

Shared Audit and Investigation Service
Royal Borough of Windsor and Maidenhead Performance Report

2015/16 Interim Progress Report (1 April 2015 to 30 September 2015)

1. INTRODUCTION

1.1 This report summarises the work of the Shared Audit and Investigation Service from 1 April 2015 until 30 September 2015. There are three key areas of the services work; Internal audit, Governance and Investigations.

1.2 Internal audit is a statutory function under the Audit and Accounting Regulations 2015. Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

1.3 Investigation work involves the proactive prevention, detection and investigation of fraud, corruption and wrong-doing. The main focus of this activity is financial fraud against committed against the council. However the team can use their skills in other relevant cases i.e. disciplinary investigations.

1.4 The Service Manager, Shared Audit and Investigation Service as Regulation of Investigatory Powers Act 2000 (RIPA) as RIPA Monitoring Officer is responsible for oversight and control over RIPA applications. RIPA regulates the ways that government bodies, including the police, are allowed to carry out surveillance, which includes accessing any communications data, listening to phone calls, following people, taking photographs and intercepting e-mails.

2. INTERNAL AUDIT

2.1 Performance against Audit Plan to 30 September 2015 is as follows;

- Appendix A(i) presents progress made against the 2015/16 Internal Audit Plan April 2015 to 30 September 2015.
- Based on audits at Final Report stage assurances can be given that most key Treatment Measures are in place and are operating effectively, with the majority of residual risks being reduced to an acceptable level and reported concerns being of a moderate impact or less. Where appropriate, managers have revisited their Treatment Measures to ensure they are sufficiently robust and operating as described.

- The Management Action Plan for those audits with a second category audit opinion have moderate impact concerns (in accordance with the approved Risk Management Strategy Framework) which prevented them from obtaining a first category overall opinion. Managers are therefore aware of the concerns that need to be addressed to obtain a first category opinion.

Overall Opinion	No of Audits
1	0
2	7
3	1
4	0
Total	8

- Management have the opportunity to challenge findings where they believe that there is additional evidence or audit's assessment of the priority of the concerns. No challenges have been made to the overall audit opinion for the audits completed in the period April 2015-September 2015.

2.2 Of the audits completed in the year to date, one has resulted in the third category of opinion as shown below.

Commissioning (Placements) – Children's Services

- This audit was requested by management after the outcome of the Ofsted Inspection in March 2015 and the principal objective was to conclude whether the arrangements and controls in place with regard to commissioning of placements for Children in Care are adequate, effective and efficient. As part of the audit, the comments in the Ofsted report were taken into account.
- There are a number of areas which have been highlighted as a result of this audit and these are all process related.
- The 4 major concerns relate to:
 - Risk Assessments
 - Site visits
 - Provision for support for children in need reaching adulthood
 - Service providers business continuity plans

- Appropriate management actions and timescales have been provided and Senior Officers are comfortable with the level of risk.

2.3 There is an allocation of 40 days for contingency work within the plan. Until the end of September 2015, 30 days have been spent on unplanned work requested by management in the following areas:

- Health & Safety;
- Homecare Costs;
- Planning Returns;
- Delegated Schools Grant Assurance;
- Department of Transport Grant Certifications;
- Bus Operations Grant Certification;
- Mail Merge Errors; and
- Pay Award Check.

2.4 None of the contingency work completed has resulted in a category 3 or 4 audit opinion. Details of the results of this work is detailed in Appendix A(i). The above grants work has been certified within the prescribed timescales.

3. DEVELOPMENT OF NEW SYSTEMS/SPECIAL PROJECTS

3.1 Internal Audit has attended the Information Security Management Group to advise on information security and information governance issues/issues arising from information security audits and to monitor the implementation of audit concerns.

4. GOVERNANCE

4.1 Work is underway with the appropriate senior managers to commence and streamline the process for the preparation of the 2015/16 Annual Governance Statement.

5. INVESTIGATIONS

- 5.1 The work undertaken by the Investigation Team has included re-active investigations as well as developing pro-active fraud drives on areas such as Council Tax Reductions, Council Tax Discounts, Business Rates and Personal Budgets and Direct Payments.
- 5.2 The first six months performance of investigations covers the losses identified to the Council.

Table 1 Financial Results – Identified Losses to 30 September 2015

Area of work	Value (£'s)	Comments
Council Tax - discount/exemption	20,997	
Social Care/Direct Payments	7,490	Estimated full year ongoing impact of case = £10k
Other	7,138	Theft (£5,072). Pension saving contribution (£2,066).
Council Tax Reduction Scheme (CTRS)	2,314	
Total	37,939	

- 5.3 The current position of the proactive drive work is outlined below.

Table 2 – Investigation Drives

Area of Drive	Comments
CTRS compliance	Ongoing agreed new way of working
Single Person Discount	In progress
NNDR (Business Rates) exemptions and reliefs	In progress – first visits commenced September.
Personal Budgets and Direct Payments	TBA

6. REGULATION OF INVESTIGATORY POWERS ACT

- 6.1 No investigation cases have been undertaken during the first six months of 2015/16 that have required RIPA surveillance approval to be requested.