to upgrade the Northgate Revenues and Benefits system in 2019-20 • Additional changes have been received from the vendor and applied in respect of Covid-19 crisis processing (e.g. in respect of NDR discounts and Business Support Grants)
PR11	Office/365 Migration	• Ongoing liaison with ICT staff and Information Security Group regarding Office/365 migration project
PR12	Covid-19 Work	• Ongoing liaison / miscellaneous activities relating to Council operations and controls in light of Covid-19 crisis • Assisting Finance in preparing submissions for central government (MHCLG and BEIS) • Risk assessments and post-assurance test plans prepared for Covid grants distributed, as required by the BEIS
CP03 MS01	Corporate Governance Annual Governance Statement	• Annual review of compliance against the Council's local Code of Corporate Governance • Preparation of the updated Annual Governance Statement and review by CMT • Draft AGS published on website with draft Accounts and provided to external audit – Final AGS published with the audited Accounts ***Reviewed by G&R Group and CMT 4/20*** ***Reported to A&GC 30/7/20 (draft) and 19/11/20 (final)***

MS03	RIPA	• 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 • Liaison with CMT and officers on future training requirements arising from IPCO inspection in December 2019 (now postponed from June 2020) • Overview paper included in annual RIPA update to A&GC (30/7/20)
MS04	NFI	• The NFI Council Tax Single Person Discount reports were received in December 2019. Review of these by Internal Audit was progressed - account queries were referred to Revenues (although this was in the period of the Covid-19 crisis and arrears were not being pursued) and old, redundant Electoral Roll entries to Elections • Timetable and data specifications received for the next main 2-yearly NFI exercise with files required in October 2020 – advised to appropriate service areas. Files checked an uploaded to the Cabinet Office • Liaison with Revenues staff in respect of additional 2020 NFI requirements for Business Rates and Business Support Grant data to be provided • Review / comment on NFI 2020/21 Work Programme and Scale of Fees Consultation
CE01	Performance & Improvement	• Liaison regarding possible changes to Corporate Plan Indicators arising from change to Council's strategic priorities in 2019 • Liaison on the future of the Pentana software
CP04	Risk Management	• Further update of Strategic Risk Register via Governance & Risk Group (and agreed by CMT) in 4/20 in light of the Covid-19 crisis ***Updated SRR presented to A&GC 30/7/2020***
IN02 CP05	Fraud & Corruption Fraud & Corruption	• Compilation of data for publication to meet Government Data Transparency Code requirements • Preparation of Annual Counter-Fraud Report ***Reported to A&GC 30/7/20*** • Review of updated Fighting Fraud & Corruption Locally – A strategy for the 2020s (published in March 2020) • Submission of annual CIPFA Fraud & Corruption Tracker survey
AD08	Audit Standards & Quality (PSIAS/QAIP)	• Update of appropriate Arun internal audit documents • Progress External Quality assessment (EQA) action plan (as reported to A&GC 11/19)
PL02	Planning Section106	• Review of Community Infrastructure Levy (CIL) proposals • Liaison with other Council audit areas where CIL has already been implemented • Liaison with Planning and Finance staff on implementation proposals, processes, etc.
PL06	Economic Regeneration	• Liaison regarding administration of Covid-19 Discretionary Grant Fund / fraud checking

CP10	Resource Management	• Identification of agency and contract staff, including agencies / companies used and rates
CP11	Procurement & Contracts	• Liaison with new Procurement staff (shared arrangement with Chichester DC, with support om senior staff at Hampshire CC). Some discussion regarding Standing Orders, ordering, etc. • Constitution compliance (e.g. standing orders) review being progressed
CP13	Grants and External Funding	• Testing and certification of Disabled Facilities Grant usage in 2019/20 for Finance to return to WSCC
CS02	Housing Repairs	• 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 • Liaison with Housing and Finance staff regarding the change from Mears to Osbornes for reactive repairs and voids from 4/20 and arrangements for initial payments
CS03	Housing Finance	• (E&Y) Key controls testing completed
MS06	Follow-Up Review	• Liaison with service areas in respect of actions on outstanding audit points
LI02	Member Liaison / Committees	• Consideration information in respect of planned change to 'committee system' of governance from May 2021
TP02	Officer Group Representation	• Chairing meetings of the Information Security Group and liaison with members on progress