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BARNSLEY Metropolitan Borough Council

MEETING:	Audit and Governance Committee
DATE:	Wednesday, 1 June 2022
TIME:	2.00 pm
VENUE:	Council Chamber, Barnsley Town Hall

AGENDA

Procedural/Administrative Items

1. Declarations of Pecuniary and Non-Pecuniary Interest

2. Minutes *(Pages 3 - 8)*

   To receive the minutes of the meeting held on the 13th April, 2022

Items for Discussion/Decision

3. IT Governance and Compliance - External Compliance Schemes for the Council - Presentation *(Pages 9 - 18)*

4. Strategic Concerns/Risk Register *(Pages 19 - 22)*

5. Annual Risk Management Report *(Pages 23 - 26)*

6. Annual Governance Statement - Action Plan Update *(Pages 27 - 32)*

7. Internal Audit Charter 2021-24 *(Pages 33 - 48)*

8. Corporate Anti-Fraud Team Annual Report 2021/22 *(Pages 49 - 58)*

9. Data Protection Officer Update Report *(Pages 59 - 62)*

Items for Information

10. External Audit Plan *(Verbal Report)*

11. Audit Committee Work Plan 2022/23 *(Pages 63 - 70)*

12. Exclusion of the Public and Press

    To consider if the public and press should be excluded from this meeting during the consideration of the following items because of the likely disclosure of exempt information.

Items for Discussion

13. Internal Audit Annual Plan 2022/23 *(Pages 71 - 82)*

    Reason restricted:
    Paragraph (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

14. Corporate Anti-Fraud Team - Counter Fraud Plan 2022/23 *(Pages 83 - 90)*

Reason restricted:
Paragraph (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

15. Update on the Glassworks Project and wider Town Centre Issues *(Verbal Report)*

Reason restricted:
Paragraph (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

To: Chair and Members of Audit and Governance Committee:-

Councillors Lofts (Chair), Barnard, Hunt, Richardson, Ms K Armitage, Bandy, Mr S Gill, Mr P Johnson and Mr M Marks; together with Co-opted members Ms K Armitage, Bandy, Mr S Gill, Mr P Johnson and Mr M Marks

Sarah Norman, Chief Executive
All Executive Directors
Shokat Lal, Executive Director Core Services (Monitoring Officer)
Neil Copley, Service Director Finance (Section 151 Officer)
Rob Winter, Head of Internal Audit, Anti-Fraud and Assurance
Alison Salt, Corporate Governance and Assurance Manager
Michael Potter, Service Director Business Improvement and Communications
Paul Castle, Service Director Environment and Transport
Kathy McArdle, Service Director Regeneration and Culture
Julie Chapman, Service Director Adult Social Care and Wellbeing

Council Governance Unit – 3 copies

Please contact William Ward on email governance@barnsley.gov.uk

Tuesday, 24 May 2022

BARNSLEY Metropolitan Borough Council

MEETING:	Audit and Governance Committee
DATE:	Wednesday, 13 April 2022
TIME:	4.00 pm
VENUE:	Reception Room, Barnsley Town Hall

MINUTES

Present Councillors Lofts (Chair) and Hunt together with Independent Members - Ms K Armitage, Mr S Gill, Mr P Johnson and Mr M Marks

86. DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no declarations of interest from Members in respect of items on the agenda.

87. MINUTES

The minutes of the meeting held on the 16th March, 2022 were taken as read and signed by the Chair as a correct record.

88. REVIEW OF THE TERMS OF REFERENCE

The Executive Director Core Services submitted a report presenting, for approval, the proposed revised Terms of Reference (ToR) of the Committee as detailed within Appendix 1 attached to the report.

The Committee had considered the Terms of Reference at the Development Session held in October 2021 and relatively minor changes had been proposed to list the areas of governance that fell within the Committee's remit and an update on the Committee's responsibility in considering any payments in excess of £2,000 as directed by the Local Government and Social Care Ombudsman. The Committee further considered the Terms of Reference within a review of the Committee in February, 2022. The feedback from Members of the Committee identified no additional areas for amendment in the Terms of Reference.

In the ensuing discussion, reference was made to the following:

- Further consideration would be given to whether or not to include within the Terms of Reference the risks associated with third party attacks/cyber-attacks. It was noted, however, that such types of issues were picked up within other policies and strategies within the ToR which considered, for example, strategic risks
- There was a discussion of the interaction between Cabinet, Scrutiny and this Committee and whether or not the Terms of Reference should specifically reflect such arrangements. It was noted that whilst not explicitly outlined within the Terms of Reference, arrangements were nevertheless currently in place. The Chair of Scrutiny met with the Chair of this Committee as and when required and he, together with the Cabinet Spokesperson for Core Services would be more than willing to attend this Committee if required. It

was generally felt that the current arrangements were transparent and there was, therefore, probably no reason to amend the current Terms of Reference

RECOMMENDED TO FULL COUNCIL that the Terms of Reference as now amended and as detailed within Appendix 1 to the report be approved.

89. STRATEGIC CONCERNS/RISK REGISTER

Kathy McArdle (Service Director Regeneration and Culture) assisted by Sarah Cartwright (Head of Strategic Housing, Sustainability and Climate Change) attended the meeting to discuss the strategic risks associate with Zero Carbon and the wider environmental commitments which aimed to ensure that the Council had constant regard to its zero carbon, climate and environmental commitments in how it delivered services and acted as a community leader.

Information was provided about the status and current risk and response rating in relation to the six Actions associated with this risk and details were provided about the completion and review dates as well as the work that was currently being undertaken to address these actions.

In the ensuing discussion particular reference was made to the following:

- In response to questioning, a detailed description of the work currently being undertaken against each Action area was provided.
- Information was provided about the development of future homes standards and work being undertaken with Planning and Building Control. Reference was also made of the work required to the Councils own housing stock and to the work ongoing with private landlords. Arising out of this reference was also made to the difficulties in retrofitting current housing stock to meet future zero carbon requirements and environmental needs
- Reference was particularly made to the funding difficulties associated with the above development plans and to the funding deficit from government. Plans were in place to try to address funding issues which might involve the need to seek private sector funding. It was important to realise that the issues identified were not unique to Barnsley.
- It was acknowledged that some housing stock may have to be demolished as it would be impossible to meet new targets/standards, however, it was also noted that there was a carbon impact of building new homes

Shokat Lal (Executive Director Core Services) then discussed the two strategic risks Organisational Resilience and the Threat of Fraud against the Council.

In relation to Organisational Resilience, there was a need to understand issues around leadership, general workforce capacity and welfare (exhaustion, fragility), to recognise that the organisational resilience was not as high as it was pre-pandemic and, therefore, to continue to find ways for the organisation to recover post pandemic.

In relation to the Threat of Fraud against the Council, there was a need to ensure that all services were aware of and constantly assessing fraud threats and that employee understanding and awareness of potential fraud was good and constantly reviewed.

There were five Actions associated with each of the above risks and details were provided about the completion and review dates as well as the work that was currently being undertaken to address these actions

In the ensuing discussion, reference was made to the following:

- The Head of Internal Audit, Anti-Fraud and Assurance reminded Member that aspects of the Threat of Fraud against the Council had been referenced within the External Auditors report submitted to the last meeting. It was important to ensure a consistent approach in relation to this risk and to encourage services to continually consider risk vulnerabilities and ensure that plans were put in place to minimise risk. In relation to Cyber attack Members would recall presentations made by himself and by the Head of Service Design and Compliance to previous meetings. It could never be said that all attacks could be prevented, however, the Committee should be assured that the Council was doing all it could to minimise such risks
- The Committee was reminded that the Authority had 10 Business Units each with their own Head of Service. Information about the structure of the organisation could be made available for Members on the extranet. Arising out of the above, the way in which strategies to minimise the Threat of Fraud were cascaded to all staff was outlined. This included online courses and training
- In response to specific questioning, the Head of Internal Audit, Anti-Fraud and Assurance outlined the rationale as to why each strategic risk was categorised as it was. It was pleasing to note, however, that each action within the Threat of Fraud strategic risk had been RAG rated as green

RESOLVED that thanks be given for the updates and the updates be noted.

90. CONFIDENTIAL REPORTING (WHISTLEBLOWING) ANNUAL REPORT

The Executive Director Core Services submitted an annual report presenting the Committee with a review of the activities and current issues regarding the Council's Confidential Reporting (Whistleblowing) Policy and supporting procedures.

The report outlined the background to the introduction and development of the policy and procedures which was part of a wider framework of how employees in particular could raise concerns. It indicated that during the last 12 months there had been 2 instances of contact, one received via email/letter and one thought direct contact with one of the Corporate Whistleblowing Officers. One of the concerns had been raised anonymously and the report outlined the nature of both concerns raised, the action taken and indicated that once case had been closed and one was ongoing.

Although there had only been 2 instances where these arrangements had been used there had been other matters raised directly with senior management both anonymously and with names provided. In these cases, advice was sought from the Corporate Anti-Fraud Team, Internal Audit or from one of the Corporate Whistleblowing Officers. In all cases the circumstances of the matter were considered in order to identify any opportunities for learning and particularly in the improvement of controls.

It was also reported that whilst not prompted by any particular issue, the confidential reporting arrangements were to be fundamentally reviewed over the next 12 months in order to strengthen the arrangements further as well as demonstrate transparency and openness to challenge. This would incorporate the feasibility of utilising a specialist company that provided an external conduit that concerned employees could use to raise concerns, revised employee awareness training and subject to the first pointe, the revision of the policy and guidance and publicity

In the ensuing discussion, reference was made to the following:

- Questions were asked as to whether issues were raised via a grievance rather than via the Whistleblowing arrangements. The Head of Internal Audit, Anti-Fraud and Assurance stated that he had access to a recently developed HR Data Dashboard. He would consult with HR colleagues in order to determine whether or not there were issues to pick up, however, he was not aware that there were any areas of concern in this respect. The Executive Director Core Services felt that the Audit Committee would benefit from seeing this dashboard as it should give further assurance to Members that issues were not missed
- The difficulties in speculating what would be an appropriate number of referrals thought the Whistleblowing arrangements was acknowledged. Arising out of this, the way in which staff were continually informed of how they could raise issues of concern was outlined. It was felt extremely unlikely that staff were not aware of the arrangements and the Head of Internal Audit, Anti-Fraud and Assurance took comfort from the fact that line managers could also raise concerns brought to their attention.
- It was not felt that the fact that people had been working from home had had a significant impact on the number of referrals given that there had been 8 concerns raised in the previous reporting period when staff had also been working from home

RESOLVED that the report and the assurances it provides be noted and that the Committee continue to support the Council's overall counter fraud culture and the work of Internal Audit and the Corporate Anti-Fraud Team.

91. INTERNAL AUDIT PLAN CONSULTATION UPDATE

The Head of Internal Audit, Anti-Fraud and Assurance gave an update of the current position with regard to the consultation of the next Internal Audit Plan.

He reported that there had been good engagement from all Business Units, and he was in the process of synthesising all responses with a view to bringing the Plan to the June meeting.

Any Members with any suggestions or comments should direct them to either himself or the Chair.

RESOLVED that the report be received.

92. EXTERNAL AUDIT PROGRESS REPORT

Mr Gareth Mills representing the External Auditor (Grant Thornton) attended the meeting virtually and gave an update of the work currently being undertaken.

He reported that most aspects of the 2021 audit were mow complete with the exception of the Whole of Government Accounts the guidance for which was still awaited. It was noted, therefore, that Barnsley in the same position as every other Local Authority. Once these issues were finalised, the audit for 2021 would be complete.

Planning work for the 2022 audit was progressing well and there had been good engagement with the Finance Team. It was anticipated that the bulk of the audit work would be completed by the end of September in order to meet the statutory deadline for sign off by the end of November.

RESOLVED that the progress report be received.

93. AUDIT COMMITTEE WORK PLAN 2021/22

The Committee received a report providing the indicative work plan for the Committee for its proposed scheduled meetings to 1st June, 2022.

Members attention was drawn to the Risk Management Policy and Strategy which had been removed from todays agenda having been approved in March 2021 and which remained current.

Dates of future meetings had been provisionally agreed and would be formally approved at the Annual Council meeting to be held on the 20th May, 2022. Members were also reminded that from the Annual Council future meetings of this Committee would be held at 2.00 pm with the Training/Awareness sessions commencing at 1.00 pm.

The Head of Internal Audit, Anti-Fraud and Assurance then gave a brief update on future items/issues to be brought to Committee. Specific reference was made to the following:

- The Draft Plan for Strategic Risks
- The analysis of the results of the consultation on the effectiveness of the Committee. It was anticipated that this would form a future Training/Awareness session

Any Members wishing to have an item discussed at Committee should contact the Chair who would then liaise with the Head of Internal Audit, Anti-Fraud and Assurance. In addition, the extranet would continue to be populated with appropriate information for Members use.

RESOLVED that the updated Work Plan be noted.

……
Chair

IT Governance & Compliance

External Compliance Schemes for the Council

BARNSLEY
Metropolitan Borough Council

Compliance Schemes Overview

- Multiple Schemes
- Mandated by Government, NHS and Industry
- Individual Strengths
- Separate Governance Arrangement and Scheme Rules

Various Compliance Schemes

- PSN – Public Sector Network
- DSPT – Data Security and Protection Toolkit
- Cyber Essentials Plus
- PCI DSS – Payment Card Industry Data Security Standards

Public Sector Network

- Secure Network for the sharing of Data between Government Networks
- Independent IT Health Check
- Audited by Government
- Future Networks - Used as an Assurance Scheme

Data Security and Protection Toolkit

- ❑ NHS, Public Health and Social Care Data
- ❑ Audited by NHS
- ❑ Cyber Essentials Requirement
- ❑ Submitted Annually

Cyber Essentials Plus

- ❑ Government Backed Scheme
- ❑ Protection against Cyber Attacks
- ❑ Policy Based Audit
- ❑ Independently Tested
- ❑ Retested Annually

Payment Card Industry Data Security Standards

- Requirement for processing Card Payments
- Submission to Sponsoring Bank
- Fines and Fees for Non Compliance
- Constantly Evolving Standard

Industry Good Practice Models

- ISO Standards 27000, 28000 & 31000
- National Cyber Security Centre
- National Institute of Standards and Technology (USA)
- Local Government Association
- Department for Levelling Up, Housing and Communities

Industry Good Practice Models

- ISO Standards 27000, 28000 & 31000
- National Cyber Security Centre
- National Institute of Standards and Technology (USA)
- Local Government Association
- Department for Levelling Up, Housing and Communities

Any Questions?

Report of the Head of Internal Audit, Anti-Fraud and Assurance

Audit and Governance Committee – 1st June 2022

STRATEGIC CONCERNS / RISK REGISTER

1. Purpose of the report

1.1 It was agreed at the Audit and Governance Committee meeting in March 2021 that the Committee will have a regular opportunity for a "deep dive review" of some of the strategic risks with the appropriate Executive Director / Service Director in attendance to update and assure the Committee on the management of their risks

1.2 Two strategic risks will be considered at this meeting:

- Community Resilience – Executive Director Adults and Communities
- Safeguarding Adults – Executive Director Adults and Communities

2. Recommendation

2.1 The Committee is asked to note the update.

3. Current Position

3.1 The Strategic Risk Register currently contains 15 risks. Using the system of risk assessment, SMT have determined that 6 risks be classified as ***high*** (red response rating*) 9 risks be classified as ***medium*** (amber rating) and no risks are classified as ***low*** (green rating) in relation to the level of response and intervention required.

* The response rating reflects the degree of urgency and importance of the interventions and management oversight rather than the inherent risk.

3.2 The Community Resilience risk has recently been reclassified by SMT from a medium rating to a high rating risk reflecting the pressures on communities of the cost-of-living crisis and the Government's ask regarding migration and humanitarian assistance.

3.3 The actions associated with the 2 risks to be considered in the meeting are included in the attached summary in Appendix 1.

3.4 The risk register system will be shown in the meeting.

Contact Officer: Corporate Governance and Assurance Manager
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Date: 11th May 2022

Appendix 1

Strategic Risks to be reviewed in the meeting – June 2022

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
Community Resilience	That individuals and families experience increased strain as a consequence of economic, social, health or other factors. **Action 1** Continued development of the Welfare advice offer in partnership with Area Councils ensuring consistent insight is captured to inform councils plans and those of our partners. RAG rating – Green **Action 2** Development of Early Help Plan for Children, and Prevention Plan for Adults as part of the Health & Care Plan RAG rating – Amber **Action 3** Ensure that support offers are well communicated and accessible to the public. RAG rating – Amber **Action 4** Community level early interventions through the Area Council and Ward Alliance RAG rating – Green **Action 5** Continue to develop alliances (Good Food Partnership / Age Friendly / Homelessness Alliance / Foodbank Partnerships / Rose Vouchers Scheme / Healthy Holidays / Household Support Grant etc.) to offer support to those most in need or likely to be at risk of heading into crisis. RAG rating – Green	Actual	Actual	High	ED Adults & Communities

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	Action 6 Respond to the governments ask regarding migration, humanitarian assistance etc. RAG rating – Green				
Potential for a safeguarding failure in Adult Social Care	Whilst we are confident that controls are in place to minimise the potential for safeguarding failures there remains a need to continually appraise these and be able to identify any changes which may weaken current levels of assurance. Factors which may impact and should be assessed include the impact of Covid 19 upon families and workforce capacity which could increase workload pressures, increasing incidence of poverty which could impact on demands for services and lead to increases in caseloads, future financial settlements could impact on service provision, awareness of pressures in the system e.g., workload pressures leading to decrease in staff attendance at meetings etc. **Action 1** Assurance regarding the suite of policies and procedures are in place and regularly reviewed (schedule of review in place). RAG rating – Amber **Action 2** Suite of metrics, indicators and data exists to be able to monitor risks RAG rating – Green **Action 3** Staff workloads are adequately monitored to ensure consistency and the adherence to good practice. RAG rating – Amber **Action 4** Changes in working arrangements due to Covid 19 are fully assessed to ensure the continuity of services and that they remain effective RAG rating – Green	Potential	Potential	Medium	ED Adults & Communities

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	Action 5 Multi-agency arrangements are robust, adequately governed, and effective and the Safeguarding Board arrangements overseeing the arrangements are fit for purposed and regularly reviewed. RAG rating – Green **Action 6** Staffing levels within the Council and care homes are being closely monitored (options for monitoring homecare absences are being looked at) at the SITREP meetings. If these breach agreed levels within the contingency plan, mitigation measures will be recommended for consideration by managers at the appropriate governance forum. RAG rating – Green **Action 7** Volume of caseloads within social care RAG rating – Green **Action 8** People are placed in an inappropriate setting creating unnecessary safeguarding risks RAG rating – Green				

Report of the Head of Internal Audit, Anti-Fraud and Assurance

AUDIT AND GOVERNANCE COMMITTEE – 1ST JUNE 2022

ANNUAL RISK MANAGEMENT REPORT

1. Purpose of the report

1.1 This report provides the Audit and Governance Committee with a summary of the risk management activity over the last 12 months to contribute to the assurances the Committee requires as part of the annual governance statement process. The report also takes a forward look at the work planned for the current financial year.

2. Recommendations

2.1 The Committee is asked to consider the report as a contribution to the Committee's assurances regarding the Council's governance arrangements.

3. Progress with the Roll-Out of the Risk Management System

3.1 The new risk management system went "live" on 7th May 2021 and has now been operational for a year. Throughout the year support has been provided by the Corporate Governance and Assurance Manager to colleagues across the Council to provide training in the use and navigation of the system to ensure they are confident in adding and updating risks, and support in reviewing the contents of risk registers in Directorate management Teams (DMTs) and Business Unit (BU) meetings whenever requested.

3.2 Currently there are 283 risks on the system of which 15 relate to the Strategic Risk Register. The Power BI system can be interrogated to filter risks by Senior Management Team (SMT), DMT, BU, Board or Project enabling managers to focus on those risks relevant to their areas of responsibility. There has been a good level of engagement across the Council with the new system.

3.3 Strategic Risks are reviewed on a quarterly basis by SMT where consideration is given to each risk to highlight key changes to the risk or its status. SMT also determine whether there are any other issues, concerns or areas of focus that need to be added or removed from the register or whether they should be managed at a lower organisational level.

3.4 Strategic Risks are formally reviewed by the Audit and Governance Committee. A programme of reviews commenced in June 2021 and the Committee receives a briefing report and a "deep dive" presentation of two or three risks at each

meeting presented by the Executive Director as Risk Owner for the relevant strategic risk being considered.

3.5 Cabinet approved the Risk Management Policy and Framework in June 2021 and a session is planned for June 2022 to undertake a detailed review of all strategic risks with Cabinet. Thereafter, the Strategic Risk Register will be shared with Cabinet on a bi-annual basis.

3.6 All Business Units have added their risks to the new system and proactively update their risks and review them in their management teams on a quarterly basis.

4. Review of the Risk Management System

4.1 An evaluation of how colleagues were finding the new Risk Management System was undertaken in Spring 2022. The evaluation comprised a facilitated discussion to consider the new risk approach, how the system feels, its ease of use, any areas causing frustration or difficulties and suggestions for how further improvements could be made.

4.2 Overall the feedback received from the managers interviewed was positive and colleagues felt the system was easy to use and more streamlined than the previous approach to risk management. Colleagues also felt the system was more focused, purposeful, and more dynamic.

4.3 Several suggestions were made for possible system improvements, and these are being pursued with the IT and Business Intelligence Teams. Work is underway to ensure that any agreed changes are delivered in a timely manner.

4.4 Internal Audit will shortly be undertaking an independent review of the risk management arrangements and compliance.

5. Future Developments 2022/23

5.1 Work with IT and Business Intelligence to update aspects of the system taking on board the feedback from the evaluation.

5.2 Update the risk guidance documentation to reflect any changes and improvements made to the system.

5.3 Continue to work with colleagues to embed the regular review of risks into a “business as usual” approach within management teams

5.4 Develop risk management training materials on the POD system.

5.5 Ensure that organisational changes are reflected in the risk system – ensure that Business Unit Risk Registers are reflective of the new structures.

5.6 Now the risk approach and system are fundamentally implemented, it is appropriate to undertake a corporate assessment of the Council's risk maturity utilising the model developed by the Association of Local Authority Risk Management (ALARM). This will be scoped and planned for later in 2022/23.

Contact Officer: Corporate Governance and Assurance Manager
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Date: 16th May 2022

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Report of Head of Internal Audit, Anti-Fraud and Assurance

AUDIT AND GOVERNANCE COMMITTEE – 1ST JUNE 2022

ANNUAL GOVERNANCE STATEMENT - ACTION PLAN UPDATE

1. Purpose of the report

1.1 This brief report supports the updated action plan relating to the issues identified following the Annual Governance Review (AGR) for 2020/21. The action plan is attached as Appendix 1 to this report and was approved alongside the Annual Governance Statement (AGS) by the Audit and Governance Committee at the 17th November 2021 meeting.

1.2 The action plan captures issues identified in the 2020/21 Annual Governance Statement (AGS) and includes some outstanding actions carried forward from the previous year's AGS approved by the Audit and Governance Committee at the 2nd June 2021 meeting.

2. Recommendation

2.1 The Committee is asked to note the report and progress made against each item listed in the Action Plan.

3. Action Plan Update

3.1 The action plan is used to track the progress of the actions identified as necessary to deal with the issues raised through the AGR process.

3.2 Where actions were reported as completed at the last review of action plan progress (Audit and Governance Committee meeting 13th April 2022) these have now been removed from the action plan.

3.3 The action plan presented today contains those actions where work is continuing and includes details of the current position statement and timescale for delivery.

4. Background Papers

4.1 Previous Audit and Governance Committee reports covering the Annual Governance Review process and the 2020/21 Annual Governance Statement.

Contact Officer: Corporate Governance and Assurance Manager
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Date: 16th May 2022

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Appendix 1

Barnsley MBC – Annual Governance Statement - Action Plan (includes carry forward actions from 2019/20) – 1 June 2022

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
Risk Management					
	Training and Support (AGS 2019/20)	Development of training materials with IT colleagues for inclusion on the POD system	31st May 2022	Rob Winter / Alison Salt	Developed to inform the 2021/22 AGS
	Ensure the full implementation and use of the Risk Management System across the Council (AGS 2020/21)	Undertake a review of the risk management system with service users – identify any further areas for development and/or improvement to the system.	February/March 2022	Rob Winter/Alison Salt	Improvement actions identified and will be implemented by 31st July 2022
	Development of the wider governance assurance process across the Council to integrate with the new Risk Management System (AGS 2020/21)	Develop a governance accountability and assurance framework.	31st July 2022	Rob Winter/Alison Salt	In development.
Information Governance					
	POD Success Factors – learning and development (AGS 2019/20)	The tools available are very limited – e.g. POD and major resources required from IG/IS. To explore more robust technical methods of rolling out training e.g. POD replacement / Success Factors	November 2022	Sarah Moses	Timeline for Success Factors Phase 2 (learning and development) is now November 2022 and work is progressing to achieve this goal
	Use of memory sticks - There is the occasion whereby the use of memory sticks has been authorised on an individual basis, the users with access to use USB memory sticks is documented but not the physical memory sticks (AGS 2019/20)	IS currently reviewing options – e.g. blocking all USB drives for memory sticks or enforcing encryption on memory sticks.	On hold due to Covid-19	Sara Hydon	On hold due to Covid-19, until people return to the offices it would be difficult to co-ordinate without causing chaos to those using memory sticks

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
Personal Development Reviews					
	Implementation of Success Factors (performance and goals) (AGS 2019/20)	Undertake a full review and rebrand of the performance appraisal process aligned to the new council plan / MTFS / Smart Working	November 2022	Amanda Glew / Lesley Glanville	To be picked up as part of roll out of Success Factors Phases 2 and 3 – completion date November 2022 with work progressing to achieve this date
		Implement Performance and Goals module within Success Factors which should address some of the technical / reporting issues being experienced with the Learning Pool solution	November 2022	Amanda Glew / Sarah Moses	As above
	Continue to review the compliance levels and quality of PDRs across the Council (AGS 2020/21)	Continue to develop service standards and KPI's with Business Units and ensure increased use of Power BU tools/reports as a routine part of business management	March 2022	Service Directors / Phil Quinn	Ongoing
Declarations of Interest					
	Improve compliance with completion of annual forms and their subsequent availability and use (AGS 2019/20)	Review of the process to ensure full compliance with the completion of the Declaration of Interests form and their subsequent availability and use	March 2022	Martin McCarthy/Rob Winter	Internal Audit at draft report stage.
	Review of the process to ensure the awareness of declarations made. (AGS 2020/21)	As above	As above	As above	As above
Safeguarding Awareness					
	Ensure wider Council is informed and aware of safeguarding matters (AGS 2019/20)	Principal Social Worker (PSW) is reviewing safeguarding processes within locality teams as part of the Better Lives Work Programme which will continue throughout 20222/23.	Currently in progress and ongoing	Julie Chapman	In late March 2022 partners from across the council, voluntary and community sector and health took part in a safeguarding adult's peer review (led by colleagues from the Local Government Association). The sessions

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
					helped to promote a better collective understanding and awareness of what works and what could be improved. An audit of safeguarding cases relating to self-neglect and hoarding has been completed with team managers in adult social care. A selection of the case studies examined (which were randomly selected) demonstrated strong partnership working with colleagues from social care, housing and fire and rescue. The safeguarding board manager and colleagues from across the Council have started planning for safeguarding awareness week. This will help to raise awareness of safeguarding amongst members of the public and people working alongside them. We have made changes to the Erica system to ensure that people who raise a safeguarding concern receive feedback more consistently.
Partnership, Relationship and Collaboration Governance					
	Review the governance arrangements and reporting requirements for partnerships and collaborations (AGS 2019/20)	Undertake a baseline review of partnerships and reporting requirements	April 2022	Rob Winter	Review in progress involving discussions with officers to obtain good practice and learning/improvement areas to incorporate in the guidance.

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
	Develop a defined governance framework with a corporate lead for partnerships and collaborations. (AGS 2020/21)	Develop guidance to support how the Council engages with third parties in various guises in the delivery of services and functions.	September 2022	Rob Winter	Guidance to be prepared following discussions with officers as above.
Fraud Awareness					
	Continue to work to improve staff awareness and the assessment of fraud risks (AGS 2020/21)	Develop a communication plan to ensure important messages and reminders to staff regarding fraud awareness. Review the fraud risk assessment process to undertake with BUs.	May 2022 May 2022	Rob Winter/Jo Race	In draft. In progress.
	Develop specific training to promote better general awareness (AGS 2020/21)	Review current and develop new general and role specific training regarding fraud awareness.	May 2022	Rob Winter/Jo Race	In progress
HR Recruitment Processes					
	Review processes to improve efficiency and effectiveness of recruitment processes - linked to Success Factors implementation (AGS 2020/21)	SMT requested recruitment review report	September 2022	Phil Quinn	Recruitment report presented to SMT on 15 February. Recommendations agreed which will be taken forward by the HR team. SF recruitment module implementation planned for over the summer. Action plan captured all recommendations, with progress reviewed monthly by Head of HR

Report of the Head of Internal Audit, Anti-Fraud and Assurance

AUDIT & GOVERNANCE COMMITTEE – 1st JUNE 2022

INTERNAL AUDIT CHARTER 2021-2024

1. Purpose of the Report

1.1 This report presents to the Committee the Internal Audit Charter (attached as Appendix 1) for approval as required by the Public Sector Internal Audit Standards (PSIAS).

2. Recommendation

2.1 The Committee is recommended to consider and approve the Internal Audit Charter and consequently be assured that the Internal Audit function operates in accordance with the relevant standards.

3. Background

3.1 The first Standard in the PSIAS – 1000 Purpose, Authority and Responsibility, states that:

> *"The internal audit charter is a formal document that defines the internal audit activity's purpose, authority and responsibility. The internal audit charter establishes the internal audit activity's position within the organisation, including the nature of the Head of Internal Audit's functional reporting relationship with the Board (Audit Committee); authorises access to records, personnel and physical properties relevant to the performance of engagement; and defines the scope of internal audit activities. Final approval of the internal audit charter resides with the Board."*

3.2 The Charter is structured to explain the various aspects of the function, its Mission and Core Principles, authority and scope, purpose, definitions, responsibilities of Internal Audit and Senior Management, the position of Internal Audit within the organisation, the resources, skills, competencies and standards, access to people and information, the scope of activity, planning, reporting and quality assurance.

3.3 Once approved the Charter will be presented to the Audit Committees of our other client organisations. In that context some of the language is generic to cover the various organisations Internal Audit serves.

3.4 It is good practice to review the Charter periodically to ensure it reflects how the function operates but also to ensure that the requirements and provisions of the PSIAS are adequately covered.

3.5 The Charter was considered by the external assessor as part of the External Quality Assessment reported to the Committee in September 2021. As part of that the process, the Charter was held up as an exemplar, particularly for an Internal Audit function supporting numerous clients. As such, the Charter remains representative of how the Internal Audit operates and therefore no changes have been made.

4. Appendix

Appendix 1 – Internal Audit Charter 2021 – 2024

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Email: robwinter@barnsley.gov.uk
Date: 20th May 2022

BARNSLEY

Metropolitan Borough Council

INTERNAL AUDIT SERVICES

Internal Audit Charter

2021 – 2024

Updated March 2021

1. Introduction

1.1 The Internal Audit function is a key component of an organisation's governance framework. As such, it aims to provide a quality objective and independent management support function in order to influence and contribute to the achievement of strategic objectives. An important part of this support is the development and maintenance of excellent client relationships and adopting an innovative and flexible approach to the delivery of the service. This Charter provides the framework for the management and delivery of the Internal Audit function and is applicable to all client organisations.

1.2 This Charter therefore defines the mission and core principles for Internal Audit, its authority and scope, purpose, responsibilities, position in the organisation, resources and standards, planning and reporting. This is consistent with and in compliance with the Public Sector Internal Audit Standards (PSIAS).

1.3 The PSIAS defines internal audit as:

> "…. *an independent, objective assurance and consulting function 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.*".

2. Mission and Core Principles

2.1 The PSIAS also provides a mission for the Internal Audit function that articulates what it aspires to accomplish within the Council and for its external client organisations.

2.2 The mission for Internal Audit is:

> "*To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight*".

2.3 A set of core principles have also been defined through the PSIAS aimed at articulating internal audit effectiveness. The function aims to demonstrate these principles in all it does and across all the organisations it serves. The core principles and how they are met are: -

Principle	**How Discharged**
Demonstrates integrity	All IA staff are obliged to adhere to the Code of Ethics within the PSIAS (see para 8.8) and confirm annually that they have read, understood and will comply.
Demonstrates competence and due professional care	IA have a performance management process of specific job supervision and management complimented by regular 1:1s and the corporate PDR process. Feedback from clients and peers on each piece of work is also utilised for this purpose. IA staff undertake regular specific and general training and development activities in accordance with the agreed training plan. (See para 8.9)
Is objective, free from undue influence and therefore demonstrates independent thought	As individuals, the ability to operate objectively and with an independent mind is a core attribute of being in IA and a requirement within PSIAS (see paras 8.5 and 8.6). The HoIA's position within the organisation also sets this tone and is further reinforced by the specific access to information and other officers afforded to IA.
Aligns with the strategies, objectives and risks of the organisation	IA planning and delivery is built upon the knowledge of the organisation's strategies, objectives and key risks. Consideration of these is an integral part of annual and specific job planning.

Principle	How Discharged
Is appropriately positioned and adequately resourced	The HoIA has the necessary reporting lines and unfettered access to the relevant statutory officers, audit committees and the external auditors of all client organisations. The resources of the IA function are assessed annually as part of the audit planning process. It is the duty of the HoIA to highlight any concern regarding the resources available for IA to the organisation.
Demonstrates quality and strives for continuous improvement	The HoIA maintains a Quality Assurance and Improvement Programme (QAIP) as required by PSIAS. This aims to ensure the delivery of high-quality IA services but to also identify any opportunities for further improvement. The client feedback process is a key element of this and liaison with other external parties (e.g. S&WY HoIA Group, CIPFA Special Interest Group for IA and Police Audit Group).
Communicates effectively	A key output from IA is the audit report. These are compiled in a clear and concise manner to highlight the key areas for management to address. Regular liaison meetings are held with each client throughout the year via client update meetings with nominated SPOCs, DMTs, to ensure the sharing of information and that operational working arrangements, job planning and delivery are effective. The HoIA's annual report is also a key element of organisational communication.
Provides risk-based assurance and advice	All IA planning (formal assurance work and advice/consultancy) considers the risk, concerns, issues and threats to an organisation, a service or system in whatever capacity IA work is focussed. IA reports refer to these matters such that management are alerted to undertake any actions to address risks etc. The HoIA's annual opinion focusses on assurance about the effectiveness of an organisation's risk management, control and governance arrangements.
Is insightful, proactive and future-focussed	The scoping of IA work includes prompts and opportunities to provide innovative solutions, provide advice and consider future activities, capacity and efficiencies. This is particularly an area of focus in the advisory work IA undertakes.
Promotes organisational improvement	All IA work as referenced above, is designed to assist management and the organisation deliver its strategic and operational objectives in the most efficient and effective way.

2.4 The Barnsley Internal Audit Service operates within a challenging environment across all client organisations to deliver the services each requires and to ensure it provides added value. The Service needs to be able to react and adapt to the rapid pace of change which is taking place both locally, regionally and nationally. Accordingly, and in addition to the core principles in the PSIAS, the Charter has been extended to include even wider aspirations of the Internal Audit Service, which are to:

- ✓ Develop, maintain and enhance relationships particularly where a client organisation is undergoing significant change to ensure that the service is aware of and understands its needs and objectives;
- ✓ promote and support clients with regards to an increase in regional and collaborative working;
- ✓ understand its position with respect to the organisation's other sources of assurance and plan our work accordingly;
- ✓ be seen as a catalyst and support for change at the heart of the organisation;
- ✓ be the auditor of choice, delivering exceptional client service;
- ✓ add value and assist the organisation in achieving its strategic objectives;
- ✓ be forward looking – knowing where the organisation wishes to be and being aware of the relevant national agenda and its impact;
- ✓ be innovative and challenging;

- ✓ help to shape the ethics and standards of the organisation, reducing bureaucracy whilst maintaining high standards of governance and compliance;
- ✓ ensure the right resources are available recognising that the skills mix, capacity, specialisms, qualifications and experience requirements all change constantly;
- ✓ ensure all staff are supported in undertaking relevant professional qualifications and continuous professional development;
- ✓ share best practice with other internal auditors, clients and other professional services;
- ✓ seek opportunities for joint working with other organisations' auditors and assurance providers.

3. Authority and Scope of Internal Audit

3.1 The requirement for an internal audit function is detailed within the Accounts and Audit Regulations 2015 which state that a relevant body must "*undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes taking into account public sector internal auditing standards and guidance [PSIAS]*".

3.2 In accordance with the PSIAS, the scope of Internal Audit allows that in fulfilment of audit responsibilities there will be unrestricted coverage of all the organisation's activities and unrestricted access to all functions, records, data, personnel, premises and assets of the organisation and its partner organisations, as deemed necessary in the course of audit work and as set out in relevant partnership agreements and contracts. Internal Audit has therefore the authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities.

3.3 All records, documentation and information accessed in the course of undertaking internal audit activities are to be used solely for the conduct of these activities. The Head of Internal Audit (HoIA) and staff are responsible and accountable for maintaining the confidentiality of the information they receive during the course of their work.

3.4 The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the governance, risk management, and internal control processes in an organisation as well as the quality of performance management arrangements in carrying out assigned responsibilities to achieve the objectives of the organisation.

4. Purpose of Internal Audit

4.1 Each client organisation is responsible for establishing and maintaining appropriate risk / concern management processes, control systems, accounting records and governance arrangements. Internal Audit plays a vital part in advising whether effective and efficient arrangements exist. The annual HoIA opinion, which informs the annual governance statement, both emphasises and reflects upon the importance of this aspect of Internal Audit work. The response to Internal Audit activity should lead to the strengthening of the control environment and therefore contribute to the achievement of the corporate objectives, improvement and support innovation and change.

4.2 This is achieved through internal audit providing a combination of assurance and consulting/advisory activities. Assurance work involves assessing how well the systems and processes are designed (adequacy) and how well they are working (application). Consulting and advisory activities are available and complimentary to assist management make improvements to systems and processes where necessary.

5. Definitions

5.1 As the Internal Audit function serves a number of different organisations and for the purpose of this Charter the following definitions apply:

The Board – generally the governance group charged with seeking independent assurance on the adequacy of the control, risk management and governance framework, and the main oversight body for the delivery of the internal audit function. Such Boards are usually the group performing the role of an audit committee.

Senior Management – generally those responsible for the leadership and direction of the organisation as a collective, incorporating the 'chief executive' role.

6. Responsibilities of Internal Audit and Senior Management

6.1 The responsibilities and objectives of Internal Audit are as follows:

i. To be a valuable asset to the organisation by supporting senior management in meeting their corporate responsibilities.
ii. To contribute to assurances to those charged with governance in relation to the robustness and reliability of internal controls, risk / concern management and governance to support the Annual Governance Statement (AGS).
iii. To support the Statutory S151 Officer / Responsible Financial Officer in discharging their duties.
iv. To periodically review, appraise and report on the extent to which the assets and interests of the organisation are accounted for and safeguarded from loss and the suitability and reliability of financial and other management data and information.
v. To support the requirement to seek efficiency including the arrangements for achieving value for money and effective change management.
vi. To provide soundly based assurances to management on the adequacy and effectiveness of their internal control, risk / concern and governance arrangements. Such assurances include information technology governance and ethical behaviour.
vii. To assess the adequacy and effectiveness of the organisation's contracts, procurement, commissioning and associated governance arrangements.
viii. To assess the adequacy and effectiveness of the organisation's corporate risk / concern management process and the level of embeddedness in business as usual, whilst ensuring that Internal Audit does not adopt management responsibilities for managing risks.
ix. To evaluate the risk of fraud and the manner in which it is managed by the organisation. In addition, to reduce the incidence of fraud and irregularity by publicising the findings of fraud investigations to act as a deterrent and provide a quality fraud and irregularity prevention, detection and investigation service.
x. To disseminate examples of best practice in the application of an effective control, risk / concern and governance framework.
xi. To provide an Internal Audit advisory service intended to add value and improve governance, risk / concern management and control processes.
xii. To provide advice and an objective and supportive consulting service in respect of the development of new programmes and processes and / or significant changes to existing programmes and processes including the design of appropriate controls. This is usually achieved through membership of Officer Groups, Governance and other Boards or working parties as well as direct contact with officers within services / functions / departments. Such advice and consultation work forms an important part of the audit plan.
xiii. To prepare timely, concise and informative reports to management to facilitate the improvement of the control environment.
xiv. To undertake Audit support activities in respect of assisting the Audit Committee (or equivalent) to discharge its responsibilities; monitoring the implementation of agreed management actions; disseminating across the entity better practice and lessons learnt arising from its audit activities and having oversight of the audit function.

6.2 Under the PSIAS, the HoIA has a specific responsibility to lead and manage the Internal Audit function and have the necessary and unfettered access to senior management and audit committees.

6.3 Senior management also have responsibilities under this Charter in order to maximise the effectiveness and efficiency of the Internal Audit function. These are to:

- Engage fully and flexibly in the audit planning process, providing information and insight into high risk areas or areas of strategic focus or concern
- Nominate and commit to lead officers for each internal audit assignment and a point of reference for the overall management of the internal audit service
- Engage in a timely manner with Internal Audit in the scoping of work and agreeing terms of reference, dealing with audit queries and discussing draft and final reports

- Provide evidence to Internal Audit (and the audit committee) of the implementation of agreed management actions.

6.4 Arrangements will be made with each client organisation to monitor joint compliance with these responsibilities.

6.5 It should be noted that internal audit is not responsible for the operation of control functions within the Council (or other organisations); these responsibilities rest with senior management. Internal audit should not be regarded as a substitute for good management.

7. Position of Internal Audit in the Organisation(s)

7.1 Within the Council the HoIA reports functionally to the Audit Committee and organisationally to the Service Director – Finance (Section 151 Officer).

7.2 With regards to non-council client organisations the HoIA reports functionally to the respective audit committee / Board. Whilst the organisational relationship is different in the external client organisations, to fulfil professional responsibilities the HoIA will report to the respective Chief Finance Officer and/or Chief Executive.

7.3 Irrespective of the organisation, the HoIA has direct and unfettered access to the Chief Executive (or equivalent), Monitoring Officer (or equivalent) and Responsible Finance Officer. The HoIA also has access to the respective audit committees where this is deemed necessary in the discharging of professional responsibilities.

8. Internal Audit Resources / Skills / Competencies and Standards

8.1 In accordance with PSIAS, the HoIA will be professionally qualified and suitably experienced in the leadership and management of an internal audit function. These requirements reflect the responsibilities of the HoIA in leading a professional discipline, demonstrating personal independence and objectivity and the need to liaise with senior management, members and other professionals.

8.2 It is the responsibility of the HoIA to establish and maintain an appropriately skilled and experienced team and to set a culture of continuous improvement for the function. Resources will be set aside in the operational budget for the purposes of staff development and general and professional training.

8.3 At least annually, the HoIA will submit to the 'Chief Executive' and the Audit Committee an Internal Audit plan for review and approval. The plan will consist of a work schedule and resource requirements for the next financial year(s). The plan will include the impact of any resource limitations and significant actual or planned changes.

8.4 The Standards element of the PSIAS highlights some key expected competencies. These are:

8.5 <u>Independence:</u>

8.5.1 An independent approach and mind-set is essential to the effectiveness of the Internal Audit function. To ensure this, Internal Audit operates within a framework that allows: -

- Unrestricted access to the relevant senior officers; the Chair of the Audit Committee and Audit Committee Members; individual Senior Management Officers; employees and the responsible External Auditor.
- The HoIA to report in his own name.
- Segregation from line operations. Where the Head of Internal Audit has management responsibility for an operational area (i.e. Data Protection Officer for the Council and Clients, Risk Management, Governance and Assurance, Corporate Anti-Fraud), the Audit Manager will be responsible for managing reviews of those areas and for approving the final reports.

8.5.2 The Head of Internal Audit reports directly to the Board and it is the Board's responsibility to:

- Approve the internal audit charter;
- Approve the risk based internal audit plan (within the approved resource envelope);
- Receive updates on internal audit activity and performance relative to the delivery of the plan and other matters;
- Make appropriate enquiries of management and the Head of Internal Audit to determine whether there are inappropriate scope, operational responsibility or resource limitations.

8.5.3 The Internal Audit function has no responsibility for developing or implementing procedures or systems and does not prepare records or engage in original line processing functions or activities.

8.5.4 Internal Auditors are generally not involved in undertaking non-audit activities and an Auditor will not be involved in the audit of any system or process for which they had previous operational responsibility for a period of two years, where they have secondary employment or where there is a conflict of interest.

8.5.5 Audit responsibilities are periodically rotated to avoid over-familiarity and complacency and to provide for service continuity and resilience.

8.6 Objectivity:

8.6.1 Internal Auditors must exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal Auditors must make a balanced assessment of all the relevant circumstances and:

- not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organisation.
- not accept anything that may impair or be presumed to impair their professional judgement.
- disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.
- declare any real or perceived interests on an annual basis. In addition, a prompt is included at the assignment planning phase of each audit and officers are reminded each year (and asked to confirm understanding) that they will comply with the Council's Code of Conduct plus that of their professional body (e.g. AAT, CIPFA, IIA).

8.7 Confidentiality:

8.7.1 Internal Auditors are expected to display confidentiality and:

- Shall be prudent in the use and protection of information acquired in the course of their duties.
- Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation.

8.8 Integrity:

8.8.1 In the conduct of audit work, Internal Audit staff will:

- perform their work with honesty, diligence and responsibility.
- observe the law and make disclosures expected by the law and the profession.
- not knowingly be a party to any illegal activity or engage in acts that are discreditable to the profession of internal auditing or to the organisation.
- respect and contribute to the legitimate and ethical objectives of the organisation.
- comply with relevant professional codes/standards of conduct and declare any real or perceived conflicts of interest.
- respect and contribute to the legitimate and ethical objectives of the organisation.
- observe the Standards of Public Life's Seven Principles of Public Life.

8.9 Competency:

8.9.1 Internal Auditors are competent in their role by:

- engaging only in those services for which they have the necessary knowledge, skills and experience.
- performing internal auditing services in accordance with the International Standards for the Professional Practice of Internal Auditing.
- continually improving their proficiency and effectiveness and quality of their services.

8.9.2 The allocation of audit work to an Internal Auditor is based on consideration of their knowledge, skills and experience and any expression of interest to develop in a particular field/business area. Internal Auditors are encouraged to undertake continuous professional development and opportunities for further development are discussed and agreed during day to day on the job supervision, mentoring, 1:1s and PDR meetings. A training plan is maintained for the Service.

8.9.3 The HoIA maintains a Quality Assessment and Improvement Programme (QAIP) as required by the PSIAS and reports this to each client audit committee on an annual basis.

9. Access to Relevant Personnel and Information

9.1 Each member of the Internal Audit Team will carry with them at all times an ID card that clearly shows their responsibilities and authority as auditors. In the fulfilment of their audit duties this entitles them to unrestricted access to all records, assets, personnel and premises belonging to each client organisation. In addition, internal auditors have the authority to obtain such information and explanations as is considered necessary to meet the requirements of the audit activity. Where necessary, such access will be granted on demand and not subject to prior notice.

10. Scope of Internal Audit Activity

10.1 The HoIA is responsible for producing an annual report to each client organisation's audit committee providing an opinion on the adequacy and effectiveness of the control, risk / concern management and governance arrangements. Through careful annual audit planning and based on a programme of audit activities of sufficient breadth and depth covering the whole organisation, the HoIA is able to produce such an annual opinion.

10.2 The overall approach is determined by the HoIA and will take into account the level of assurance required, the significance of the objectives of the organisation, the degree of change within the organisation, the prevailing risk appetite and culture, and previous audit findings and implementation of agreed management actions.

10.3 To fulfil the scope of internal audit, the programme of audit activities is usually varied covering assurance work, advice, consultancy, anti-fraud work and irregularity investigations. The types of internal audit work are shown as annexe 1.

10.4 Increasingly, a major contribution to the HoIA's annual opinion is through advisory/consultancy type work where in a more proactive and timelier basis input can be given and assurance obtained regarding the adequacy and effectiveness of the activities of the organisation, e.g. through attendance at key management meetings, steering groups and project and programme boards. This work is also valuable for audit planning and generally ensuring a high level of awareness of the organisation's direction, objectives, pressures and performance.

11. Internal Audit Planning

11.1 Setting an annual or periodic risk-based plan is the responsibility of the HoIA. The audit plan is determined through a process of information gathering, reflection, forward looking and above all consultation and engagement with senior management and the Board.

11.2 The following are the key issues in the development of the risk-based audit plan: -

- An understanding of the organisation's vision and ambition, as articulated within the organisation's strategic plans and ensuring that audit coverage is directed and links to these areas of corporate importance.
- Identification of the significant (key) risks, concerns and issues arising from the above and understanding which areas of service delivery the significant risks impact upon.
- Internal Audit provides support to management and directs resources to areas where the Service can add value and support change and innovation.

11.3 The HoIA will advise senior management and the Board regarding the planned coverage and if/where this is potentially compromised due to limited resources.

11.4 Each year the HoIA will set out the planning process and key issues as part of senior management and Board engagement.

12. Reporting

12.1 The key output from internal audit activity is a report, a written and formal product to show the outcome from the assignment.

12.2 Audit Assignment Reporting

12.2.1 In reporting the outcome of individual audit assignments, the lead Internal Auditor will follow a proactive and consultative approach to engage management. The key principles of which are: -

- Advance discussion and agreement of the scope and objectives of audit assignments, the timescales for the completion of the work, and key client / audit contacts along with the recipients of the final audit report.
- Immediate reporting of any significant or critical issues arising during the course of audit work.
- Post audit meetings to discuss the conclusion and outcome of audit work on a prioritised basis and to agree management actions and timescales.
- Any areas of disagreement which are not resolved by discussion are recorded in the action plan and the residual risk highlighted within the report.
- Providing management with the opportunity to give feedback on the conduct of the work and how valuable and effective they found the audit process and report.

12.2.2 The process for the communication of audit work is designed to conform with the PSIAS.

12.2.3 Final audit reports will normally include an overall assurance opinion on the adequacy and effectiveness of the system of risk / concern management, controls and governance arrangements. The report will be issued on a timely basis and responses sought monthly from senior management on the implementation of high and medium agreed management actions. The non-receipt of a response will be followed up with the responsible manager, on a quarterly basis with the Executive Director or equivalent and also reported to the Audit Committee.

12.2.4 A process has been established with each organisation to ensure the high and medium categorised agreed actions are implemented or that senior management have accepted the risk of not taking action. Internal Audit will in certain circumstances undertake specific further work to obtain direct evidence of management actions having been taken as planned. The implementation of agreed management actions is reported to each audit committee where senior management may be invited to explain any delays in taking action.

12.2.5 All low categorised agreed management actions are reported to senior management (i.e. Executive Directors) on a 6-monthly basis. It is management's responsibility to obtain assurance that these have been implemented, and they are required to declare that they have fulfilled this responsibility within the annual declaration which forms part of the Annual Governance Review.

12.3 Reporting of Ad Hoc Advice and Development / Consultancy Work

12.3.1 Internal Audit undertakes a variety of tasks which do not always justify a formal audit report, e.g. responding to one-off queries, advice and consultancy type work given verbally at meetings e.g., projects and developments. Internal Audit does however ensure that details of advice given are recorded by the retention of memos / copy e-mails, or file notes and minutes of meetings. Such records are retained in respect of advice given which is likely to (or intended to) influence management decisions or effect changes in systems and processes. The result of this work is considered as part of the HoIA's overall assurance opinion.

12.3.2 Issues and risks / concerns arising would also be recorded within project and operational risk / concern registers in order to be managed by project lead officers. Details of issues arising would not necessarily be reported separately to the Audit Committee. However, details of the engagement and work undertaken would be recorded within the respective Audit Committee Report and any material issues would be followed up in accordance with the standard reporting and monitoring process.

12.4 Reporting to the Audit Committee

12.4.1 Internal Audit reports as follows: -

- Details of audit plans, performance against plans and against key performance measures, and on significant control or compliance issues arising from audit work, longstanding agreed management actions and management responses, completed projects / advice, unplanned, cancelled or deferred audit work.
- To client Audit Committee's on its performance and on individual audit reports.
- Audit Committees provide a route for the escalation of a failure to respond to audit reports, or the non-implementation of agreed management actions, with the potential for management to be called to answer to the Committee.
- The Audit Committee receives an annual report summarising the outcome of the review of the effectiveness of the internal audit function which is required under the PSIAS.

12.5 Annual Report of the Head of Internal Audit

12.5.1 The annual report to the Audit Committee includes the HoIA's opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk / concern management and control as determined from the programme of work undertaken. The following elements are incorporated into annual audit reports: -

- The HoIA's opinion on the overall effectiveness of the organisation's internal control, risk / concern management and governance environment based on work undertaken.
- Disclosure of any qualification to this opinion, together with the reason for the qualification.
- The disclosure of any impairments or restriction in scope of audit work.
- A summary of the audit work undertaken to provide this opinion, including any reliance placed on assurance work by other bodies.
- Details of any issues that the HoIA judges to be particularly relevant to the AGS.
- A comparison of work actually undertaken with the work originally planned and a summary of the performance of Internal Audit against its performance measures and criteria.
- A statement to confirm work has been completed independently and in accordance with the PSIAS.
- The results of the Quality Assurance Improvement Programme (QAIP).
- Any other issues that the HoIA judges is relevant to the preparation of the AGS.

13. Quality Assurance

13.1 Internal Audit is committed to provide a high-quality service to all client organisations and encourages clients to give feedback. A programme of internal quality assurance reviews of completed work are undertaken during the year to provide assurance that these have been undertaken in compliance with PSIAS and operational procedures. All matters relating to the

quality of the function are captured within the Quality Assessment and Improvement Plan (QAIP) which is maintained by the HoIA and reported to each audit committee annually.

14. Contacts

The key contacts for the Internal Audit Service are:

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The office address is:

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Internal Audit Services
Westgate Plaza
Barnsley
S70 9EY

Types of Internal Audit Work

Advice	To meet requests from management for information and guidance on matters of internal control, procedures, compliance with relevant policies etc.
IT Audit	Operational IT audit designed to assess and review the operating procedures supporting key IT policies, environmental controls and input into system developments and new systems.
Information Governance	Work specifically looking at the adequacy and effectiveness of the management, use, control and security of information, compliance with the requirements of data protection legislation as well as internal policies and procedures. Support the Data Protection Officer in undertaking specific compliance reviews in relation to Data Protection legislation.
Regularity	Audit work designed to review and assess compliance with policies and procedures to ensure internal controls exist and are effective. Such work covers the functional areas of services and establishments. Important Internal Audit work to demonstrate presence at an operational level. Work supported by risk based and themed audit work.
Financial Systems	Work designed to assess and review the adequacy of the internal controls within the financial systems of the Organisation. Such work will take the form of either a walkthrough or full compliance audit on a risk-based approach set out in the annual strategy. This work is also considered by External Audit as part of their work on the statutory opinion on the accounts.
Grant Claims	Work necessary to independently verify grant claims as required by the awarding body.
Management Audit (Incl. Corporate items)	Provision for work on corporate procedures and processes. Also incorporates work specifically for management on an advisory basis. These jobs also tend to be of a significant length in terms of Internal Audit days and elapsed time due to their detail and nature.
Anti-Fraud and Investigations	This work, undertaken or led by the Corporate Anti-Fraud Team, focuses on prevention, detection and investigations. *Prevention* work focuses on developing good procedures, polices and guidance for managers and ensuring awareness so that appropriate controls are in place to avoid irregularities. *Detection* work focuses on proactively examining the transactions of the organisation and other information to identify potentially fraudulent activity. *Investigations* work is largely in response to allegations of irregularity being brought to Internal Audit's attention. This work is often extremely sensitive and requires great care, tact, diplomacy and attention to detail. A report to management is most often the output from this work where audit findings

	are described along with recommendations regarding potential disciplinary action or referral to the Police, and guidance on improving controls to minimise the risk of such matters arising again.
Commissioning, Procurement and Contract Audit	*Commissioning & Procurement* - generally focussed on the policies, procedures and systems in place to identify, assess and deliver a requirement; including compliance with procurement regulations (EU requirements and/or Contract Procedure Rules, Commissioning and Procurement Strategies/Policies). *Contract* - this work focuses on the controls within the organisation's contractual policies and procedures to ensure that individual contracts are entered on a timely basis and that these protect the organisation's interests. In addition, that the contract management arrangements are robust, and payments made are appropriate.
Project Management	Work which evaluates the effectiveness of the application of project management principles in order to achieve given outcomes / deliverables.
Corporate Governance Assurance	Requirements under the Accounts and Audit Regulations mean that all client organisations have to prepare and publish a statement on the overall adequacy of their governance arrangements (annual governance statement). A key element to providing assurance to the organisation is the work of Internal Audit overall and particularly in the key areas of corporate governance, risk management, performance management and general policy and procedure compliance.
Audit Committee Support	Time is allocated to support the various audit committees. This work involves the provision of reports, guidance and training.

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Report of the Head of Internal Audit, Anti-Fraud and Assurance

AUDIT & GOVERNANCE COMMITTEE – 1st June 2022

ANNUAL FRAUD REPORT 2021/22

1. Purpose of the Report

1.1 The purpose of this report attached at Appendix A is to provide an account of counter fraud related activity undertaken by the Corporate Anti-Fraud Team during the period 1 April 2021 to 31 March 2022.

2. Background

2.1 The Council is responsible for the administration of substantial amounts of public funds and, as all local authorities, is likely to be a target for fraudsters. It is therefore vital to maintain robust policies and procedures to safeguard the council against potential fraud and to seize every opportunity to tackle fraudulent activity directed against the council.

2.2 It is an unrealistic expectation however to remove and avoid all fraud or loss from a large and diverse local authority. But, with a concerted effort from elected members, senior management, and all employees it is reasonable to expect that we can reduce and ultimately minimise the incidence and impact of fraud and corruption and thus ensure valuable resources can be used for front line services.

2.3 Senior managers continue to be aware and accept that anti-fraud and corruption measures start with them. Internal Audit and the Corporate Anti-Fraud Team provide an important advisory and guiding role but cannot assume the responsibility for operational anti-fraud controls within services and systems.

2.4 In 2021/22 the Corporate Anti-Fraud Team had a total budgeted plan of 409 days due to a team vacancy and pending restructure. Preventative anti-fraud work undertaken totalled 239 days and reactive investigations totalled 170 days.

3. Recommendations

3.1 It is recommended that:

i. The Audit and Governance Committee considers and comments upon the Annual Fraud Report as part of its monitoring role; and

ii. Continue their support in embedding a culture of zero tolerance and high levels of awareness regarding fraud and corruption.

5. Consultations

5.1 All audit reports are discussed with the main auditee. Individual audit reports are provided to the appropriate Executive and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

6. Risk Management Considerations

6.1 Failure to have robust counter fraud arrangements will increase the Council's susceptibility to fraud and will result in loss of public money.

7. Employee Implications

7.1 All employees are under an obligation through their contracts of employment to be honest and adhere to the Code of Conduct.

8. Financial Implications

8.1 The structure and budget that the CAFT operate within has proven successful and provides sufficient resource required to carry out an efficient value for money anti-fraud service.

8.2 Identifying a definite amount to be recognised as the impact of the CAFT is difficult beyond such results as the single person discount (SPD) and other benefit work. Much of the work of CAFT is about avoiding loss. The NFI produce an 'Outcomes Calculation Methodology' document that seeks to put a value on the results of 'fraud avoidance'. For example:

£575 per blue badge cancelled to reflect lost parking charges
£93,000 per property recovered through tenancy fraud
£72,000 per Right to Buy application withdrawn

8.3 These (and other) calculations are used to estimate the national impact of fraud. Reflecting on these figures together with the periodic results from SPD exercises demonstrates that the CAFT more than pays for itself every year in direct activity and contributes additional fraud / loss avoidance through fraud awareness training, policy review and advice.

9. Performance Measures

9.1 CAFT's success will be measured by:

- Monitoring the quality of corporate fraud referrals (inputs) on a quarterly basis;
- Measure the results (outputs) and success rate of corporate investigations on a quarterly basis;
- Production of six-monthly updates and an annual report to the Audit and Governance Committee

Contact Officer: Head of Internal Audit, Assurance and Anti-Fraud
Email: robwinter@barnsley.gov.uk
Date: 23rd May 2022

Internal Audit, Anti-Fraud and Assurance

Corporate Anti-Fraud Team (CAFT)

Annual Fraud Report 2021-22

Audit and Governance Committee

1st June 2022

BARNSLEY
Metropolitan Borough Council

1. Purpose of the Report

1.1 The purpose of this report is to provide an account of counter fraud work undertaken by Internal Audit's Corporate Anti-Fraud Team during the period 1 April 2021 to 31 March 2022.

2. Proactive Anti-Fraud and Corruption Activity 2021/22

Acknowledging and Preventing Fraud

2.1 Fraud awareness e-learning is incorporated into the induction process for new employees. A total of 141 employees have completed the training in 2021/21. The e-learning is to be refreshed and updated as part of the 2022/23 plan.

2.2 A review of the Council's counter fraud webpage and the reporting methods has been undertaken, with new links added to the landing page directing members of the public to other agencies where appropriate.
https://www.barnsley.gov.uk/services/our-council/how-we-deal-with-fraud/

2.3 Other counter fraud work includes:

- Virtual attendance at the South Yorkshire Police Barnsley District OCG Bronze meetings;
- The Principal Auditor (CAF) is a Yorkshire and Humberside Regional Representative for the 'Fighting Fraud and Corruption Locally' Regional Operational Group and a member of two national working groups which aim to share good practice in relation to data analysis and social care fraud;
- The Principal Auditor (CAF) has attended virtual conferences and seminars to assist with the team's continuing professional development;
- The Corporate Fraud Investigator is an active member of the Tenancy Fraud Forum which aims to share good practice across local authorities.

2.4 Other counter fraud work commenced in 2021/22 and carried forward to 2022/23 includes:

- participating in a corporate group to consider procurement fraud risk; and
- review and development of corporate training material through the POD system.

2.5 The progress and results of this work will be included in future reports to the Committee.

Scams

2.6 The Covid-19 pandemic continued to see a significant increase in scams and attempted frauds as criminals took the opportunity to exploit government grants.

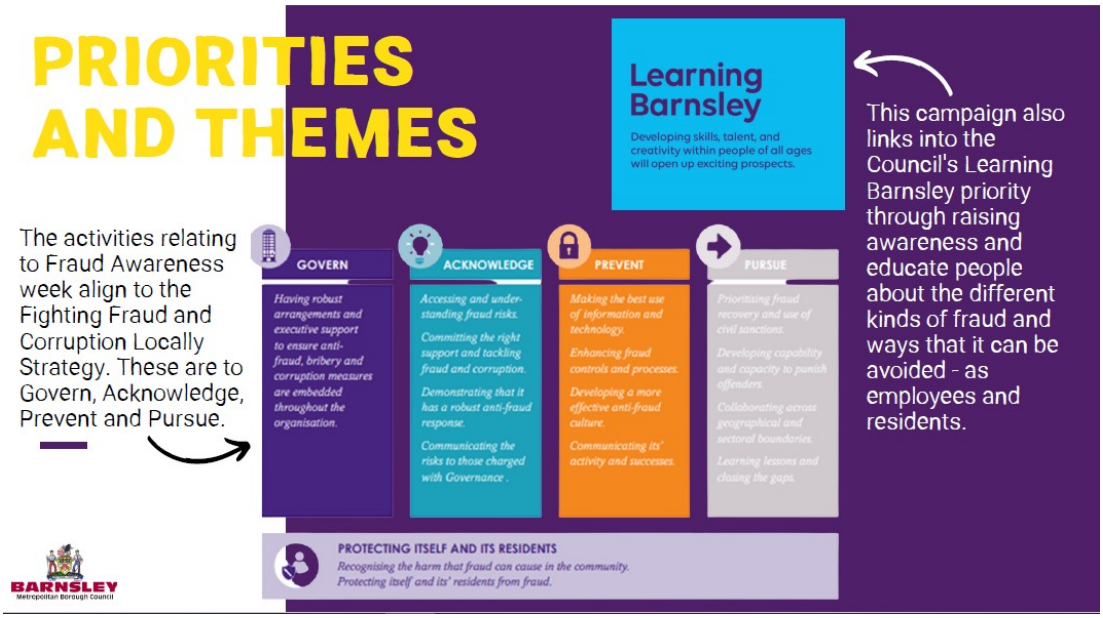
2.7 The Council prevented 23 fraudulent applications for the Restart and Omicron business grants during 2021/22. The total value of fraud prevented is £133,337.

2.8 The CAFT received regular fraud alerts from the National Anti-Fraud Network throughout 2021/22. These alerts, covering a range of frauds against local authorities and schools, were shared within the Council, via the Intranet or the specific service area, and externally via Corporate Communications.

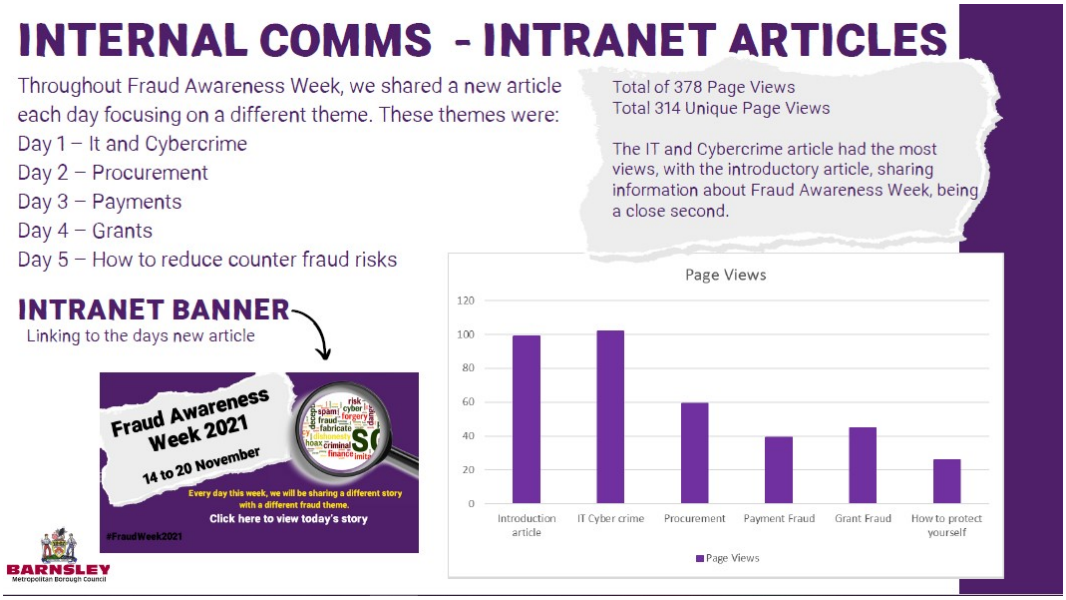
Fraud Awareness Week

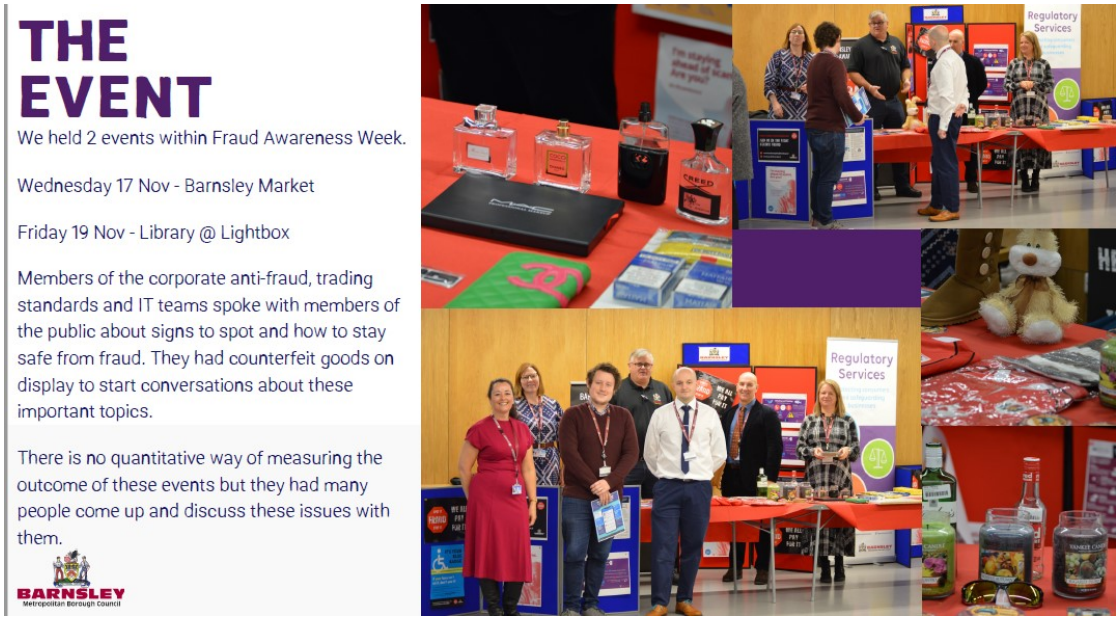
2.9 The CAFT led and co-ordinated Fraud Awareness Week 2021. Several Council departments, including Trading Standards, Licencing, IT and Berneslai Homes participated in the “Fraud: Spot it, Stop it” campaign.

The activities were linked to the five pillars of Fighting Fraud and Corruption Locally and to Learning Barnsley with the aim of raising awareness of fraud.



2.10 A press release publicising the exercise was issued during the week prior to Fraud Awareness Week and fraud awareness themes were shared internally via the Intranet and externally via social media. Officers also held two events in the Town Centre to raise fraud awareness with members of the public.





National Fraud Initiative (NFI)

2.11 The NFI is a biennial, mandatory, data matching exercise which all UK local authorities must participate in. The aim of the exercise is to identify possible cases of fraud, error and overpayments within public bodies, e.g., local authorities, central government, the NHS. The Council has routinely participated in this initiative from its inception in 1996/97.

2.12 Although participation is mandatory, there is no requirement for all identified data matches to be investigated. To assist with the prioritisation of investigations, matches are categorised high, medium or low risk. Some matches appear in more than one report, for example, a data match may relate to a housing benefit claimant who also appears in a council tax support data match report. Improvements to the NFI website enable these matches to be investigated at the same time to avoid duplication of work.

2.13 Post payment assurance work relating to the Covid-19 Business Support Grants and reduced resources within the CAFT due to a long-term vacancy has resulted in fewer 2020/21 datamatches being checked by the CAFT. The Team focused on checking high risk datamatches and forwarded other datamatch reports to departments for officers to check. The 2022/23 NFI exercise is due to commence later this year and the CAFT will resume the responsibility for datamatch investigations.

2.14 A breakdown of the results from the 2020/21 exercise are shown below:

Subject	Monetary Value	Number of Cases
Pensions Overpayments	£10,629.45	9
Housing Benefit Overpayments	£8,331	2
Duplicate payment	£4,950	1
Blue badges cancelled*	N/A	223
Total Overpayments	**£23,910.45**	**242**

*A data match between blue badge parking permits and DWP deceased report identified that 223 blue badges remained in circulation. Records have been updated to cancel the permits.

3. Reactive Fraud Work

Detecting and Investigating Fraud

3.1 Despite strong preventative measures, there are inevitably a minority of dishonest people who will be intent on attempting fraud or trying to find new ways to evade preventative systems or indeed taking an opportunistic risk. When this happens, it is essential that we are able to promptly detect instances of fraud that have occurred.

3.2 The CAFT uses a fraud case management system which records all allegations of fraud reported, whether or not the matter is investigated. The system identifies all different types of fraud, both internal and external.

3.3 The maintenance of the records is essential to monitor the impact of fraud against the Council with the nature of these irregularities being monitored to identify any potential trends and/or weaknesses in the control environment. The CAFT work closely with Internal Audit and any control weaknesses identified are shared with the Internal Audit Manager as further audit work may be required.

3.4 Both the Principal Auditor (Corporate Anti-Fraud) and the Corporate Investigations Officer are qualified Accredited Counter Fraud Specialists.

3.5 A summary of the Corporate Anti-Fraud Team's reactive case load and values of fraud or overpayments identified during 2020/21 are shown at Appendix I.

Counter Fraud Checks

3.6 The CAFT continue to provide counter fraud checks of submitted insurance claims and Right to Buy applications. These checks, including financial and residential verification, provide assurance that the claims/applications are genuine and bona fides.

3.7 CAFT has undertaken checks against 46 insurance claims during the 2021-22 financial year. A summary of these referrals is shown below.

Details	2021/22 No.	2020/21 No.
No evidence of fraud	46	41
Claim refused – Council not liable	0	1
Withdrawn by claimant	0	1
C/F to 2021-2022	0	3
Total	46	44

3.8 CAFT has undertaken checks against 169 RTB applications during the financial year 2021/2022.A summary of these referrals is shown below.

Details	2021/22 No.	2020/21 No.
No evidence of fraud	167	132
Referred to DWP	0	0
Ongoing	2	0
Total	169	132

4. Emerging Risks

4.1 The Covid-19 pandemic increased a significant number of fraud risks for local authorities and members of the public. These risks mainly relate to organised crime attacks and social engineering fraud.

4.2 Feedback from national and regional working groups indicate that there has not been a significant increase of internal fraud during the pandemic. However, remote working and the immediate responses required to distribute grants and Government funding to businesses and individuals has created ideal conditions for external fraudsters and scammers.

4.3 The majority of these cases are still against individuals; however, the public sector is increasingly being targeted.

4.4 In response to the cost-of-living crisis Central Government is issuing a variety of grants to local authorities for distributing to those most in need and it is anticipated that fraudsters will again target council's in an attempt to obtain monies. A key action for 2022/23 is to ensure that all Council employees are aware of these risks and have implemented effective controls.

5. Compatibility with European Convention on Human Rights

5.1 In the conduct of investigations, the Corporate Anti-Fraud Team operates under the provisions of the Data Protection Act 2018, the Human Rights Act 1998, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act 1984.

6. Reduction of Crime and Disorder

6.1 An inherent aspect of counter fraud work is to prevent, detect and investigate incidents of fraud, theft, and corruption. The control issues arising from investigations have been considered to ensure improvements in overall controls. Additionally, Internal Audit ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

6.2 Counter fraud work is carried out in compliance with criminal and civil law and criminal investigation procedures relevant to investigation work including: the Police and Criminal Evidence Act (PACE) 1984, the Criminal Procedure and Investigations Act (CPIA) 1996, the Regulation of Investigatory Powers Act (RIPA) 2000, the Public Interest Disclosure Act 1998 and relevant Employment Law, Fraud Act 2006, Proceeds of Crime Act 2002 and Prevention of Social Housing Fraud Act 2013.

6.3 Where an investigation occurs that identifies a potential criminal offence, the matter is always referred to the police.

7. Background Papers

7.1 Various previous Audit Committee reports

Appendix I

Internal Audit Services Corporate Anti-Fraud Team
Annual Fraud Report 2021/22

Summary of Reactive Work

Fraud Type	b/f from 20/21	Referrals Received	Referrals Total	Referrals Accepted	Referrals Rejected	Investigations Closed	c/f to 22/23	Frauds No.	Prosecutions No.	Other Action	Value	Notional
Blue Badge	1	6	7	6	1	6	0	3	3	3 warning letters issues	£1,655 (incl. costs)	
Council Tax	3	21	24	6	18	1	5	0	0	Liability in respect of one account was amended resulting in a increase of CT income being raised	£2,057.96	
Council Tax SPD	1	64	65	6	59	1	5	0	0	1 discount was cancelled resulting in an increase in CT income being raised across the identified accounts	£1,786.91	
CTRS	3	60	64	6	58	2	4	0	0	1 claim was amended resulting in an increase to the CT account 1 claim was withdrawn by the applicant pending enquiries into undeclared capital	£445.36	
Housing Benefit	1	23	24	3	21	1	2	0	0	N/A		
NDR	0	2	2	1	1	1	0	1	0	An attempt to commit empty property registration fraud was prevented.	£5,000	

Appendix I

Internal Audit Services Corporate Anti-Fraud Team
Annual Fraud Report 2021/22

Fraud Type	b/f from 20/21	Referrals Received	Referrals Total	Referrals Accepted	Referrals Rejected	Investigations Closed	c/f to 22/23	Frauds No.	Prosecutions No.	Other Action	Value	Notional
Right to Buy	0	13	13	0	13	0	0	0	0	N/A		
Tenancy	10	35	45	21	24	6	15	0	0	• The tenancies of three properties were terminated; • The tenancy succession of three properties were prevented		£558,000
Internal	0	4	4	4	0	4	0	0	0	• Two officers received final written warnings • Two officers received 6 month written warnings		

Figures used for notional savings are:
(i) Projected savings up to the end of the financial year
(i) Council property recovered = £93,000 (figure recommended by Cabinet Office)
NB: The above does not reflect the extent of recovery of any savings

Report of the Data Protection Officer

AUDIT AND GOVERNANCE COMMITTEE – 1st JUNE 2022

DATA PROTECTION OFFICER UPDATE REPORT

1. Purpose of the report

1.1 This report highlights the key areas of work of the Council's Data Protection Officer (DPO) to provide the Committee with information and assurances regarding the Council's compliance with the Data Protection Act 2018 and UK GDPR.

2. Recommendation

2.1 It is recommended that the Committee consider the report and the information and assurances within it and receive a further update in 6 months' time to contribute to wider assurances as part of the Annual Governance Review process.

3. Background

3.1 The Council is required to appoint a DPO under the General Data Protection Regulations and Data Protection Act 2018. The key aspect of this role is to provide the Council with independent assurance regarding compliance with the data protection law.

4. DPO Activities and Assurance

4.1 The DPO has regular meetings with officers from the Information Governance Team and the Senior Information Risk Officer (SIRO) and reports to the Information Governance Board. The DPO also undertakes specific assurance reviews to support that independent assurance.

4.2 Overall, recent activity and general oversight, continues to provide a generally positive picture regarding compliance with UK GDPR. To support that, the change in emphasis of the Information Governance Board provides a clearer focus on compliance and awareness. Strategic issues are escalated to the Senior Management Team as required thus ensuring data protection and general information governance matters are considered at the highest level.

4.3 The Information Governance Team provides regular reminders to all staff regarding various aspects of information governance, as well as mandatory training through the POD online training system. Such mandatory training has covered incident management, protecting personal data, subject access requests and a general UK GDPR reminder. It is however important to highlight that the take-up of mandatory training in various areas of the Council could be improved. This is an area of particular focus of the Information Governance Board.

4.4 Compliance with the statutory timescales for responding to FOI and SAR requests is very high which reflects the work undertaken to support teams receiving such requests and the diligence of the Customer Requests and Information Governance Teams.

4.5 Recent phishing campaigns have also highlighted improved awareness amongst staff to spot irregular emails and report them to IT. This threat is further mitigated by the comprehensive technical framework in place to prevent malicious emails and general cyber attacks entering the Council's network and systems. However, it is acknowledged that whilst employee awareness is good and good technical measures are in place, attacks from phishing and whaling remain a high risk to the Council and rely on staff being constantly alert to the risk.

4.6 Significant work continues to be undertaken around cyber and IT security generally, with regular phishing and password testing exercises to constantly ensure high levels of awareness and security. It remains a priority of the Information Governance Team to constantly reduce the number of data incidents and help improve the timeliness of management actions to minimise the risk of incidents recurring. There has been a steady reduction in incidents over the last 3 years. An analysis of data incidents is presented to the Information Governance Board for monitoring.

4.6 A review is currently underway of how subject access requests are managed. As stated above, responding to these in the required timescales is consistently very good, but there are opportunities to improve the efficiency of the process. Allied to this is a further review regarding the efficacy of how redactions are identified and actioned as part of the SAR (and FOI) processes. These reviews will further strengthen the Council's ability to continue to meet all the required timescales but also improve internal efficiency.

4.7 The DPO is regularly contacted to provide advice and guidance on data protection issues and particularly where the Information Commissioner's Office is involved in a matter.

4.8 The DPO undertakes or commissions independent reviews of various aspects of information governance. Those planned for 2022/23 are:

<u>DPO Assurance:</u>

- CCTV review
- Incident management
- Law Enforcement
- Data Protection Impact Assessment reviews and compliance
- Information sharing agreements

<u>Internal Audit:</u>

- Data retention / records management
- CFIT follow-up

4.9 The DPO and Internal Audit will continue to monitor management's response to the issues raised and conduct further independent reviews and audits on a continuous rolling basis. These will be reported to the Information Governance Board and the Audit and Governance Committee.

4.10 As a key source of assurance for the Committee and to properly discharge the responsibilities of the DPO, the role requires independence from management, unfettered access to senior management and access to the necessary resources. These key requirements are in place.

4.11 As stated, overall, the Committee can be assured that whilst there will inevitably be data and information incidents there is a robust and comprehensive suite of policies and guidance in place supported by a strong and committed Information Governance Team. The joint working and liaison between the DPO, Information Governance, the SIRO, Customer Requests and Legal Services provides a robust basis to guide the Council to ensuring that data protection responsibilities are understood and complied with as effectively as is reasonably possible.

Contact Officer: Data Protection Officer
Email: DPO@barnsley.gov.uk
Date: 23rd May 2022

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Report of the Head of Internal Audit, Anti-Fraud and Assurance

Audit and Governance Committee – 1st June 2022

WORK PLAN 2022 – 2023

1. Purpose of the Report

1.1 To share with the Committee the current version of the Work Plan – Appendix 1 and to note any amendments to the plan.

2. Recommendation

2.1 The Committee is asked to note the updated Work Plan.

3. Updated Position

3.1 The work plan for 1st June meeting has had the following items removed from the agenda:

- Internal Audit Annual Report (Interim) – this will be scheduled for consideration at the July meeting to link to the consideration of the draft Annual Governance Statement
- External Audit Progress Report/Update – any issues will be picked up in the External Audit Plan item
- Treasury Management Annual Report – this will be scheduled for consideration at the July meeting

3.2 Please note a couple of changes to proposed meeting dates as follows:

- Date for July meeting will now be Wednesday 27th July
- Date for November meeting will now be Wednesday 16th November

3.3 All Audit and Governance Committee meetings will commence at 2.00 p.m., and any training sessions will proceed the main meeting and commence at 1.00 p.m.

Contact Officer: Corporate Governance and Assurance Manager
Email: alisonsalt@barnsley.gov.uk
Date: 18th May 2022

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AUDIT AND GOVERNANCE COMMITTEE – WORK PROGRAMME **2022/2023 Municipal Year**

NOTE – all Meetings to commence at 2.00 p.m.

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	7
Committee Work Area	**Contact / Author**	**01.06.22**	**27.07.22**	**14.09.22**	**12.10.22**	**16.11.22**	**18.01.23**	**15.03.23**	**26.04.23**
Committee Arrangements									
Committee Work Programme	AS	X	X	X		X	X	X	X
Minutes/Actions Arising	WW	X	X	X		X	X	X	X
Review of Terms of Reference	AS				X				
Self-Assessment/Effectiveness Review	RW				X			X	
Internal Control and Governance Environment									
Local Code of Corporate Governance	MMc/AS						X		
Annual Governance Review Process	AS						X		
Annual Governance Statement (Draft/Final)	AS		X(D)			X(F)			
AGS Action Plan Update	AS	X		X			X		X
Anti-Fraud									
Annual Fraud Report	RW	X							
Corporate Anti-Fraud Plan	RW	X (Ex)							
Corporate Anti-Fraud Strategy	RW							X	
Corporate Fraud Team – Update Report	RW			X				X	
Corporate Risk Management									
Risk Management Policy & Strategy	AS								X
Annual Risk Management Report	AS	X							
Strategic Risk Register	AS	X	X	X		X	X	X	X
Internal Audit									
Internal Audit Charter (Annual)	RW	X							
Internal Audit Plan	RW	X (Ex)					X		X
Internal Audit Quarterly Report	RW		X			X		X	
Internal Audit Annual Report (Interim / Final)	RW		X (I)	X(F)					

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	7
Committee Work Area	**Contact / Author**	**01.06.22**	**27.07.22**	**14.09.22**	**12.10.22**	**16.11.22**	**18.01.23**	**15.03.23**	**26.04.23**
External Audit (Grant Thornton)									
Audit Finding Report (ISA260 Report)	GT					X			
External Audit Plan (2021/22)	GT	X							
Auditors Annual Report on 2021/22 VFM Arrangements	GT						X		
External Audit Progress Report/Update	GT		X	X		X	X	X	X
Financial Reporting and Accounts									
Financial Regulations	NC/SLo		X				X		
Medium Term Financial Strategy	NC/SLo							X	
Statement of Accounts (Draft / Final)	NC		X(D)			X(F)			
Corporate Finance and Performance Management & Capital Programme Update	NC			X				X	
Treasury Management Annual Report	NC		X						
Treasury Management Progress Report (inc. in the corporate finance update)	NC							X	
Treasury Management Policy & Strategy Statement (inc. in the MTFS update)	NC							X	
Designated Schools Grant (inc. in the MTFS update)	NC							X	
Other Corporate Functions contributing to overall assurance programme to be determined:									
Update on Glassworks	KMcA	X (Ex)		X		X		X	
Update on Covid-19 Response	SLa		X			X			X
Information Governance and Cyber Security update (twice yearly)	SJH	X				X			
DPO Update (twice yearly)	RW	X				X			
Human Resources (annual)	MP/JH						X		
Health & Safety Resilience (Annual)	MP/SD						X		

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	7
Committee Work Area	**Contact / Author**	**01.06.22**	**27.07.22**	**14.09.22**	**12.10.22**	**16.11.22**	**18.01.23**	**15.03.23**	**26.04.23**
Confidential Reporting (Whistleblowing) Annual Report	Sla/RW								X
Business Continuity/Emergency Resilience (Annual)	MP/SD								
Procurement (Annual)	NC/CA								
Performance Management (Annual)	MP/MR						X		
Asset Management (Annual)	DS								
Ethical Framework (Annual)	SLa/RW								
Equality and Inclusion (Annual)	MP/HD						X		
Partnerships (Annual)	NC/RW								
Local Government and Social Care Ombudsman Decision on Planning Complaint	MMcC		X				X		
Local Government and Social Care Ombudsman Annual Letter	MP			X					
Review of Peer Challenge Activity Across the Council	SLa							X	
Revised Constitution	SLa								

Strategic Risk Presentations

Risk	SMT Lead	01.06.22	27.07.22	14.09.22	12.10.22 (Dev. Mtg.)	16.11.22	18.01.23	15.03.23	26.04.23
Community Resilience	WL	X							
Safeguarding Children	MJ-R		X						
SEND	MJ-R		X						
Glassworks	MG			X					
Inclusive Economy	MG			X					
Partnership and Collaboration Governance	SLa					X			
Health Protection (CV19)	JB					X			
Emergency Resilience	SLa					X			
Safeguarding Adults	WL	X							
Responsibilities under the Care Act 2014	WL						X		
Educational Outcomes Progress	MJ-R						X		
Financial Sustainability	NC							X	
Threat of Fraud	SLa							X	
Organisational Resilience	SLa								X
Zero Carbon and Environmental Commitments	MG								X

Training / Awareness Sessions

NOTE – Training session to commence at 1.00 p.m.

Subject / Theme	Contact / Author	01.06.22	27.07.22	14.09.22	12.10.22 (Dev. Mtg.)	16.11.22	18.01.23	15.03.23	26.04.23
Treasury Management Presentation	IR/NC		X						
Procurement	CA						X		
VFM	SL/PD								
Council Plan	SLa								
Climate and Sustainability Commitments	KMcA/SC					X			
People Strategy	MP/PQ							X	
Role of the Monitoring Officer	SB								
Designated Schools Grant	NC								
Partnership Governance	NC/RW								
MCA – Understanding the Finances	NC								

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