

INTERNAL AUDIT AND COUNTER FRAUD SUMMARY OF ACTIVITIES

1. SUMMARY

1.1 The objective of the report is to provide the Audit and Scrutiny Committee (the Committee) with a summary of Internal Audit activity and progress during quarter four of 2024/25.

1.2 Core activities together with a progress update statement are shown below:

- **2024/25 Audit Plan progress:** The plan is progressing as normal and subject to any unplanned absences or changes to resources the plan currently on track.
- **2024/25 Individual Audits undertaken:** Three audits have been completed during the period, 1 has been assessed as providing high assurance, 1 substantial assurance and 1 reasonable assurance. **(Where HSCP and LiveArgyll Audits are included, these are provided for information only).**
- **Scrutiny:** Planned work for 2024/25 has been agreed in relation to the Council's Complaints processes. A report outlining the approach proposed will be presented to the Committee for its consideration. It is anticipated that work in this area will commence in October 2024.
- **Counter Fraud:** The Counter Fraud Team (CFT) is continuing to rebill council tax accounts and recovery of funds is underway. All other aspects and referrals are being considered, investigated and evaluated and the Counter Fraud Team remain vigilant to protect our public purse. The established CFT team member is on secondment to Housing for career and personal development for a two year period. The CFT have obtained a member of staff, again on secondment for the same time period. The team lead is currently progressing through year 2 of a Master in Accountancy course.
- **Continuous Monitoring Programme Testing:** A number of auditable units are subject to continuous testing. There have been no new issues which we have identified this quarter.
- **Performance indicators:** Current status is green / on track.

2. RECOMMENDATIONS

2.1 To review and endorse the Summary of Activities report.

Counter Fraud

- 3.5 The CFT is progressing well with both team members fully CIPFA accredited fraud investigators. The current investigator has taken on a 2 year secondment to empty homes for further skills development. The investigators post was filled again on a secondment basis. The new member of staff will undertake the above CIPFA accreditation and is booked onto this course commencing in the latter half of 2024. Both team members will revert to substantive post circa sept 2025.

Continued routine work is still progressing to track the full income recovered from the team's work, however, based on the amount of additional billing, even accounting for a degree of non-recovery, the indications are that the team are still exceeding their target. In addition, the team are raising awareness of the Council's zero tolerance to fraud and this will help

Additional Updates from Quarter One

- 3.6 Staff continue to work from home or on a hybrid approach and this has proved to be successful, where on-site visits have been required due to the specific nature of the audit work, these have been undertaken.
- 3.7 A sample of data in respect of the Statutory Performance Indicators (SPI's) that are required to be returned by councils as part of the Local Government Benchmarking Framework (LGBF) must be reviewed by Internal Audit for submission to the Improvement Service by 31 August each year. Internal audit carry out this work in collaboration with colleagues in performance management. Internal Audit was provided with the full set of data from which to select indicators for review on 21 June and as large variances were reported in 'Teachers – Sickness Absence – including Covid', 'Sport and Leisure Management', 'Use of Libraries' and 'Museum Services' these indicators were selected for review. 'Other Local Government Employees – Sickness Absence – including Covid' was also reviewed alongside Teachers data due to large numbers involved. Errors were identified during the course of the review and amended by the relevant officers. The pro-forma has been updated to reflect the correct figures for submission to the Improvement Service.

The Improvement Service has now published its [National Benchmarking Overview Report 2022-23](#) providing a high-level analysis of the performance of councils both during 2022-23 and over the period 2016-17 to 2021-22. [Here](#)

accordance with the SCTS requirements. The certificate of accuracy was therefore issued on 27 May 2024.

3.9 The Council has entered Council

Operational Area	Total Matches	Recommended/Very High / High/Medium Risk Matches	Matches Complete	* WIP	Match Description
CT to Elect Register	2155	0	2155	0	CT records to Electoral Register/ other data sets to ensure discount awarded to only those living alone aged over 18, taking into account disregarded occupants. (CT to other Datasets will not be progressed further due to poor quality data)
CT rising 18s	402	0	402	0	
CT to HMRC Household Composition	935	0	38	0	
Housing Benefits	21	11	20	0	HB records to records in other authorities / other datasets including student loans, payroll and pensions to identify undeclared income and capital.
Payroll	143	2	140	0	Payroll records to other datasets including other payrolls and pensions to ensure employee is not receiving additional income.
Blue Badges	238	204	238	0	Blue badge records to DWP data to identify deceased claimant with valid badge.
Housing Waiting list	233	214	233	0	Housing waiting list records to other organ(i)-4(.19 422.7.46 113.

Table 6: Internal Audit Team Scorecard

Internal Audit Team Scorecard 2024 25 FQ1 24/25 (as at June 2024)			
BO115 We Are Efficient and Cost Effective			
Internal Audit Level of Satisfaction	Actual	100%	G
	Target	80%	
Review of Strategic Risk register	Status	On Track	G
	Target	On Track	
Percentage of audit plan completed	Status	100%	G
	Target	80%	
Percentage of audit recommendations accepted by management	Actual	100%	G
	Target	100%	

4 CONCLUSION

4.1 The 2024/25 audit is **USING**