

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

14 DECEMBER 2020

PROGRESS ON 2020/21 INTERNAL AUDIT PLAN

Report of the Head of Internal Audit

1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the progress made to date in delivering the 2020/21 Internal Audit Plan and any developments likely to impact on the Plan throughout the remainder of the financial year.

2.0 BACKGROUND

- 2.1 The total number of planned audit days for 2020/21 is 950 (plus 1,226 days for other work including counter fraud and information governance). It is important that audit resources are used effectively and continue to focus on those areas which add the most value. The plan is therefore designed to be flexible so that as new risks are identified or priorities change the audit programme can be updated. This is particularly important this year as the County Council continues to respond to the Covid-19 pandemic and recovery plans are implemented.
- 2.2 This report provides details of how work on the 2020/21 Audit Plan is progressing.

3.0 INTERNAL AUDIT PLAN PROGRESS BY 31 OCTOBER 2020

- 3.1 Work is ongoing to complete the agreed programme of work. **Appendix 1** provides details of the final reports issued in the period to date. A further audit report has been issued in draft. Fieldwork is currently underway with a number of other scheduled audits.

Contingency and Counter Fraud Work

- 3.2 Veritau continues to investigate cases of suspected fraud or malpractice. Such assignments are carried out in response to issues raised by staff or members of the public via the Whistleblower Hotline, or as a result of management raising concerns. Since the start of the current financial year, 23 cases of suspected fraud or malpractice have been referred to Veritau for investigation. 8 of these are internal fraud cases, 10 relate to social care and 3 relate to external fraud, debt recovery, or abuse of the council's financial assistance scheme. A further 2 cases relate to applications for a school place. A number of these investigations are still ongoing.

Information Governance

- 3.3 Veritau's Information Governance Team (IGT) continues to handle a significant number of information requests submitted under the Freedom of Information and

Data Protection Acts. The number of FOI requests received between 1 April 2020 and 31 August 2020 is 573 compared with 758 requests received during the corresponding period in 2019/20. The County Council is currently below the performance response target of 95% with approximately 70% of requests being answered within the statutory 20 day deadline. Actions continue to be taken to improve performance in this area. The IGT also coordinates the County Council's subject access requests (SARs) and has received 189 such requests between 1 April 2020 and 31 August 2020 compared to 208 requests received during the corresponding period in 2019/20. The reduction in volumes is because there was a noticeable drop in the number of requests received during lockdown.

- 3.4 Veritau acts as the County Council's Data Protection Officer following the implementation of the General Data Protection Regulation (GDPR) and Data Protection Act 2018. The IGT provides advice and support to the County Council on data protection matters, reviews compliance with the legislation and liaises with the regulator, the Information Commissioner's Office (ICO). Other work includes preparing data sharing agreements, recording data security incidents and investigating serious data security incidents.

Variations to the 2020/21 Audit Plan

- 3.5 Changes are made to the Audit Plan through the year to address new risks, emerging issues or in response to requests from the client officer and/or directorates. To date, the following areas have been added to the current programme of work:

- Governance framework for Council owned companies
- Minerals planning investigation
- Adult learning
- High Needs Special Educational Needs
- County catering

In addition, 30 days have been allocated to fraud investigation work from the contingency.

- 3.6 The overall programme of work will be kept within the total agreed allocation of 950 days.

Follow Up of Agreed Actions

- 3.7 Veritau follows up all agreed actions on a regular basis, taking account of the timescales previously agreed with management for implementation. An escalation process is in place for when agreed actions are not implemented or where management fail to provide adequate information to enable an assessment to be made. At this stage in the year, there are no actions which have needed to be escalated. On the basis of the follow up work undertaken during the year to date, the Head of Internal Audit is satisfied with the progress that has been made by management to implement previously agreed actions necessary to address identified control weaknesses.

4.0 **RECOMMENDATION**

Members are asked to note the progress made in delivering the 2020/21 Internal Audit programme of work.

Report prepared and presented by Max Thomas, Head of Internal Audit

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30 November 2020

Background Documents: Relevant audit reports kept by Veritau

FINAL 2020/21 AUDIT REPORTS ISSUED TO DATE

Audit Area	Directorate	Overall Opinion
Developing Stronger Families - June claim	CYPS	No opinion
Developing Stronger Families - September claim	CYPS	No opinion
Trading Standards	BES	Substantial assurance