

Allerdale Borough Council

Audit Committee - 29 September 2020

Assurance, Risk and Audit Report for the Quarter Ending 30 June 2020

The Reason for the Decision	To inform the Committee of the work performed by the Assurance, Risk and Audit Team in the first quarter of the financial year 2020/21.
Summary of options considered	N/A
Recommendations	That the report is accepted subject to any additional information that the committee may require.
Financial / Resource Implications	As outlined in the report.
Legal Implications	Acceptance of this report has no legal implications.
Community Safety Implications	Acceptance of this report has no community safety implications.
Health and Safety and Risk Management Implications	Acceptance of this report has no Health and Safety implications. Consideration should be given to the activities reported and how they contribute to the organisations Risk Management Framework.
Equality Duty considered / Impact Assessment completed	Equality is considered during the Assurance, Risk and Audit activities.
Wards Affected	All.
The contribution this decision would make to the Council's priorities	Acceptance of the Assurance, Risk and Audit Team's work provides a direct and indirect contribution to the achievement of the Council's priorities, in accordance with the Assurance, Risk and Audit Service Plan.
Is this a Key Decision	No
Portfolio Holder	Councillor John Cook PH for Leisure and Tourism
Lead Officer	Paula McKenzie ARA Officer Paula.mckenzie@allerdale.gov.uk

Report Implications (Please delete where applicable).

Community Safety	N	Employment (external to the Council)	N
Financial	N	Employment (internal)	Y
Legal	N	Partnership	N
Social Inclusion	N	Asset Management	N
Equality Duty	N	Health and Safety	N

Background papers: Assurance, Risk and Audit (ARA) reports and working papers.

1 Introduction

1.1 This is the first progress report for the financial year 2020/21. The ARA team have been supporting the response to the Covid 19 pandemic. The ARA manager took the lead for the employee welfare sub-group and the ARA has supported the grants team. Team Allerdale have made an excellent effort to work through these unprecedented times.

1.2 Items covered in this report are as follows:

- Performance against the 2020/21 plan
- Assurance and consultancy activities during the quarter
- Fraud work
- Assurance, Risk and Audit activity performance,
- Quality Assurance and Improvement Program
- Agreed Action follow up, and

2 Performance against the 2020/21 Audit Plan

2.1 Time Summary

Activity	Planned Days	Actual Days
Statutory Assurance Reviews	100	0.98
Assurance and Risk Support	4	0.34
Follow up and performance	13	2.40
Completion of 2019/20 reviews	15	18.95
Assurance Reviews	13	0
Democratic Representation incl Members training and support	22	2.20
Corporate Support & volunteer days	86	40.07
Projects	41	2.54
Peer Review	4	0
Advice	5	0
Investigations	5	0
Fraud Activities	17	1.22
Risk Management Facilitation	9	4.29

Covid-19 related	104	28.95
Total Audit Time	441	101.94
Hub Management	87	26.82
Total Chargeable Audit time	528	128.76
Non-Chargeable		
Non chargeable time	27	14.09
Training	27	4.56
Sickness / other absences	16	2.09
Total Non-Chargeable Time	70	20.74
Annual Leave	117.5	19.98
Total Days available	715.5	169.48

2.2 The cumulative performance up to quarter one is 68.18% (total chargeable time/total days) above the planned target of 73.72% this is considered an excellent achievement based on challenges faced within the team during this period.

3 Assurance and Consultancy Activities

3.1 The assurance activities for this quarter focused on the completion of the Revenues and Benefits, Financial Services, Cash Management and GDPR compliance Reviews.

3.2 The following reports were submitted this quarter and can be found in **appendix one** and **two** of this report:

- Revenues and Benefits (appendix one)
- ICT Phishing Exercise (appendix one A)
- Cash Management (appendix two – restricted)

4 Corporate Fraud

4.1 The National Fraud Initiative requires annual data for both Council Tax and Electoral Services to support the early identification of fraud. Both services are on track to deliver this information in line with the deadline.

4.2 The National Fraud Initiative Main Data Matching Exercise is due in autumn 2020/21, the timetable for completion of the actions has been shared with all responsible officers for delivery of their specified data sets.

5 Progress with the Annual Plan

5.1 The following reviews were in progress at 30 June 2020:

Audit Title	Status
Financial Services	Report

GDPR Compliance	Testing
ICT Audit (MIA external provider)	Planning

5.2 Management's acceptance of recommendations - 100%

Assurance, Risk and Audit is designed to add value and assist management in achieving the organisations overall key aims and objectives. An indicator for ARA performance is that 100% of all recommendations made are accepted by management.

5.3 Management's implementation of agreed actions (recommendations)

After follow up following the quarter ending 30 June 2020, 26 actions were overdue, Internal Audit follow up activity occurs quarterly however the responsibility of implementation lies with management.

Area	High	Medium	Low
Development Services	0	1	2
Car Parks	1	0	0
Asset Management	0	1	0
Economic Growth	0	1	0
Revenue and Benefits	3	0	0
Governance	3	1	0
Contract Management	0	2	0
Corporate Health and Safety	1	3	1
Finance	0	3	0
ICT	1	2	0

6 Quality Assurance and Improvement Program (QAIP)

- 6.1 The revised Survey Monkey questionnaire was issued to clients and one response was received for this quarter. Due to low rates of return we will continue to look at ways to increase client feedback responses and overall performance.
- 6.2 Professional Training and Development has been on hold during this quarter due to pandemic restrictions, the prioritisation of Covid 19 work and redeployment of resources.
- 6.3 The ARA Manager leaves the department on 6th September 2020 after almost 14 years in the service. Emma starts her role as Allerdale Local Focus Hub Manager on 7th September. At the time of writing this report options are being considered for the future management of the service, this will include exploring opportunities with Copeland Borough Council.

7 Risk Management

- 7.1 Risk management facilitation is a vital role of the Assurance Risk and Audit Service, during this quarter we have supported the organisation by:

- Providing support to update and improve information in the Corporate Risk Register in relation to Covid 19 risks.

7.2 The Corporate Risk Register is published as part of the Performance Reports to Executive and can be found at the link below;

[Performance](#)

8 Services Delivered as Locally as Possible

8.1 Assurance, Risk and Audit operates in support of other Council services.

9 Finance and or Resource Implications

9.1 There are currently no finance or additional resource issues that have not already been included in the report.

10 Legal Implications and Risks

10.1 Acceptance of this report has no legal, health and safety or risk management implications other than the consideration of the Corporate Risks and Issues Log by the Committee in terms of oversight of the effectiveness of Risk Management Framework.

11 Recommendations

That the report is accepted subject to any additional information that the committee may require.

Paula McKenzie
Assurance Risk and Audit Officer