



**Report Reference Number: A/20/28**

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**To: Audit and Governance Committee**  
**Date: 21 April 2021**  
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**Title: Internal Audit, Counter Fraud and Information Governance**  
**Progress Report 2020/21**

### **Summary:**

The purpose of the report is to provide an update on the delivery of the internal audit work plan for 2020/21. The report also updates the committee on counter fraud and information governance work undertaken so far in 2020/21. Due to Covid-19, work on the annual audit plan was delayed so this report updates members on the plans for completion of work.

### **Recommendation:**

That the committee:

- (i) note progress on delivery of internal audit, counter fraud and information governance work and the plans for work to be completed.

### **Reasons for recommendation**

To enable the committee to fulfil its responsibility to review the outcomes of internal audit and counter fraud work, including any issues arising, and action being taken.

#### **1. Introduction and background**

**1.1** The provision of Internal Audit is a statutory requirement (Accounts & Audit Regulations 2015).

**1.2** The Audit and Governance Committee approved the Internal Audit, Counter Fraud and Information Governance plans for 2020/21 at the meeting held on 29<sup>th</sup> July 2020.

- 1.3 The purpose of this report is to inform the committee of the progress in delivering the 2020/21 plans, and on the plans for completion of work.

## **2. The Report**

- 2.1 Details of internal audit, counter fraud and information governance work undertaken in 2020/21 are included in the reports at appendices A to C respectively.

### **Internal Audit**

- 2.2 Veritau carries out internal audit work in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 2.3 Internal audit provides assurance on corporate governance arrangements, internal control and risk management to the Council's leadership team and this committee.
- 2.4 Work is ongoing on 9 audits for 2020/21. All of these are expected to be issued as a draft report by the end of April 2021.
- 2.5 Appendix 1 provide details of the completed and ongoing work as well as progress against previously agreed actions outstanding for more than 12 months.

### **Counter Fraud**

- 2.6 Veritau delivers a counter fraud service to the Council. The counter fraud team aims to prevent, detect and deter fraud committed against the Council. Veritau support the Council's section 151 officer in delivering the Council's counter fraud strategy.
- 2.7 Appendix 2 provides a detailed summary of counter fraud work undertaken up to 28 February 2021. The counter fraud team have continued to support the council with government requirements for Covid-19 grant pre and post-payment assurance activities. £30k of incorrect payments have successfully been prevented. Work on the 2020/21 National Fraud Initiative is underway and further matches relating to Covid-19 grants will be released in 2021/22. Investigative work has detected £8.4k of loss to the council and achieved £8.1k in actual savings for the council. There are currently 13 cases under investigation.

### **Information Governance**

- 2.8 Information Governance provides advice and assurance on compliance with the GDPR and Data Protection Act 2018. This includes the

Information Asset Register, Privacy Notices, Data Protection Impact Assessments and project specific advice.

- 2.9** Action is ongoing to address the outstanding areas of the Information Asset Register and other areas of GDPR compliance. The new action plan, presented to CIGG in July 2020, continues to be used when reporting progress to CIGG.
- 2.10** Veritau presented a number of documents including the Special Category Policy, an updated Information Governance Policy framework and a new information security incident process at CIGG in January 2021. These are to be formally approved at CIGG in April 2021.
- 2.11** Information security incidents continue to be reported to Veritau and investigated. Veritau has provided advice on the completion of data protection impact assessments. Veritau has conducted reviews and given advice and support in respect of surveillance and law enforcement processing. Training sessions will be held with council officers on data protection impact assessments, data protection rights and principles, and records management. These will be held online.
- 2.12** A detailed summary of information governance activity and arrangements is included in Appendix C.

### **3. Implications**

- 3.1** There are no legal, financial, policy & risk, corporate plan, resource or other implications from this report.

### **4. Conclusion**

- 4.1** Internal audit work is in progress on a number of audits. These are expected to be completed to draft report stage by the end of April 2021 and findings will be reported to a subsequent meeting of this committee.
- 4.2** Through a range of activities, the work of the counter fraud team continues to support delivery of the Council's counter fraud strategy. Fraud reported to the team is investigated and progress is regularly reported to the committee.
- 4.3** An action plan is in place to deliver information governance work on behalf of Selby District Council; this is overseen by the council's CIGG. Regular liaison takes place with the council's Senior Information Risk Owner (SIRO) and regular updates are reported to this committee.

### **Background Documents**

Internal Audit, Counter Fraud and Information Governance Plans 2020/21

**Appendices:**

Appendix A: Internal audit progress report – April 2021

Appendix B: Counter fraud progress report – April 2021

Appendix C: Information governance progress report – April 2021

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