

Wednesday, 13 April 2022

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## AUDIT AND GENERAL PURPOSES COMMITTEE

You are summoned to a meeting of the Audit and General Purposes Committee which will be held in the Council Chamber, Woodgreen, Witney OX28 1NB on **Thursday, 21 April 2022 at 6.00 pm.**



Giles Hughes  
Chief Executive

To: Members of the Audit and General Purposes Committee

Councillors: Alex Postan (Chairman), Dan Levy (Vice-Chair), Jake Acock, Joy Aitman, Luci Ashbourne, Andrew Beaney, Julian Cooper, Rupert Dent, Colin Dingwall, Harry Eaglestone, Duncan Enright, Gill Hill, Richard Langridge, Martin McBride, Elizabeth Poskitt, Dean Temple and Alex Wilson..

Recording of Proceedings – The law allows the public proceedings of Council, Cabinet, and Committee Meetings to be recorded, which includes filming as well as audio-recording. Photography is also permitted. By participating in this meeting, you are consenting to be filmed.

As a matter of courtesy, if you intend to record any part of the proceedings please let the Democratic Services officers know prior to the start of the meeting.

## AGENDA

1. **Minutes of Previous Meeting (Pages 5 - 10)**  
To approve the minutes of the meeting held on 17 February 2022.
2. **Apologies for Absence**  
To receive any apologies for absence.
3. **Declarations of Interest**  
To receive any declarations from Members of the Committee on any items to be considered at the meeting.
4. **Participation of the Public**  
To receive any submissions from members of the public, in accordance with the Council's Rules of Procedure.
5. **Whistle-Blowing Policy (Pages 11 - 28)**  
Purpose  
To present the Audit and General Purposes Committee an updated Whistle-Blowing Policy for comment.  
To update and replace the existing Whistle-Blowing Policy to highlight key legislation and the roles and responsibilities of Members, Officers and other parties.  
  
Recommendation  
That the Committee considers the Whistle-Blowing Policy to comment thereon to Cabinet, to aid its deliberations and decision making.
6. **Counter Fraud and Enforcement Unit Report (Pages 29 - 38)**  
Purpose  
To provide the Committee with assurance over the counter fraud activities of the Council. Direct updates will continue to be provided biannually.  
Work plans are presented to the Committee detailing progress and results for consideration and comment as the body charged with governance in this area.  
The report also provides the annual update in relation to the Regulation of Investigatory Powers Act 2000 (RIPA), the Investigatory Powers Act 2016 (IPA) and the Council's existing authorisation arrangements.  
  
Recommendation  
That the Committee notes the report and work plans at Annex A.
7. **Internal Audit Report (Pages 39 - 78)**  
AUDIT AND GENERAL PURPOSES COMMITTEE – 21st APRIL 2022  
Annex A – Report of Internal Activity 2021/22  
Purpose  
To present a summary of the audit work concluded since the last meeting of this Committee.  
Recommendation  
That the Committee considers the report at Annex A and comments as necessary

INTERNAL AUDIT PLAN 2022/23 AND INTERNAL AUDIT CHARTER

Annex A – PROPOSED INTERNAL AUDIT PLAN 2022/23

Annex B – INTERNAL AUDIT CHARTER

Purpose

To present the Internal Audit Plan for consideration and approval.

To present the updated Internal Audit Charter for consideration and approval.

Recommendation

That the Proposed 2022/23 Internal Audit Annual Plan and the Internal Audit Charter be approved

8. **Minutes of Standards Sub-Committee (Pages 79 - 80)**

Purpose

To receive the minutes of the Standards Sub-Committee held on 23 March 2022.

Recommendation

To note the minutes.

9. **Minutes of Miscellaneous Licensing Sub-Committees (Pages 81 - 88)**

Purpose

To receive the following sets of minutes of the Miscellaneous Licensing Sub-Committee:

- a) 9 September 2021
- b) 27 January 2022
- c) 17 February 2022

Recommendation

To note the minutes.

10. **Exclusion of Public and Press**

In view of the likely disclosure of exempt information, as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting for the remaining item of business.

11. **Minutes of Miscellaneous Licensing Sub-Committee (Pages 89 - 94)**

Purpose

To receive the following sets of confidential minutes of the Miscellaneous Licensing Sub-Committee:

- d) 2 July 2021
- e) 17 February 2022

Recommendation

To note the minutes.

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## WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the

### **Audit and General Purposes Committee**

Held in the Committee Room 1, Council Offices, Woodgreen, Witney at 6.00 pm on  
**Thursday, 17 February 2022**

#### PRESENT

Councillors: Alex Postan (Chairman), Dan Levy (Vice-Chair), Joy Aitman, Andrew Beaney, Julian Cooper, Rupert Dent, Colin Dingwall, Harry Eaglestone, Gill Hill, Richard Langridge, Martin McBride and Elizabeth Poskitt.

Officers: Elizabeth Griffiths (Chief Finance Officer, Deputy Chief Executive and Section 151 Officer), Lucy Cater (SWAP) and Amy Bridgewater-Carnall (Democratic Services Manager).

#### **27 Minutes of Previous Meeting**

The minutes of the meeting held on 24 November 2022 were approved and signed by the Chairman as a correct record.

#### **28 Apologies for Absence**

Apologies for absence were received from Councillors Jake Acock, Duncan Enright and Alex Wilson.

#### **29 Declarations of Interest**

There were no declarations of interest received.

#### **30 Participation of the Public**

There was none.

#### **31 External Audit Contract**

Members received a report from the Section 151 Officer which asked them to consider the options for procuring the Council's external audit services for the period from 2023/24 and to make a recommendation to Council.

The report advised that the process for re-tendering for External Audit in Local Authorities in England, for contracts due to start from 2023/24, was now underway and the Council needed to decide whether to procure its own External Auditor or opt into the National Procurement Framework.

The procurement process and contract management presented an administrative burden to the Council, however, this was currently performed by PSAA. PSAA has now built up considerable expertise and has been working hard to address the issue that has arisen with the Contracts over the last couple of years. The PSAA Prospectus is included at Annex A and included a proposed timescale for the procurement which was due to commence in February 2022 and award contracts in August 2022.

An alternative option was that the Council could procure its own contract for External Audit services. However, this option lacked the benefits of economies of scale offered by the PSAA route and crystallises the risks in the External Audit market as set out in paragraphs 1.4 to 1.6 of the report.

The Chief Finance Officer introduced the report and advised that it was the framework agreement that was up for renewal. West Oxfordshire District Council would retain the

## Audit and General Purposes Committee

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service from Grant Thornton for another year and having spoken to other S151 officers, many authorities were struggling with their external audit service.

Mrs Griffiths reiterated the difficulties experienced in finishing the audits, citing Covid, staff sickness and shortages at Grant Thornton as the main issues. This had resulted in replacement officers approaching Council officers for further information, despite assurances that they were nearing the end of their enquiries. This had added to the pressure on Council officers.

Members discussed the potential pitfalls of procuring a contract outside of PSAA, which could involve greater scrutiny, officer time and money in the long run. In response to a query from Councillor Dent, Mrs Griffiths could not say for definite which firms were on the PSAA list but thought it would probably include Grant Thornton.

Councillor McBride noted the instability of the sector nationally and felt it would be beneficial to stay with the stability of PSAA.

Councillor Cooper queried if Grant Thornton's delay in finishing the audit of the accounts would result in reduction in costs for the Council. He also asked if the LGA had done anything with government departments to address the issue. In response to his query relating to the Council working with bordering authorities such as Warwickshire, officers advised that Warwick District had also agreed to continue with PSAA and had not procured their own contracts.

Mrs Griffiths felt that the fee set by Grant Thornton originally had likely been surpassed a while ago, considering the level of work and length of time it had taken to progress the audit.

The Chairman suggested that the Committee write to the LGA expressing their concerns and asking if they could progress the issue.

Having considered the report, and having discussed the options with the officers present, the Committee

**Resolved that**

- a) the options for procuring the Council's external audit service for the period from 2023/24 are noted; and
- b) Recommends to Council procurement through the National Procurement Framework using Public Sector Audit Appointments Ltd.

## **32 Annual Governance Statement - Action Plan**

Members received a report from the Chief Executive which presented an update on the Governance Action Plan for /.

Members were asked to note progress against items in the Governance Action Plan for 2021/22.

The Committee discussed various aspects of the report along with the presentation or progress. Councillor Levy queried if the document covered everything and asked if there were any other 'unknowns'. Officers confirmed that service areas and Management Teams

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questioned and flagged issues during the Risk Register process. This meant that operational risks flowed upwards to a strategic level.

Councillor Postan felt that the flow of information to Publica was not as flexible as it could be. He outlined the issue of the responsibility of a recent flooding report falling to one individual.

The issue of how Publica operated and how this was communicated to Members was raised, and whether responsibility sat with the Leader to disseminate the information. The Chief Finance Officer highlighted the Group Leader meeting where information was passed on and the new process which involved bi-monthly meetings where risks and issues were raised and managers could feed back any blockers.

Following a suggestion from the Chairman, it was highlighted that political attendance at operational officer meetings was not appropriate but Members could encourage Cabinet to look at the communication methods currently being used.

Councillor Cooper reiterated his concerns in relation to the set up and communication involved with Ubico.

In summary, it was noted that Cabinet should be more involved in the flow of communication between Publica and Members, and vice versa.

**Resolved** that progress against items in the Governance Action Plan for 2021/22 is noted.

### **33 Corporate Risk Register Updates and Updated Risk and Opportunity Management Strategy**

The Committee received a report from the Chief Executive which updated Members on the changes to the Council's corporate risk register at the end of Quarter Two of 2020/21 and put before them a revised Risk and Opportunity Management Strategy for approval.

The Corporate Risk Register 2021/22 was attached at Annex A along with the Proposed Risk and Opportunity Management Strategy at Annex B.

The report highlighted that Risk and Opportunity Management was the process used to identify, evaluate and manage the whole range of business risks and opportunities facing an organisation. This process was vital to ensure the effective operation of the Council and delivery of its Corporate Plan.

The Risk Register had been reviewed with a number of risk removed as either no longer relevant, or managed to a sufficient level of risk and passed back to the appropriate Business Manager as an operational risk. It was noted that further to the new Risk and Opportunity Management Strategy, there would need to be further work to ensure significant risks and opportunities identified by Group and Business Managers were escalated for inclusion in the Corporate Register. This work was on-going and would be reflected in future registers reported to the Committee.

A number of specific risks were discussed and officers explained that some descriptions had changed because it had been felt that the Strategic Risk Register was too generic. Mrs Griffiths advised that the document should be highlighting the biggest risks being recognised now, with actions to chase up mitigation or resolution of the issues. She used the Salt Cross roundabout as an example and highlighted the need for the document to be specific.

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Councillor Langridge raised an issue relating to risk WO-016 which he felt should be 'beefed up' to include lines of reporting and wished to see it expanded.

Councillor Levy reminded the meeting that when the Council did anything, it created a new risk but the document needed to be constantly updated to include the latest projects.

The issue of lines of communication from Publica to Members was raised again with Councillors querying how some issues would be reported back. However, there was a division of opinion with the Committee with some Members feeling that long term risks should be included, and this document was too short to mid-term.

Clarification was provided on the work being carried out to the revision of the Local Plan and how the Local Management Team highlighted risks to scrutiny committees for discussion.

Having considered the report it was

**Resolved** that

- (a) the corporate risk register be noted; and
- (b) the Risk and Opportunity Management Strategy at Annex B be approved.

#### **34 Internal Audit Progress Report**

Members received a report from the Chief Finance Officer which presented a summary of the audit work concluded since the last meeting of this Committee as outlined in the Report of Internal Activity 2021/22, attached as Annex A to the report.

The report advised that the Internal Audit Service was provided to the Council by SWAP Internal Audit Services (SWAP), a local authority-controlled company. The report attached at Annex A set out the work undertaken by SWAP for the Council since the last meeting of this Committee. It followed the risk-based auditing principles and, therefore, this was an opportunity for the Committee to be aware of emerging issues which had resulted from SWAP involvement.

Mrs Cater from SWAP was in attendance, outlined the report and answered queries from the Committee.

Councillor Langridge noted that there was a lot of detail in the report but felt it was a struggle to pick out the key issues and asked if this could be presented differently. Mrs Cater confirmed that officers were looking at introducing a 'dashboard' style, similar to other Council reports.

The Chief Finance Officer outlined the changes that had been made to the style of reports reducing it from 30 pages to six.

Councillor Dingwall signposted Members to the fact that with emergency planning, some 'Gold Officers' had not been trained for three years. The issues relating to the non-delivery of reports from Grant Thornton was discussed along with the impact this had had on Council officers.

Having read the report, it was

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**Resolved** the report is noted.

The Meeting closed at 7.22 pm

CHAIRMAN

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 <b>WEST OXFORDSHIRE DISTRICT COUNCIL</b>	<b>WEST OXFORDSHIRE DISTRICT COUNCIL</b>
Name and date of Committee	<b>Audit and General Purposes Committee: Thursday 21 April 2022</b>
Report Number	<b>Agenda Item No. 5</b>
Subject	<b>Whistle-Blowing Policy</b>
Wards affected	All indirectly
Accountable member	Councillor Michele Mead, Leader of the Council Email: <a href="mailto:Michele.Mead@westoxon.gov.uk">Michele.Mead@westoxon.gov.uk</a>
Accountable officer	Giles Hughes, Chief Executive Email: <a href="mailto:Giles.Hughes@westoxon.gov.uk">Giles.Hughes@westoxon.gov.uk</a>
Report Author	Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit Email: <a href="mailto:Emma.Cathcart@cotswold.gov.uk">Emma.Cathcart@cotswold.gov.uk</a>
Summary/Purpose	To present the Audit and General Purposes Committee an updated Whistle-Blowing Policy for comment.  To update and replace the existing Whistle-Blowing Policy to highlight key legislation and the roles and responsibilities of Members, Officers and other parties.
Annexes	Annex A – Whistle-Blowing Policy
Recommendation	That the Committee considers the Whistle-Blowing Policy to comment thereon to Cabinet, to aid its deliberations and decision making.
Corporate priorities	In administering its responsibilities the Council has a duty to enforce the law and prevent wrongdoing, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or a Councillor, thus supporting corporate priorities and community plans.
Key Decision	No
Exempt	No
Consultees/ Consultation	Any Policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by Legal Services and have been issued to the relevant Senior Officers, Governance Group and Corporate Management for comment.

## **1. BACKGROUND**

- 1.1. The Counter Fraud and Enforcement Unit is tasked with reviewing the Council's Whistle-Blowing Policy.

## **2. MAIN POINTS**

- 2.1. The Policy, attached at Annex A, has been updated in accordance with the review period. Review frequency is as required by legislative changes or every three years. This has been slightly delayed due to events over the last two years. However, the changes are relatively minor in relation to content. The Policy has been refreshed and includes an entry at 3.14 which signposts staff to an independent body for advice. This is now a shared Policy for all staff employed by Cotswold, Forest of Dean and West Oxfordshire District Councils and Publica.
- 2.2. The Policy details employer responsibilities to ensure that the Council protects staff who report or whistle-blow about any areas of concern within the organisation and/or within Publica and the other shareholding Councils. The Policy also safeguards those against whom allegations are made. In administering its responsibilities the Council has a duty to protect staff members who choose to alert the authority to wrong doing and to protect employees against whom vexatious allegations are made.
- 2.3. All referrals received by the Counter Fraud and Enforcement Unit and Human Resources must be dealt with in the correct manner adhering to Regulations, Legislation and Guidance. This includes internal alerts of wrong-doing which must adhere to whistle-blowing legislation. Adherence to this legislation in the workplace means the Council is less susceptible to legal challenge.
- 2.4. Any breach of the Policy or the revealing of the identity of someone that has made an anonymous disclosure could result in litigation action against the Council and a significant fine. Whistle-Blowing is embedded in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). This legislates that an employee has the right to take a case to an Employment Tribunal if they have been victimised at work or lost their job as a consequence of 'blowing the whistle'.
- 2.5. The Policy highlights the key legislation and the roles and responsibilities of Members, Statutory Officers, Publica Directors, Senior Managers, Officers and other parties.
- 2.6. If an individual is considering raising a concern the Policy will enable them to understand the type of issues which can be raised, how the person raising a concern will be protected from victimisation and harassment, how to raise a concern and what the Council will do as a consequence of the report.
- 2.7. The Council has a responsibility to prevent wrong-doing within the authority by promoting high ethical standards and encouraging the exposure of any abuse.
- 2.8. As part of the consultation process, the Policy has been reviewed by Legal Services and issued to Human Resources.
- 2.9. Audit and General Purposes Committee considered a Whistle-Blowing Policy in November 2017.
- 2.10. Online refresher training will be issued to staff following approval of the Policy.

### **3. FINANCIAL IMPLICATIONS**

- 3.1. There are no direct financial implications as a result of this report.
- 3.2. The support of the Whistle-Blowing Policy will help to support the prevention and detection of misuse of public funds and fraud therefore reducing potential financial loss to the Council.

### **4. LEGAL IMPLICATIONS**

- 4.1. The Policy is set out to ensure the Council, its Officers, Member, employees and contractors (including agency staff) comply with and adheres to the legislation governing whistle-blowing in the workplace meaning the Council is less susceptible to legal challenge.
- 4.2. Any breach of the Policy or the revealing of the identity of someone that has made an anonymous disclosure could result in litigation action against the Council and a significant fine.

### **5. RISK ASSESSMENT**

- 5.1. If the Council does not have an effective Whistle-Blowing Policy and procedures it puts staff and its reputation at risk. The Council must fulfil its legal obligations in relation to whistle-blowing arrangements.
- 5.2. Without an appropriate Policy in place the Council is unable to take effective and efficient measures to ensure staff are protected when making allegations of wrongdoing and that staff are protected from vexatious allegations.

### **6. EQUALITIES IMPACT**

- 6.1. The promotion of effective counter fraud controls and a zero tolerance approach to internal misconduct promotes a positive work environment.

### **7. ALTERNATIVE OPTIONS**

- 7.1. None.

### **8. BACKGROUND PAPERS**

- 8.1. The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:
  - Audit Committee Report November 2017 – Whistle-Blowing Policy.
- 8.2. These documents will be available for inspection at the Council Offices at Woodgreen, Witney, OX28 1NB during normal office hours for a period of up to 4 years from the date of the meeting. Please contact the author of the report.

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## Whistle - Blowing Policy

<b>Version Control:</b>	
<b>Document Name:</b>	Whistle-Blowing Policy
<b>Version:</b>	1.2
<b>Responsible Officer:</b>	Deb Bainbridge, Human Resources Emma Cathcart, Counter Fraud and Enforcement Unit
<b>Approved by:</b>	CDC – Cabinet February 2017 FODDC - Audit Committee November 2017 WODC – Cabinet March 2017 Publica – Board July 2017
<b>Next Review Date</b>	January 2025

### Revision History

Revision date	Version	Description
January 2018	1.1	Update to include further reporting choices / information
January 2022	1.2	Review

### Consultees

Internal	External
Human Resources Legal Services Corporate Management	

### Distribution

Name	
All staff (intranet)	

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## 1. INTRODUCTION AND PURPOSE OF THE POLICY

- 1.1. Staff are often the first to realise that there may be something of concern occurring within the Council or Publica. Usually any issues can be resolved swiftly and satisfactorily. However, when these concerns relate to more serious matters, staff may be discouraged from expressing their concerns or 'whistle-blowing'.
- 1.2. Whistle-blowing is the term used when an employee passes on information concerning wrongdoing. This can also be called 'making a disclosure' or 'blowing the whistle'. Typically (although, not always) the wrongdoing will be something that the employee has witnessed at work.
- 1.3. Staff may feel disloyal and may fear victimisation or harassment. In such circumstances, it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice. However, any person raising a concern is protected in law.
- 1.4. Whistle-blowing law is embedded in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). This legislation provides that an employee has the right to take a case to an Employment Tribunal if they have been victimised at work or lost their job as a consequence of 'blowing the whistle'.
- 1.5. To be covered by this law, an employee who makes a disclosure must reasonably believe:
  - That they are acting in the public interest - therefore personal grievances and complaints are not ordinarily covered by whistle-blowing law;
  - That the disclosure of information indicates past, present or future wrongdoing within the following categories:
    - (a) criminal offences which may include financial impropriety such as fraud;
    - (b) failure to comply with legal obligations;
    - (c) miscarriages of justice;
    - (d) endangering another person's health and safety;
    - (e) damage to the environment;
    - (f) covering up any wrongdoing in any of the above;
- 1.6. Staff are not prevented from making disclosures in the public interest by 'gagging clauses' in Settlement or Compromise Agreements.
- 1.7. The Council and Publica are now part of various shared service arrangements and it is important that there is clear guidance for anyone wishing to raise an issue. This policy applies to all staff of the Council, Publica and to individuals working

## Whistle-Blowing Policy

within the organisations who are not staff (e.g. contractors, agency staff, volunteers, Councillors, staff of associated employers etc.)

- 1.8. The Council and Publica are committed to the highest possible standards of openness, probity and accountability. In line with that commitment we wish to encourage staff and others with serious concerns about any aspect of the work carried out by any of the organisations to come forward and voice them without fear of reprisal.
- 1.9. This policy is intended to encourage and enable staff to make disclosures at an early stage, rather than waiting. Staff are also encouraged to raise any issues internally with the Council and/ or Publica first rather than raising it outside of the organisations. If issues are raised externally in the first instance you may weaken the protection given to you under the Public Interest Disclosure Act 1998.
- 1.10. This policy also seeks to ensure concerns are raised in the right way and seeks to protect those staff members against whom complaints are made from malicious allegations. The Council and Publica have a duty to investigate all reports of irregularity. This does not mean that the organisations support the allegation.
- 1.11. This policy should be read if you are considering raising a concern to provide clarification in relation to the following:
  - The type of issues which can be raised;
  - How the person raising a concern will be protected from victimisation and harassment;
  - How to raise a concern;
  - What the organisation will do as a consequence of the report.
- 1.12. This policy has been agreed with any relevant trade unions or non-union representatives.

## **2. AIMS AND SCOPE OF THE POLICY**

### 2.1. This policy aims to:

- Encourage staff to raise serious concerns at the earliest opportunity and to question and act upon concerns about practice.
- Encourage staff to be watchful for illegal or unethical conduct and report anything of that nature of which they become aware. Everyone should be aware of the importance of preventing and eliminating wrongdoing at work.
- Ensure all reported allegations are treated in absolute confidence, with every effort made by the Council and Publica not to reveal a whistle-blower's identity if they so wish. However, it may be necessary for the whistle-blower to become an identified witness at an appropriate time, particularly if it has not been possible to

## Whistle-Blowing Policy

substantiate the allegation by other means. The implications of this and the appropriate support/protection arrangements will be discussed with the whistle-blower. This is detailed at Part 3: Employee Safeguards and Assurances.

- Ensure all reported allegations are treated fairly, ethically and consistently.
- Provide a robust procedure and ensure any matter raised under this procedure will be investigated thoroughly, promptly and confidentially, and the outcome of the investigation reported back to the employee who raised the issue, as appropriate.
- Provide reassurance for those acting in good faith that they will be protected from possible reprisals or victimisation. This means that the continued employment and opportunities for future promotion or training of the employee will not be prejudiced because he or she has raised a legitimate concern. Victimisation of an employee for raising a qualified disclosure is a disciplinary offence.
- If misconduct is discovered as a result of any investigation under this procedure, the relevant organisation's disciplinary procedure will be used, in addition to any other appropriate measures. This could include internal criminal investigation and appropriate further action.
- Allow whistle-blowers to raise concerns and proceed further if they are dissatisfied with the organisational response. It should be recognised that certain cases will have to proceed on a confidential basis and that feedback will be limited due to legal constraints.

2.2. This policy is not a substitute for other policies and procedures on such matters as personal grievances, bullying and harassment, health and safety, safeguarding issues (children and/or adults) or complaints. It should also not be used to raise matters relating to an employee's own terms and conditions of service.

2.3. There are existing procedures in place to enable staff to lodge a grievance relating to their own employment. This process does not form part of this policy. For further guidance on whistle-blowing and grievances, staff can contact the Advisory, Conciliation and Arbitration Service (ACAS) at [www.acas.org.uk/grievances](http://www.acas.org.uk/grievances).

2.4. If a member of the public has a concern about any service they have been provided by the Council or Publica then this should be raised as a complaint. There are existing procedures in place which relate to this. However, if that concern relates to malpractice by a member of staff, then they should be directed to Human Resources at the earliest opportunity.

2.5. If a member of the public has concerns relating to malpractice by a Councillor, then they should be directed to Democratic Services or the Monitoring Officer for the appropriate Council at the earliest opportunity.

2.6. Making malicious, vexatious or false allegations will not be tolerated and is a disciplinary offence. If a person makes an allegation in good faith and reasonably

## Whistle-Blowing Policy

believes it to be true, but it is not confirmed by the investigation, the Council and Publica will recognise your concern. However, if a person makes an allegation frivolously, maliciously or for personal gain, appropriate action, which could include disciplinary proceedings, may be taken.

2.7. An instruction to cover up wrongdoing is itself a disciplinary offence. If told not to raise or pursue any concern, even by a person in authority such as a manager, staff should not agree to remain silent and should report the matter at the earliest opportunity.

2.8. This policy and procedure is primarily for issues where the interests of others or of the organisation itself are at risk. That issue may be one of the following (although this list is not exhaustive). The following are examples of concerns that might be raised:

- Financial irregularities including fraud, corruption or unauthorised use of public funds or other assets;
- Conduct which is against the law, a miscarriage of justice or a failure to meet a legal obligation;
- Failure to observe health and safety regulations, or actions which involve risks to the public or other staff;
- Damage to the environment;
- A criminal offence being committed;
- Claiming benefits and/or expenses to which there is no entitlement;
- The conduct of contractors and/or suppliers to the Council;
- Sexual, racial, disability or other discrimination;
- Neglect or abuse; physical or verbal;
- Any other unethical conduct, malpractice, negligent or unprofessional behaviour;
- Discriminatory acts not specifically covered by other procedures;
- Concealment of any of the above;

### **3. EMPLOYEE SAFEGUARDS AND ASSURANCES**

#### **3.1. Harassment or Victimisation**

3.2. The Council and Publica recognise that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice.

3.3. The Council and Publica will not tolerate harassment or victimisation in any form of anyone raising a legitimate concern. Any employee who attempts at any stage to apply any retribution or detriment to a whistle-blower will face serious disciplinary charges.

## Whistle-Blowing Policy

- 3.4. The Council and Publica will support and protect whistle-blowers who raise an issue in line with this policy, in accordance with the safeguards contained in the Public Interest Disclosure Act 1998. This legislation protects everyone from victimisation and dismissal when speaking out against corruption or malpractice at work.
- 3.5. Protection does not mean that if an employee is already the subject of disciplinary action or redundancy procedures that those procedures would cease or be suspended as a result of their whistle-blowing.
- 3.6. It may be that the employee making the report is (or was) directly involved in the action now being raised. In such circumstances it is in the employee's own interest to come forward as soon as possible. The Council and Publica cannot promise not to act against such an employee but the fact that they came forward may be taken into account.
- 3.7. **Confidentiality and Anonymity**
- 3.8. All reports will be treated in the strictest of confidence and every effort will be made to protect, and not disclose, the identity of an informant if that is their wish. However, if disciplinary or other proceedings are an option as a result of the investigation it may not be possible to take any action without further assistance, in which case the informant may be asked to become an identified witness and provide a witness statement. It is possible that the identity of the informant will become obvious during the investigation. In addition there is a risk that some colleagues may speculate about the source of the original complaint.
- 3.9. The law does not compel an organisation to protect the confidentiality of a whistle-blower. However, it is considered best practice to do so unless required by law to disclose it.
- 3.10. Any requests for disclosure of information relating to or collected as part of any whistle-blowing complaint or investigation will be considered and determined in accordance with the relevant provisions of the Freedom of Information Act 2000 and Data Protection Regulations / Legislation.
- 3.11. At all times the informant will receive full support from the Council and Publica. There will be a limited number of people aware of the investigation at any one time but there will always be a representative from Human Resources involved in the process.
- 3.12. This policy encourages a whistle-blower to put their name to an allegation. If you do not reveal your identity then you will not receive a response or feedback. It may also make the task of investigating the allegation and protecting the whistle-blower more difficult.

## Whistle-Blowing Policy

3.13. Concerns can of course be raised anonymously but are much less powerful. They can be considered at the discretion of the Council and Publica. In exercising this discretion the factors taken into account would include:

- The seriousness of the allegation.
- The credibility of the concern.
- The likelihood of confirming the allegation from other sources.

3.14. Staff who whistle-blow can seek independent support from the charity Protect. Details can be found by following the link below.

<https://protect-advice.org.uk/>

## 4. PROCEDURE

### 4.1. Raising a concern as an employee

4.2. Issues should normally be raised with a member of the Human Resources Team. A decision can then be made in relation to how the matter will be dealt with and who should be informed depending on the seriousness and sensitivity of the issues involved and who is suspected of wrongdoing.

4.3. If the Human Resources staff are not available, staff may direct any concerns to Internal Audit or the Counter Fraud and Enforcement Unit.

4.4. Alternatively an employee can speak to their own manager, or someone they feel comfortable talking to. A third party may also attend any meetings for moral support however, they would be required to maintain confidentiality. A whistle-blower may also wish to take advice from, or invite, a trade union or professional association to raise a matter on their behalf. Meetings may be held away from the workplace if necessary.

### 4.5. Raising a concern as an elected Member

4.6. If an elected Member has any concerns about the work conducted by the Council or Publica, they should raise the matter directly with Democratic Services, the Chief Executive / Head of Paid Service or the Monitoring Officer. In the case of financial irregularity, disclosure may be made to the Chief Finance Officer.

### 4.7. Raising a concern as a third party contractor, agency staff etc.

4.8. Concerns should be raised with the Human Resources Manager, the Chief Executive or the Monitoring Officer. In the case of financial irregularity, disclosure may be made to the Officer appointed under section 151 of the Local Government Act 1972.

**4.9. Alternative Reporting Routes**

4.10. There are a number of prescribed bodies and organisations who may be contacted if there is a reason not to raise the matter internally. Staff can find guidance by following the link below which provides a comprehensive list with contact details therein.

<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies>

4.11. The Council and Publica would not ordinarily expect a whistle-blower to make disclosures to the media prior to raising the matter internally. If a person does approach the media with their concerns, the informant should expect in most cases to lose their whistle-blowing law rights.

**4.12. Process**

4.13. Concerns may be raised by telephone, in person or in writing. The earlier the matter is raised, the easier it is to take action. A whistle-blower is asked to provide the nature of the concern and why they believe it to be true, background details giving names, dates and places where possible, together with any other supporting evidence or information. An informant may be asked if they have any personal interest in the matter.

4.14. When raising an issue or making an allegation it is important that it is made clear that an informant is doing so as a whistle-blower to ensure they are dealt with correctly.

4.15. Although it is not expected that a person prove beyond doubt that the allegation is correct, it will need to be demonstrated that the allegation has been made in good faith and there are reasonable grounds for concern.

4.16. An informant should:

- Remain calm and not be flustered where possible;
- Make a note of the facts as soon as it is feasible to do so;
- Be specific with dates, times, locations, names etc.;
- Deal with the matter promptly;
- Contact someone with the appropriate authority to deal with the matter.

4.17. An informant should not:

- Be reticent because they fear they are wrong;
- Approach, alert or confront the person they suspect of wrongdoing, directly themselves;

## Whistle-Blowing Policy

- Investigate personally – there are important rules of evidence which must be adhered to;
- Consult or discuss the matter with anyone other than those with the correct authority;
- Do nothing or leave it to someone else to report;

4.18. If approached by someone wishing to whistle-blow, a person should take full details and contact a member of the Human Resources Team to discuss the matter. It is imperative that staff do not undertake any kind of investigation or intelligence gathering exercise which could compromise the evidence.

4.19. It may be necessary for Human Resources (or other appropriate Officer) to take a preliminary statement to gather more information to entirely understand the situation and nature of the allegation.

### **5. HOW THE COUNCIL AND PUBLICA WILL RESPOND**

5.1. The action taken by the Council and Publica will depend on the nature of the issue. The Council and Publica will respond to your concerns as quickly as possible. Please note that making initial enquiries about the concerns is not the same as accepting or rejecting them.

5.2. The overriding principle for the Council and Publica will be the public interest. In order to be fair to all staff, including those who may be wrongly or mistakenly accused, initial independent enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. This decision will be made by Human Resources, the relevant Council Statutory Officers and Publica Directors. The matters raised may be:

- Investigated internally, either in accordance with internal policy and procedure or in line with criminal investigative regulations where appropriate. Whilst not all allegations will result in criminal action, this is an option open to the Council and Publica, and it is thus critical that the investigation is conducted in the appropriate manner. Evidence gathered as part of that investigation could form part of the disciplinary process whether or not criminal proceedings commence;
- Referred to the Police or other external enforcement agency such as the Health and Safety Executive, Environment Agency etc.;
- Referred to the External Auditor;
- Form the subject of an independent enquiry.

5.3. Concerns or allegations which fall within the scope of existing procedures will normally be referred for consideration under those procedures. In some situations the matter may be resolved without the need for an investigation. Urgent and immediate action may be necessary where the security of relevant information is at risk or to protect the safety of staff.

- 5.4. If an investigation is appropriate, it may be necessary for this to be carried out under terms of strict confidentiality, i.e. by not informing the subject of the complaint until (or if) it becomes necessary to do so. However, in certain cases, such as allegations of ill treatment of others, suspension from work may have to be considered immediately. Protection of others is paramount in all cases.
- 5.5. Within ten working days of a concern being raised, the whistle-blower will receive the following in writing:
- Acknowledgement that the concern has been received;
  - Confirmation of how the Council and Publica propose to deal with the matter;
  - If an investigation is to take place, who will be conducting the investigation;
  - If further investigation is not appropriate, the reasons why;
  - Process information and staff support mechanisms.
- 5.6. Contact between the whistle-blower and the Officers considering the issues and/or conducting an investigation will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If the matter is on-going then feedback may be limited; if the matter is dealt with promptly then the whistle-blower will be advised on the outcome.
- 5.7. You need to be assured that your disclosure has been properly addressed. Unless there are any legal reasons why this cannot be done, you will be kept informed of the progress and outcome of any investigation.
- 5.8. Coordination of any investigation will be undertaken by a member of Human Resources with the authority to do so.
- 5.9. The investigation process is independent and will seek to determine whether an irregularity has been committed, and if so, by whom. The investigator will have the authority to access all necessary data and other resources pertinent to a full, fair and properly conducted investigation.
- 5.10. Once an investigation has been completed there are a number of potential outcomes including the following:
- No case to answer/ case closed;
  - Informal action;
  - Formal action, disciplinary action and/or prosecution by the appropriate body. Suspension may also be appropriate. (For information relating to these outcomes see the relevant internal Policy or Procedure where applicable which will detail processes, actions and appeal information);
  - External referral to the Police and/or other body.

- 5.11. The Council and Publica will do what it can to minimise any difficulties that you may experience as a result of raising a concern. For instance, if you are asked to give evidence in criminal or disciplinary proceedings, the Council and Publica will arrange for you to receive appropriate advice and support.
- 5.12. If a member of staff is dissatisfied with the conduct of an investigation, whether as the person under investigation, as the informant, or in any other involved capacity, a complaint may be raised with Human Resources who will ensure this is reviewed by a member of staff who is independent and who has not previously been involved in the investigation.
- 5.13. This Policy does not prevent any person from taking external legal advice.

### **6. RESPONSIBILITIES**

- 6.1. Managers should ensure all staff, including agency staff, consultants and contractors etc. are aware of and follow all Council and Publica Policies and Procedures. Managers should register any whistle-blowing cases brought to their attention immediately with Human Resources and provide support to any employee making such a complaint.
- 6.2. Staff should be vigilant and raise any serious concerns about aspects of work or practices which affect the integrity of the Council and Publica or safety of staff and/or the public.
- 6.3. Statutory Officers, Publica Directors and Senior Managers will respond to whistle-blowing submissions positively and within the timescales set out. The Chief Executive / Head of Paid Service and Managing Director has overall responsibility for ensuring that the policy is adhered to.
- 6.4. Human Resources will record and deal with any whistle-blowing issues including the provision of any support and advice as required to include attendance at meetings as necessary.

### **7. FURTHER INFORMATION**

- 7.1. Further information on Council and Publica policy can be found in the following documents (or equivalent documentation / codes) :
- The Constitution;
  - Code of Conduct for Staff and the Councillors Code of Conduct which include information in relation to gifts and hospitality and declaring and registering interests;
  - Counter Fraud and Anti-Corruption Policy;
  - Corporate Enforcement Policy;
  - Proceeds of Crime and Anti-Money Laundering Policy;

## Whistle-Blowing Policy

- Recruitment and Selection Policies and Procedures;
- Financial Rules;
- Contract Rules or equivalent;
- Fair Processing Statements;
- Disciplinary and Grievance Procedures;

### **8. POLICY REVIEW**

- 8.1. The Counter Fraud and Enforcement Unit and Human Resources will review and amend this policy as necessary to ensure that it continues to remain compliant and meets legislative requirements and the vision of the Council and Publica.
- 8.2. Human Resources and the Counter Fraud and Enforcement Unit will monitor the effectiveness of the Policy and provide the necessary awareness sessions to staff.
- 8.3. Responsible Department: Human Resources / Counter Fraud and Enforcement Unit  
Date: January 2022  
Review frequency as required by legislative changes / every three years.

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 <p><b>WEST OXFORDSHIRE DISTRICT COUNCIL</b></p>	<p><b>WEST OXFORDSHIRE DISTRICT COUNCIL</b></p>
<p>Name and date of Committee</p>	<p><b>Audit and General Purposes Committee: Thursday 21 April 2022</b></p>
<p>Report Number</p>	<p><b>Agenda Item No. 6</b></p>
<p>Subject</p>	<p><b>Counter Fraud and Enforcement Unit Report</b></p>
<p>Wards affected</p>	<p>All indirectly</p>
<p>Accountable member</p>	<p>Councillor Suzi Coul, Cabinet Member for Finance Email: <a href="mailto:Suzi.Coul@westoxon.gov.uk">Suzi.Coul@westoxon.gov.uk</a></p>
<p>Accountable officer</p>	<p>Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit Email: <a href="mailto:Emma.Cathcart@cotswold.gov.uk">Emma.Cathcart@cotswold.gov.uk</a></p>
<p>Summary/Purpose</p>	<p>To provide the Committee with assurance over the counter fraud activities of the Council. Direct updates will continue to be provided biannually. Work plans are presented to the Committee detailing progress and results for consideration and comment as the body charged with governance in this area. The report also provides the annual update in relation to the Regulation of Investigatory Powers Act 2000 (RIPA), the Investigatory Powers Act 2016 (IPA) and the Council's existing authorisation arrangements.</p>
<p>Annexes</p>	<p>Annex A – Work Plans 2021/2022 &amp; 2022/2023</p>
<p>Recommendation</p>	<p>That the Committee notes the report and work plans at Annex A.</p>
<p>Corporate priorities</p>	<p>In administering its responsibilities the Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or a Councillor. The Council is committed to an effective counter fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities, thus supporting corporate priorities and community plans.</p>
<p>Key Decision</p>	<p>No</p>
<p>Exempt</p>	<p>No</p>
<p>Consultees/ Consultation</p>	<p>Work plans are agreed and reviewed regularly with the Deputy Chief Executive.  Any Policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by Legal Services and have been issued to the Governance Group and Corporate Management for comment.</p>

## **I. BACKGROUND**

- 1.1. The Counter Fraud Partnership, which includes West Oxfordshire District Council was the subject of a recent service review. One of the agreed proposals was that the name of the Unit be changed to the 'Counter Fraud and Enforcement Unit' (CFEU) to better reflect delivery. This will give colleagues, clients and members of the public a clearer indication of the remit of the team.
- 1.2. The Audit and General Purposes Committee oversees the Council's counter fraud arrangements and it is therefore appropriate for the Committee to be updated in relation to counter fraud activity.
- 1.3. Work plans have been agreed with the Deputy Chief Executive and the Council's Management. The Audit and General Purposes Committee, as the body charged with governance in this area, is presented with a copy of the work plan for information.
- 1.4. Attached at Annex A is a copy of the work plan for 2021/2022 and for 2022/2023.

## **2. MAIN POINTS**

### **2.1. Counter Fraud and Enforcement Unit Update**

- 2.2. The CFEU has been supporting work streams related to the Business Grant Schemes. Most recently the team assisted with the mandatory pre-payment verification checks for all businesses that applied for the Omicron Hospitality and Leisure Grant and the related Additional Restrictions Grant.
- 2.3. The CFEU are also continuing with the work streams relating to the required Post Payment Assurance Activities directed by the Department for Business, Energy and Industrial Strategy and the Cabinet Office's National Fraud Initiative matches.
- 2.4. The CFEU have reviewed 52 cases of post payment recovery totalling £356,434. Invoices have been raised and of this figure, £203,233 has been recovered and £11,050 credited after a review. £142,151 remains outstanding. Examples of these cases relate to payments made to businesses that were not trading at the appropriate date, where premises were in fact empty or where duplicate payments have been made.
- 2.5. All Local Authorities participate in the Cabinet Office's National Fraud Initiative, which is a data matching exercise to help prevent and detect fraud nationwide. The use of data by the Cabinet Office in a data matching exercise is carried out with statutory authority under Part 6 of the Local Audit and Accountability Act 2014. It does not require the consent of the individuals concerned under Data Protection Legislation.
  - 41 matches have been received via the Cabinet Office's National Fraud Initiative which has collated and compared business grant data nationwide in relation to the original schemes paid during the first lockdown. These matches have been reviewed by the CFEU: 36 required no further action and 5 cases are pending further enquiries. The matches relating to the grant schemes paid between November 2020 and April 2021 are expected in April 2022.
  - The team have reviewed 1,004 matches relating to single person discount anomalies. 165 accounts have been identified as requiring further enquiries. 1,045 additional matches relating to this year's data upload have now been received and the team have commenced the review.
  - The team have received 201 matches relating to the Council Tax Reduction Scheme and Housing Benefit claims. 180 matches have been reviewed so far, with 2 referrals having been made to the Department for Work and Pensions.

- 2.6. A review of the Housing Waiting List has commenced.
- This included verification of applications within Emergency Band (39 applications) and Gold Band (84 applications). This resulted in 41 recommendations being referred to the Housing Team. 4 Emergency Band applications have been removed, Gold Band application results are pending. The review of the Silver Band applications is scheduled to commence shortly.
  - Whilst undertaking the review of the Housing List, the CFEU also processed the related National Fraud Initiative matches (161 matches) which resulted in the removal of 59 applications.
  - Each cancelled housing application represents a property which can be reallocated to another eligible family. The National Fraud Initiative applies a figure of £3,240 for each application removed, to represent the value of future losses prevented as a result of removing an applicant. This represents a saving on the cost of temporary accommodation. In addition, the result of the band re-prioritisation is that those families who are correctly banded have a greater chance of being housed and housed more speedily. The loss avoidance figure for this area of work so far is £204,120.
- 2.7. A review of the Track and Trace Payments is ongoing. 174 payments have been reviewed resulting in 46 cases of recovery totalling £23,000.
- 2.8. In addition to the work carried under the annual work plan attached at Annex A, as a dedicated investigatory support service, the CFEU undertakes a wide range of enforcement and investigation work according to the requirements of each Council. This includes criminal investigation and prosecution support for enforcement teams, investigations into staff/member fraud and corruption, or tenancy and housing fraud investigation work.
- 2.9. 2021 / 2022:
- The team received 45 referrals from across the Council and closed 39 cases. This excludes any Council Tax Reduction Scheme referrals.
  - The team supports Enforcement Teams across the Council. 2 Fixed Penalty Notices, totalling £400, were issued in relation to environmental crime. 6 Council Tax accounts were reviewed and 3 Civil Penalties issued. This has resulting in £11,050 increased revenue and a total of £210 in fines.
  - The CFEU undertakes Member Code of Conduct Investigations and found that there had been a breach relating to a Town Council matter. A Standards Panel is due to be convened.
  - The CFEU undertakes the investigation of alleged fraud and abuse in relation to the Council Tax Reduction Scheme (Council Tax Support) and act as the single point of contact for Department for Work and Pensions (DWP) Housing Benefit investigations. 32 referrals were received and 21 cases were closed. Increased Council Tax revenue of £13,081 has been raised. 2 Civil Penalties totalling £140 have been issued.
  - The team undertakes disciplinary investigations for Publica across the partnership. 3 cases were referred and have since been concluded. There was no further action taken in relation to 2 cases and 1 member of staff was dismissed due to gross/serious misconduct.

- 2.10. **Regulation of Investigatory Powers Act 2000 (RIPA) / Investigatory Powers Act 2016**
- 2.11. The Council's policies are based on the legislative requirements of these Acts and the Codes of Practice relating to directed surveillance and the acquisition of communications data.
- 2.12. The Policies were reviewed and presented to the Audit and General Purposes Committee in November 2019; these were adopted by Cabinet in December 2019.
- 2.13. The RIPA Surveillance and Covert Human Intelligence Source Policy was recently updated to reflect the new Covert Human Intelligence Sources (Criminal Conduct) Act 2021 which makes provision for those acting as covert agents to commit crime whilst undertaking their duties does not apply to the Council.
- 2.14. The Use of the Internet and Social Media in Investigations and Enforcement Policy was drafted and presented to Audit and General Purposes Committee in September 2021 and adopted by Cabinet in November 2021.
- 2.15. The Council must have a Senior Responsible Officer and Authorising Officers to approve any applications for surveillance or the use of a Covert Human Intelligence Source, before the Court is approached. The Senior Responsible Officer is the Chief Executive, Giles Hughes and the Authorising Officers are the Deputy Chief Executive, Elizabeth Griffiths and the Head of Legal Services, Susan Gargett.
- 2.16. All applications for communications data are made online via the National Anti-Fraud Network (NAFN) which acts as the single point of contact for Councils. There is a requirement for the Council to nominate a Designated Senior Officer who will confirm to NAFN that the Council is aware of any request and approves its submission. This role is undertaken by the Counter Fraud and Enforcement Unit.
- 2.17. The CFEU delivered refresher training to all enforcement staff and the Authorising Officers.
- 2.18. There have been no RIPA applications made by the Council during 2021/2022, and no applications for communications data have been submitted. There has been 1 Non-RIPA application made during 2021/2022 which relates to overt activity.
- 2.19. The Council takes responsibility for ensuring its procedures relating to surveillance and the acquisition of communications data are continuously improved and all activity is recorded

### **3. FINANCIAL IMPLICATIONS**

- 3.1. The report details financial savings generated by the Counter Fraud and Enforcement Unit.

### **4. LEGAL IMPLICATIONS**

- 4.1. In general terms, the existence and application of an effective fraud risk management regime assists the Council in effective financial governance which is less susceptible to legal challenge.
- 4.2. The Authority is also required to ensure that it complies with the Regulation of Investigatory Powers Act 2000, the Investigatory Powers Act 2016 and any other relevant/statutory legislation regarding investigations. Any authorisations for directed/covert surveillance or the acquisition of communications data undertaken should be recorded appropriately in the Central Register.

## **5. RISK ASSESSMENT**

- 5.1. The Council is required proactively to tackle fraudulent activity in relation to the abuse of public funds. The CFEU provides assurance in this area.
- 5.2. Failure to undertake such activity would accordingly not be compliant and expose the Authority to greater risk of fraud and/or corruption.
- 5.3. If the Council does not have effective counter fraud and corruption controls it risks both assets and reputation.
- 5.4. The RIPA and IPA Policies demonstrate the Council's consideration of necessity, proportionality and public interest when deciding on surveillance activity or the decision to obtain personal communication data. The application of the Policies and Procedures, to govern surveillance and the obtaining of personal communications data, minimises the risk that an individual's human rights will be breached. Furthermore it protects the Council from allegations of the same.

## **6. EQUALITIES IMPACT**

- 6.1. The promotion of effective counter fraud controls and a zero tolerance approach to internal misconduct promotes a positive work environment.

## **7. ALTERNATIVE OPTIONS**

- 7.1. This Unit is working with all Gloucestershire Local Authorities, West Oxfordshire District Council and other public sector bodies such as housing associations.
- 7.2. The Service is a shared one across the County and, as such, overheads and management costs are also shared equally meaning there is increased value for money.

## **8. BACKGROUND PAPERS**

- 8.1. None.

## Annex A: West Oxfordshire District Council Work Plan 2021/2022

Area of Work	Task
Governance	Delivery of two reports for Audit & General Purposes Committee
Governance	Fighting Fraud & Corruption Locally - Checklist Compliance
Governance	Government Functional Standard 013: Counter Fraud - Compliance
Policy	Counter Fraud and Anti-Corruption Policy
Policy	Corporate Enforcement Policy
Policy	Council Tax, Council Tax Reduction Scheme & Housing Benefit Penalty and Prosecution Policy
Policy	Proceeds of Crime & Anti-Money Laundering Policy
Policy	Whistle-Blowing Policy
Policy	Regulation of Investigatory Powers Act 2000 (Surveillance & Covert Human Intelligence Sources)
Policy	Investigatory Powers Act 2016 (Acquisition of Communications Data)
Policy	Use of the Internet and Social Media in Investigations and Enforcement
Bribery and Corruption	Assessment Template Review
Bribery and Corruption	Policy and Procedure: Staff Declarations of Interest / Conflicts of Interest
Bribery and Corruption	Review of the Gifts and Hospitality Policy and Procedure
Serious and Organised Crime	Checklist Review
Serious and Organised Crime	Proactive Fraud Drive - transient / cash businesses
Statutory / Regulatory	Collation and Publication of Fraud Transparency Data
Statutory / Regulatory	RIPA / IPA - Annual Report to Members / Advisory / Inspection Single Point of Contact
Strategy : Detection	Housing Waiting List review
Strategy : Detection	National Fraud Initiative Match Reviews - Revenues / Benefits / Housing

Area of Work	Task
Strategy : Detection	Holiday / Airbnb Review
Strategy : Detection	SMI Review (sample 20)
Strategy : Detection	Procurement - Supplier Payment Review
Strategy : Detection	Charity Shop Exemption Review
Strategy : Detection	Track and Trace - Assurance and Enforcement Activities
Strategy : Detection	Business Grants - Assurance and Enforcement Activities
Strategy : Prevention	Development / Review of Fraud Response Plan
Strategy : Prevention	Development of Fraud Awareness Literature (staff)
Strategy : Prevention	Development of Right to Buy Debt Recovery Process
Strategy : Prevention	Development of Service Specific Fraud Risk Register
Strategy : Prevention	Training Members / Staff - Fraud Awareness / RIPA & IPA / CPIA, PACE, Disclosure Training
Strategy : Prevention	Review of HR Recruitment and Vetting Policy and Procedures

RIPA = Regulation of Investigatory Powers Act 2000

IPA = Investigatory Powers Act 2016

CPIA = Criminal Procedure and Investigations Act 1996

PACE = Police and Criminal Evidence Act 1984

## Annex A: West Oxfordshire District Council Work Plan 2022/2023

Area of Work	Task
Bribery and Corruption	Assessment Template Review
Bribery and Corruption	Gifts and Hospitality Policy and Procedure Rollout / Awareness
Governance	Delivery of two reports for Audit / and Risk / and General Purposes Committee
Governance	Fighting Fraud & Corruption Locally - Checklist Compliance
Governance	Government Functional Standard 013: Counter Fraud - Compliance
Governance	Development of Service Specific Fraud Risk Register (High Risk Service Areas - TBC)
Governance	Development / Review of Fraud Risk Strategy / Response Plan
Policy	Counter Fraud and Anti-Corruption Policy
Policy	Corporate Enforcement Policy
Policy	CTAX, CTRS & HB Penalty and Prosecution Policy
Policy	Proceeds of Crime & Anti-Money Laundering Policy
Policy	Whistle-Blowing Policy
Policy	RIPA (Surveillance & CHIS)
Policy	IPA (Acquisition of Communications Data)
Policy	Use of the Internet and Social Media in Investigations and Enforcement
Procedure	Development and roll out of Proceeds of Crime and Anti-Money Laundering Procedure
Procedure	Development and roll out of Use of the Internet and Social Media in Investigations and Enforcement Procedure
Serious and Organised Crime	Checklist Review
Serious and Organised Crime	Proactive Fraud Drive - transient / cash businesses
Statutory / Regulatory	Collation and Publication of Fraud Transparency Data

Area of Work	Task
Statutory / Regulatory	RIPA / IPA - Annual Report to Members / Advisory / Inspection SPoC
Strategy : Detection	Housing Waiting List review
Strategy : Detection	National Fraud Initiative Match Reviews - Revenues / Benefits / Housing
Strategy : Detection	Business Rates Review Self Catering Accommodation - Assurance and Enforcement Activities
Strategy : Detection	SMI Review (sample 20)
Strategy : Detection	Procurement - Supplier Payment Review
Strategy : Detection	Council Tax £150 Rebate - Assurance and Enforcement Activities
Strategy : Detection	Test and Trace - Assurance and Enforcement Activities
Strategy : Detection	Business Grants - Assurance and Enforcement Activities
Strategy : Prevention	Development of Fraud Awareness Literature (staff)
Strategy : Prevention	Development of Right to Buy Debt Recovery Process
Strategy : Prevention	Training Members / Staff - Fraud Awareness / RIPA & IPA / CPIA, PACE, Disclosure Training
Strategy : Prevention	Private Rental Sector Minimum Energy Efficiency Standard (MEES) Compliance and Enforcement

RIPA = Regulation of Investigatory Powers Act 2000

IPA = Investigatory Powers Act 2016

CPIA = Criminal Procedure and Investigations Act 1996

PACE = Police and Criminal Evidence Act 1984

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 <p><b>WEST OXFORDSHIRE DISTRICT COUNCIL</b></p>	<p><b>WEST OXFORDSHIRE DISTRICT COUNCIL</b></p>
<p>Name and date of Committee</p>	<p><b>AUDIT AND GENERAL PURPOSES COMMITTEE – 21<sup>st</sup> APRIL 2022</b></p>
<p>Report Number</p>	<p><b>Agenda Item 7</b></p>
<p>Subject</p>	<p><b>INTERNAL AUDIT PROGRESS REPORT</b></p>
<p>Wards affected</p>	<p>N/A</p>
<p>Accountable member</p>	<p>Councillor Suzi Coul, Cabinet Member for Finance Email: suzi.coul@westoxon.gov.uk</p>
<p>Accountable officer</p>	<p>Elizabeth Griffiths, Chief Finance Officer Tel: 01993 861188 Email: Elizabeth.Griffiths@westoxon.gov.uk</p>
<p>Summary/Purpose</p>	<p>To present a summary of the audit work concluded since the last meeting of this Committee.</p>
<p>Annexes</p>	<p><b>Annex A – Report of Internal Activity 2021/22</b></p>
<p>Recommendation/s</p>	<p>Please write recommendations using letters and italics as below. <i>a) That the Committee considers the report at Annex A and comments as necessary</i></p>
<p>Corporate priorities</p>	<p>Delivering excellent modern services whilst ensuring the financial sustainability of the Council.</p>
<p>Key Decision</p>	<p>NO</p>
<p>Exempt</p>	<p>NO</p>
<p>Consultees/ Consultation</p>	<p>N/A</p>

## **1. BACKGROUND**

- 1.1. The Internal Audit Service is provided to this Council by SWAP Internal Audit Services (SWAP). SWAP is a local authority-controlled company.
- 1.2. The report attached at Annex A sets out the work undertaken by SWAP for the Council since the last meeting of this Committee. It follows the risk-based auditing principles and, therefore, this is an opportunity for the Committee to be aware of emerging issues which have resulted from SWAP involvement.
- 1.3. Officers from SWAP will be in attendance at the Committee meeting and will be available to address Members' questions.

## **2. MAIN POINTS**

- 2.1. The progress report enables the Audit and General Purposes Committee to monitor the work of the Internal Audit Service and ensure that it remains effective. It also provides the Committee with assurance opinions over areas reviewed within the reporting period, details of audit recommendations and the outcome of follow-up reviews conducted on previous audit recommendations.
- 2.2. We have finalised 3 audits since the last meeting of this committee
  - Payroll – High Substantial
  - Council Tax and NNDR – Low Reasonable
  - Housing Benefit and Council Tax Support – Low Reasonable

The two revenues and benefits audits have been assessed, as above, because reconciliations are not being performed, as per financial rules, and progress against previous agreed actions has not been completed.

We continue to follow up all agreed actions. Updates against the higher priority actions is included in the report along with tables showing progress against all agreed actions.

## **3. FINANCIAL IMPLICATIONS**

- 3.1. The Internal Audit Service is operating within the contract sum.

## **4. LEGAL IMPLICATIONS**

- 4.1. None directly from this report. Internal Audit reviews consider compliance with legislation relevant to the service area under review.

## **5. RISK ASSESSMENT**

The weaknesses in the control framework, identified by the Internal Audit activity, continues to threaten organisational objectives if recommendations are not implemented.

## **6. BACKGROUND PAPERS**

- 6.1. Internal Audit Reports



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# West Oxfordshire District Council

## Report of Internal Audit Activity

April 2022

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## Contents

The contacts at SWAP in connection with this report are:

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- Appendices:

Appendix A – Internal Audit Definitions

Appendix B – Audit Plan Progress

Appendix C – Summary of Audit Assignments

Appendix D – High Priority Findings and Agreed Actions

Appendix E – Summary of Agreed Actions

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- No
- Limited
- Reasonable
- Substantial



Audit Framework Definitions

Control Assurance Definitions

<b>No</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Substantial</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Non-Opinion – In addition to our opinion based work we will provide consultancy services. The “advice” offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.



Audit Framework Definitions

**Categorisation of Recommendations**

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

	<b>Categorisation of Recommendations</b>
<b>Priority 1</b>	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
<b>Priority 2</b>	Important findings that need to be resolved by management
<b>Priority 3</b>	Finding that requires attention.

**Definitions of Risk**

<b>Risk</b>	<b>Reporting Implications</b>
<b>High</b>	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
<b>Medium</b>	Issues which should be addressed by management in their areas of responsibility.
<b>Low</b>	Issues of a minor nature or best practice where some improvement can be made.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
<b>2020/21 Audits in Draft / In Progress at Annual Opinion</b>								
Operational	Authority’s Response to Covid-19	Final Report	Medium Substantial	-				Reported in September
Key Financial Control	Accounts Payable	Final Report	High Reasonable	3		1	2	Reported in September
Key Financial Control	Payroll	Final Report	High Reasonable	1			1	Reported in September
ICT	Systems Admin	Final Report	Medium Reasonable	2		2		Reported in September
Key Control	Human Resources	Final Report	Medium Reasonable	5		2	3	Reported in September
Governance	Risk Management	Final Position Statement	N/A	-				Reported in February
ICT	Data Recovery Capabilities	Final Report	Low Substantial	1			1	Reported in September

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Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
<b>2021/22 Audit Plan</b>								
Support	Business Grant Funding	Complete	N/A	-				Head of IA seconded to Council to support processing of Mandatory and Discretionary Business Grants from November 2020 onwards
Support	Business Grant Funding – Post Payment Review	On-Going	N/A	-				Head of IA working with Counter Fraud and Enforcement Manager to conduct post payment review
Support	Business Grant Funding – ARG Scheme (January) (NEW)	Complete	N/A	-				Support to administration of new ARG Scheme
Support	Business Grant Funding – Omicron Grants (January) (NEW)	Complete	N/A	-				Support to administration of new Omicron Grant Scheme
Support	Environmental Services Improvement Programme	On-Going	N/A	-				Support to the Programme
Support	Ubico – New Shareholder	Complete	N/A	-				Support to Project Team
Operational	Accounts Payable	In Progress						Quarterly review of payments made. See Appendix C
Operational	Fire Risk Assessments	Final Report	High Reasonable	1		1		Reported in February
Support	Civica – Merge of 3 Systems	Complete	N/A	-				Support to Project Team
Operational	Procurement Cards	Draft Report						
Operational	Emergency Planning	Final Report	High Reasonable	4		3	1	Reported in February
Operational	Election Expenses – Treatment of VAT	Audit Deferred						Request to defer audit to 2022/23 due to change in officers

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Operational	Procurement (Contract Management and Monitoring)	Final Report	High Reasonable	2			2	Reported in February
Governance	Governance of Programmes and Projects	Draft Report						
Operational	Publica Performance Information	Draft Report						
Operational	Monitoring the Performance of Strategic Commissioned Services	Final Report						Report will be presented with Publica Performance Information audit
Operational	Business Grant – Post Payment Assurance	In Progress						
Key Financial Control	Revenues and Benefits							
	<ul style="list-style-type: none"> <li>Council Tax and National Non-Domestic Rates</li> </ul>	Final Report	Low Reasonable					See Appendix C
	<ul style="list-style-type: none"> <li>Housing and Council Tax Benefits</li> </ul>	Final Report	Low Reasonable					See Appendix C
Key Financial Control	Core Financials							
	<ul style="list-style-type: none"> <li>Accounts Payable</li> </ul>							
	<ul style="list-style-type: none"> <li>Main Accounting and Accounts Receivable</li> </ul>	In Progress						
	<ul style="list-style-type: none"> <li>Payroll</li> </ul>	Final Report	High Substantial	-				See Appendix C
	<ul style="list-style-type: none"> <li>Treasury Management and Bank Reconciliation</li> </ul>	In Progress						Request for further testing in respect of cashflow forecasting to be undertaken Qtr1 2022/23
Key Financial Control	Human Resources							

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Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
					Key Financial Control	Other Support Service provided by Publica <ul style="list-style-type: none"> <li>Procurement (Compliance with Strategy)</li> </ul>		
ICT	Vulnerability Management	Draft Report						
ICT	Accounts with Admin Privileges	In Progress						
ICT	Software and Hardware Assets							
Grant Certification	Disabled Facilities Grants							
Grant Certification	Restart Grants	Complete	N/A					
Grant Certification	Broadband Claim (NEW)	Complete	N/A					
Grant Certification	Carbon Data (NEW)	Complete	N/A					
Follow-Up	Follow-Up of Agreed Actions (not included in an audit above)	On Going						
Other Audit Involvement	Working with the Counter Fraud and Enforcement Unit	On Going						
Other Audit Involvement	Management of the IA Function and Client Support	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks							

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The following information provides a brief summary of each audit review finalised since the last Committee update

# Payroll – Final Report – March 2022

## Audit Objective

To provide assurance payroll deductions and payments to 3rd parties are made in accordance with agreed processes and are appropriate and timely.

Assurance Opinion	Number of Actions		Risks Reviewed	Assessment
	Priority	Number		
 <p>A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.</p>	Priority 1	0	Errors in deductions/payment and unreconciled items could lead to inaccurate financial data being submitted to government bodies, which may result in financial penalties and / or reputational damage.	<b>Low</b>
	Priority 2	0		
	Priority 3	0		
	Total	0		

## Key Findings

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	<p>This year's review specifically focussed on payments and deductions made via the payroll. Previous reviews have also been used to inform this assurance opinion.</p> <p>WODC's Payroll suspense accounts have consistently balanced to zero at year end. Deductions from employees, payments to HMRC and to third parties can be traced through Business World.</p> <p>Detailed payroll guidance and procedure documentation is available to all payroll team members. Checklists are used as guidance and to record when payroll processes are complete. Payroll tasks can be added and removed monthly, depending on requirements. Completed checklists are retained and changes can be tracked.</p> <p>HMRC Real Time Information (RTI) reporting is in place enabling tax codes to be updated directly with HMRC prior to a payroll run. Off payroll employees are set up on the payroll system so tax can be paid as per the IR35 regulations.</p>
	<p>Outstanding agreed actions from previous audits are now complete.</p>

## Audit Scope

<p>This work addressed the above objective and reviewed the controls operating in the following areas:</p> <ul style="list-style-type: none"> <li>Review of suspense and/or holding accounts.</li> <li>Deductions from payroll</li> <li>Payments to HMRC and third parties.</li> <li>Payments to HMRC, pensions, etc made properly/timely.</li> <li>Progress on previously agreed actions.</li> </ul> <p>Discussions were held with the Payroll Team Leader and payroll team. Most of the Information obtained has been provided by the payroll team. The payroll system and publicly available information has also been used.</p>
---

## Summary Conclusion

We confirm effective controls are operating to ensure payroll payments and deductions for the Council's payroll, and that of Publica staff delivering services to the Council, is robust.

## Accounts Payable – Continuous Auditing Analysis – March 2022

### Audit Objective

The objective of the continuous review is to:

- Identify potential duplicate payments, summarise, and present to the AP team for remedial action,
- Review payments made on 'Sundry Supplier' codes to ensure genuine 'one-off' payments.

### Audit Scope

**1. Duplicate payments** – review covers a period of 2 years, checking for potential duplicate payments for the Council and between Councils and/or Publica and/or CBH. Findings have been summarised and reported to AP for further review and correction where necessary. Findings have been followed-up during the subsequent review.

**2. Sundry Suppliers** – review covers current quarter, checking for numerous payments made to a supplier. Where examples of these are identified they have been reported to AP for further review and where appropriate the creation of a specific supplier record on AP will be required.

Testing / Findings	Q1 (Aug 21)	Q2 (Nov 21)	Q3 (Feb 22)	Q4
<b>Duplicate Payments</b>				
Number of Duplicate Payments identified (paid twice by Council / Publica)	3	2	1	
Value of Duplicate Payments identified (paid twice by Council / Publica)	£7,114.86	£802.94	£500	
Number of Payments recovered either by Credit Note or Refund request from previous quarter	n/a	1	2	
Value of Payments outstanding from previous quarter	n/a	£620.00	£620.00	
Number of Duplicate Payments identified (paid by Council and Publica or by 2 Councils)	0	1	0	
Value of Duplicate Payments identified (paid by Council and Publica or by 2 Councils)	£0	£435.89	£0	
Number of Payments recovered either by Credit Note or Refund request from previous quarter	n/a	n/a	1	
Value of Payments outstanding from previous quarter	n/a	£0	£0	
<b>Sundry Suppliers</b>				
Number of supplier(s) appearing more than once under the Sundry Supplier Record	2	1	6	
Number of payments made to supplier(s) who appear more than once under the Sundry Supplier Record	4	2	13	
Supplier record created on BW	0	1	1	

### For Information

This continuous report will be included within the annual AP audit report and will support the annual assurance score.

## Council Tax & NNDR and Housing Benefit & Council Tax Support – Final Report – March 2022

### Audit Objective

To ensure key financial system controls are operating effectively for Council Tax and Business Rates, Housing Benefits and Council Tax Support and that opportunities for error, fraud or corruption are minimised.

### Assurance Opinion



There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

### Number of Actions

Priority	Number
Priority 1	0
Priority 2	1
Priority 3	0
<b>Total</b>	<b>1</b>

### Risks Reviewed

The Council does not collect all Council Tax and Business Rates due as a result of errors, omissions or fraud leading to financial loss or reputational damage.

### Assessment

**Medium**

### Assurance Opinion



There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

### Number of Actions

Priority	Number
Priority 1	0
Priority 2	1
Priority 3	1
<b>Total</b>	<b>2</b>

### Risks Reviewed

Housing Benefits and Council Tax Support claims are not processed correctly, completely and on a timely basis as a result of errors, omissions or fraud leading to financial loss or reputational damage to the Council.

### Assessment

**Medium**

### Key Findings



Evidence of regular financial reconciliations of both the Council Tax and NNDR, and Housing Benefits systems to the General Ledger were not available. Financial Rules I5.1 states budget holders are responsible for *“Reconciling income systems with the council’s main accounting system monthly to ensure that all income received has reached the correct budget head and investigating where there is a discrepancy.”* Furthermore, Financial Rules H4.1 states *“Each nominated employee shall ensure that all financial and finance related systems are reconciled to the council’s main financial management system quarterly, unless more frequent reconciliation is required by the Section 151 Officer.”*

The Service Area should work with the Finance Team to ensure that all necessary reconciliations are performed, in line with the Council’s Financial rules.

### Audit Scope

During 2021/22 it was agreed a high-level review of both the Revenues and Benefits Service, incorporating Council Tax, Non-Domestic Rates, Housing Benefit and Council Tax support would be conducted. To include key controls;

- Financial reconciliations
- Variance reporting,
- HB/CTS processing times.
- Follow up of open recommendations

Discussions were held with, and evidence was supplied by the Revenues and Benefits Leads, the Technical Leads, and Business Partner Accountant.



It continues to be a challenging period for the Revenues and Benefits team in dealing with both the effects of the Pandemic causing an increased workload and the implementing significant system changes earlier this year. A current lack of automation the Benefits system is planned to provide, has also seen the Benefits team encounter difficulties in the processing of Claims leading to a backlog in processing times. Plans have been put into place to address these issues to reduce the backlogs and good progress has been made in this area, although some backlogs continue to exist. Resources should continue to concentrate on reducing backlogs to ensure targets are achieved.

#### **Additional Information**

Progress has been made against previously agreed actions. Actions are being taken to address closed accounts in credit. The Revenues Manager will review suppression changes where a separation of duties is not feasible. An agreed action to update the Service's Business Continuity Plan has been completed in line with Corporate Services requirements. We note that during an incident the plan includes actions to assess the situation and determine what actions can and should be taken. As has been seen in other local authorities, a significant and extended ICT outage is likely to be a pressurised time for all concerned. Therefore, some prior consideration should be given to exactly what should be done, such as making ongoing Benefits Payments or Revenues collections. Discussions concerning this are in progress.

# High Priority Findings and Agreed Actions

# APPENDIX D

Audit Name	Priority	Finding	Agreed Action	Due Date / Rev Date	Responsible Officer	Update April 2022
Risk Management 45972	2	Sufficient Training, Support and Guidance should be provided to Managers.	<ol style="list-style-type: none"> <li>Obtain approval of the updated Risk Management Policy.</li> <li>The Risk Officer now attends Quarterly Management Meetings to increase visibility and discussion around Risk Management.</li> <li>Review and issue management guidance on Risk Management with the new template.</li> <li>Follow up with Training workshops on Risk Management Processes and 'how-to's' to encourage participation.</li> </ol>	<p>Oct 2021</p> <p>Ongoing</p> <p>Oct 2021</p> <p>Oct 2021</p>	Business Manager – Corporate Responsibility	This will be reviewed in the follow-up audit
Risk Management 45973	2	Universal Risk Register Templates are to be issued, with consideration of dedicated Risk Management Tooling.	<ol style="list-style-type: none"> <li>Implement the agreed new template across all Service Areas.</li> <li>Consider the use of existing, or purchase of new Risk Management software.</li> <li>If appropriate, feed into the Training and Guidance programme.</li> </ol>	<p>Oct 2021</p> <p>Oct 2021</p> <p>Oct 2021</p>	Business Manager – Corporate Responsibility	This will be reviewed in the follow-up audit
Fire Risk Assessments 45890	2	The Fire Risk Assessments Work Schedule supplied (June 2021) is incomplete, outdated and actions are not SMART. Not all recommendations made by Corinium Fire Safety Consultancy in the Fire Risk Assessments were identified in the Work Schedule.	<p>We will review and update the Fire Risk Assessments Work Schedule to ensure it is accurate, current, and actions are SMART.</p> <p>We will ensure the progress of all recommended actions can be easily tracked to completion</p>	Dec 2021	Interim Joint Operations Manager	<p>The FRA works schedule has not been updated since our audit. The Operational Facilities Lead confirmed the document supplied was the current working document but there is still need for it to be updated.</p> <p>IA will continue to monitor</p>

# High Priority Findings and Agreed Actions

# APPENDIX D

Audit Name	Priority	Finding	Agreed Action	Due Date / Rev Date	Responsible Officer	Update April 2022
Emergency Planning 46168	2	Statutory responsibilities are not clearly defined.	We will; <ul style="list-style-type: none"> <li>review the agreements between Publica and the Council</li> <li>clearly define roles and responsibilities and</li> <li>ensure the wording in the Constitution is clear and not subject to interpretation. Any changes will be approved by Members.</li> </ul>	<del>Dec 2021</del> Jun 2022	Business Manager – Corporate Responsibility	The Business Manager - Corporate Responsibility confirmed she has raised this with the Monitoring Officer as they have overall responsibility for the Constitution and requested that it is factored into their on-going review.  Revised Implementation Date, to align with Constitutional Review.
Emergency Planning 46080	2	Gold Commanders have not undertaken training in the last 3 years.	We will introduce a training schedule to ensure all officers and members undertake regular training, as appropriate to their roles.	Dec 2021	Business Manager – Corporate Responsibility	The Business Manager - Corporate Responsibility confirmed they now have a training schedule which identifies all training completed and highlights when the next training is due.
Emergency Planning 46119	2	No guidance for the use of Emergency Response WhatsApp groups.	We will liaise with the Counter Fraud Unit and ensure the Social Media Policy and guidance for WhatsApp use is provided to all emergency response officers. This guidance will ensure officers share information relating to emergency incidents securely, and chats are removed from personal devices when necessary.	<del>Dec 2021</del> Jun 2022	Business Manager – Corporate Responsibility	The Business Manager - Corporate Responsibility confirmed liaison with CFEU has taken place and the CFEU team have committed to including this in the policy, however they still await sight of the policy.  Due to CFEU involvement with business grants implementation date has been revised
Systems Admin 45115	2	Previous Recommendations not implemented		Jan 2022	ICT Audit and Compliance Manager	Being followed up during the 'Privileged Account Management' Audit.
Systems Admin 45236	2	Some controls not as robust as expected		Jan 2022	ICT Audit and Compliance Manager	Being followed up during the 'Privileged Account Management' Audit.

# High Priority Findings and Agreed Actions

# APPENDIX D

Audit Name	Priority	Finding	Agreed Action	Due Date / Rev Date	Responsible Officer	Update April 2022
Accounts Payable 45450	2	Amendments to supplier accounts cannot be monitored.	We will contact Publica Business World On System Support & Maintenance to investigate how we can monitor amendments made to supplier accounts, and we will monitor account amendments weekly.	Sept 2021	AP Team Leader	Follow Up in progress
Human Resources 45249	2	Third parties and/or temporary staff working for or on behalf of the Council are not required to carry out mandatory training modules	Consideration will be given to providing access to individuals with access to the Publica/Council network and/or working on Publica/Council premises with access to mandatory training via the current e-learning systems in place, including temporary agency staff, external partnership workers and Members.	Mar 2022	Business Manager - HR	
Human Resources 45287	2	The Publica Learning and Development Guidance and associated forms (Training Brief form and Learning Contract) have not been fully approved by relevant Employee Trade Unions.	The Publica Learning and Development Guidance and associated forms will be submitted for review and approval by Employee Trade Unions, and upon approval will be submitted for formal adoption by Publica.	<del>Sept 2021</del> Nov 2021	Business Manager - HR	Revised Implementation Date
Housing Benefits and Council Tax Support 44592	2	At the time of audit work the Business Partner Accountant advised that due to the increased workload brought about by Covid-19, reconciliation of Housing Benefit has not been undertaken so far during this financial year.	It was confirmed that it will be undertaken as soon as workloads allow.	<del>Jan 2021</del> Mar 2022	Business Partner Accountant	Usually, the reconciliation of Housing Benefit payments is done at year end. Agreed to extend the recommendation to the year end to ensure this is done.

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# High Priority Findings and Agreed Actions

# APPENDIX D

Audit Name	Priority	Finding	Agreed Action	Due Date / Rev Date	Responsible Officer	Update April 2022
ICT Incident Management 44560	2	As part of the Information Security framework of policies, the Incident Management Policy is out of date and requires review, update, and approval. Update of the policies has been impacted by the Covid-19 pandemic, and the need for a review is recognised by the ICT Audit & Compliance Manager.	ICT Audit and Compliance Manager will review and update all ICT Security Policies following the completion of the Cyber Security audit report. The aim to have drafted policies by April 2021 for circulation to all network users.	<del>Apr 2021</del> Mar 2022	ICT Audit and Compliance Manager	The refresh and update of all ICT Policies is in progress and will be subject to consultation.  Revised implementation date
ICT Incident Management 44562	2	There is a lack of detailed standard operating procedural documentation. Incident management investigation is currently based on a high-level process flow-chart denoted in the Incident Management policy; however, this lacks detailed information on how to conduct an incident investigation.	We have now commenced with documenting our cyber incident and investigation managements procedures	Jan 2022	ICT Audit and Compliance Manager	Ongoing  The ICT Audit and Compliance Manager is working with the Security Engineer on an incident playbook that define the procedures and steps to be taken during an incident investigation. On target for completion by January 2022.  Will be reviewed in the Vulnerability Management audit (audit in progress)

Summary of all Agreed Actions from April 2019 and Progress against them

WODC ONLY	Priority			Total
	1	2	3	
TOTAL in Audit Period (From 4/19)	0	2	6	8
Open and current	0	2	0	2
Open and Outstanding/Overdue Subject to follow up	0	0	0	0
Open with date extended	0	0	0	0
Closed	0	0	6	6

PUB ONLY	Priority			Total
	1	2	3	
TOTAL in Audit Period (From 4/19)	0	24	27	51
Open and current	0	1	1	2
Open and Outstanding/Overdue Subject to follow up	0	2	4	6
Open with date extended	0	11	6	17
Closed	0	10	16	26



WEST OXFORDSHIRE  
DISTRICT COUNCIL

**WEST OXFORDSHIRE DISTRICT COUNCIL**

Name and date of Committee	<b>AUDIT AND GENERAL PURPOSES COMMITTEE – 21<sup>st</sup> APRIL 2022</b>
Report Number	<b>Agenda Item 7</b>
Subject	<b>INTERNAL AUDIT PLAN 2022/23 AND INTERNAL AUDIT CHARTER</b>
Wards affected	N/A
Accountable member	Councillor Suzi Coul, Cabinet Member for Finance Email: suzi.coul@westoxon.gov.uk
Accountable officer	Elizabeth Griffiths, Chief Finance Officer Tel: 01993 861188 Email: Elizabeth.Griffiths@westoxon.gov.uk
Summary/Purpose	To present the Internal Audit Plan for consideration and approval. To present the updated Internal Audit Charter for consideration and approval.
Annexes	<b>Annex A – PROPOSED INTERNAL AUDIT PLAN 2022/23</b> <b>Annex B – INTERNAL AUDIT CHARTER</b>
Recommendation/s	<i>a) That the Proposed 2022/23 Internal Audit Annual Plan and the Internal Audit Charter be approved</i>
Corporate priorities	Delivering excellent modern services whilst ensuring the financial sustainability of the Council.
Key Decision	NO
Exempt	NO
Consultees/ Consultation	N/A

## 1. **BACKGROUND**

### Internal Audit Plan

The primary role of Internal Audit is to provide assurance that the Council's systems provide for a proper administration of its affairs. To this end, Internal Audit carries out a programme of audits that is agreed annually with the Council's Management Team and the Audit and General Purposes Committee. The Internal Audit service is provided to the Council by SWAP Internal Audit Services (SWAP).

In order to satisfy the requirements of the Public Sector Internal Audit Standards (PSIAS) and to reflect changes within the Council, SWAP needs to focus upon areas where the organisation now requires assurance. This reinforces the requirement for Internal Audit to follow a more flexible and risk-based plan.

The core financial systems delivered to the Council by Publica are covered within the Core Financials section of the Audit Plan. The scope of audits will include both Publica and client-side activities providing;

- Assurance to the client (West Oxfordshire District Council) over the controls, and system controls, operated by Publica Officers, for each financial module
- Periodic assurance over the other services provided by Publica.
- The required support to the External Auditor.

### Internal Audit Charter

The Internal Audit Charter is a requirement of the arrangement between West Oxfordshire District Council and SWAP. The charter ensures compliance with good practice as set out in the International Professional Practices Framework of the Institute of Internal Auditors and the Public Sector Internal Audit Standards (PSIAS).

The Charter demonstrates how the Internal Audit service will operate, and forms part of the requirements of the Public Sector Internal Audit Standards.

The Charter provides guidance on authority, accountability, customer care (quality control), independence, reporting, responsibility and audit standards.

## 2. **MAIN POINTS**

### Internal Audit Plan

A summary of the Proposed Internal Audit Plan for 2022/23 is included in the Annex 'A'. This lists the risk-based assurance and consultancy work planned for the year. Counter fraud related audit work has not been included in this audit plan.

The Plan outlines a programme of work for 2022/23 as developed throughout January and February 2022 but due to the pace of change within Local Authorities, it is becoming increasingly difficult to accurately predict longer-term key organisational risks. Our approach to internal audit planning recognises this through a strategic 12 month rolling plan, whereby we have prepared an agile, risk assessed work plan containing key areas of coverage. This approach will ensure we are auditing the right areas, with the correct scope, at the right time.

We will revisit and adjust our programme of work on at least a quarterly basis to ensure alignment with the changing risk profile of the organisation's operations,

systems and controls and with regard to sector risks. The regular input of Senior Management, and the Chief Financial Officer and review of the Authority's risk register will be considered in this process.

The audit plan contains an element of contingency in order that the plan can remain flexible and respond to new and emerging risks as and when they are identified and may include unannounced activity.

#### Internal Audit Charter

Without an approved charter there is a risk that SWAP will not have:

- The support of management and the Council
- Direct access and freedom to support senior management including the Head of Paid Service and the Audit and General Purposes Committee
- Access to any records, personnel or physical property of the Council for audit work.

### **3. FINANCIAL IMPLICATIONS**

- 3.1. The Internal Audit Service is operating within the contract sum.

### **4. LEGAL IMPLICATIONS**

- 4.1. None directly from this report. Internal Audit reviews consider compliance with legislation relevant to the service area under review.

### **5. RISK ASSESSMENT**

The weaknesses in the control framework, identified by the Internal Audit activity, continues to threaten organisational objectives if recommendations are not implemented.

### **6. BACKGROUND PAPERS**

- 6.1. Internal Audit Reports

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# West Oxfordshire District Council

## Proposed Internal Audit Plan 2022/23

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The internal audit plan represents a summary of the proposed audit coverage that the internal audit team will deliver throughout the 2022/23 financial year.

### Introduction and Objective of the Audit Plan

Internal audit provides an independent and objective opinion on the Authority's risk management, governance, and control environment by evaluating its effectiveness.

Prior to the start of each financial year, SWAP, in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key business objectives, associated risks, and risk management processes.

The outcomes of each of the audits in our planned programme of work, will provide senior management and Members with assurance that the current risks faced by the Authority in these areas are adequately controlled and managed.

When reviewing the proposed internal audit plan (as set out in Appendix 1), key questions to consider include:

- Are the areas selected for coverage this coming year appropriate?
- Does the internal audit plan cover the organisation's key risks as they are recognised by the Senior Management Team and Audit and General Purposes Committee?
- Is sufficient assurance being received within our annual plan to monitor the organisation's risk profile effectively?

The proposed 2022/23 plan presented in Appendix 1 provides coverage of the Authority's key corporate objectives and risks as well as core areas of recommended coverage.

Internal audit is only one source of assurance and should be considered as such.

### Update to Approach

Due to the pace of change within Local Authorities, it is becoming increasingly difficult to accurately predict longer-term key organisational risks. Our approach to internal audit planning recognises this through a strategic 12 month rolling plan, whereby we have prepared an agile, risk assessed work plan containing key areas of coverage. This approach will ensure we are auditing the right areas, with the correct scope, at the right time.

We will revisit and adjust our programme of work on at least a quarterly basis to ensure alignment with the changing risk profile of the organisation's operations, systems and controls and with regard to sector risks. The regular input of Senior Management and review of the Authority's risk register will be considered in this process. Our 2022/23 audit plan will contain an element of contingency in order that the plan can remain flexible and respond to new and emerging risks as and when they are identified and may include unannounced activity.

The proposed audit plan at Appendix 1 provides coverage of the Authority's key corporate objectives and risks, as well as our core areas of recommended audit activity.

Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. Internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.

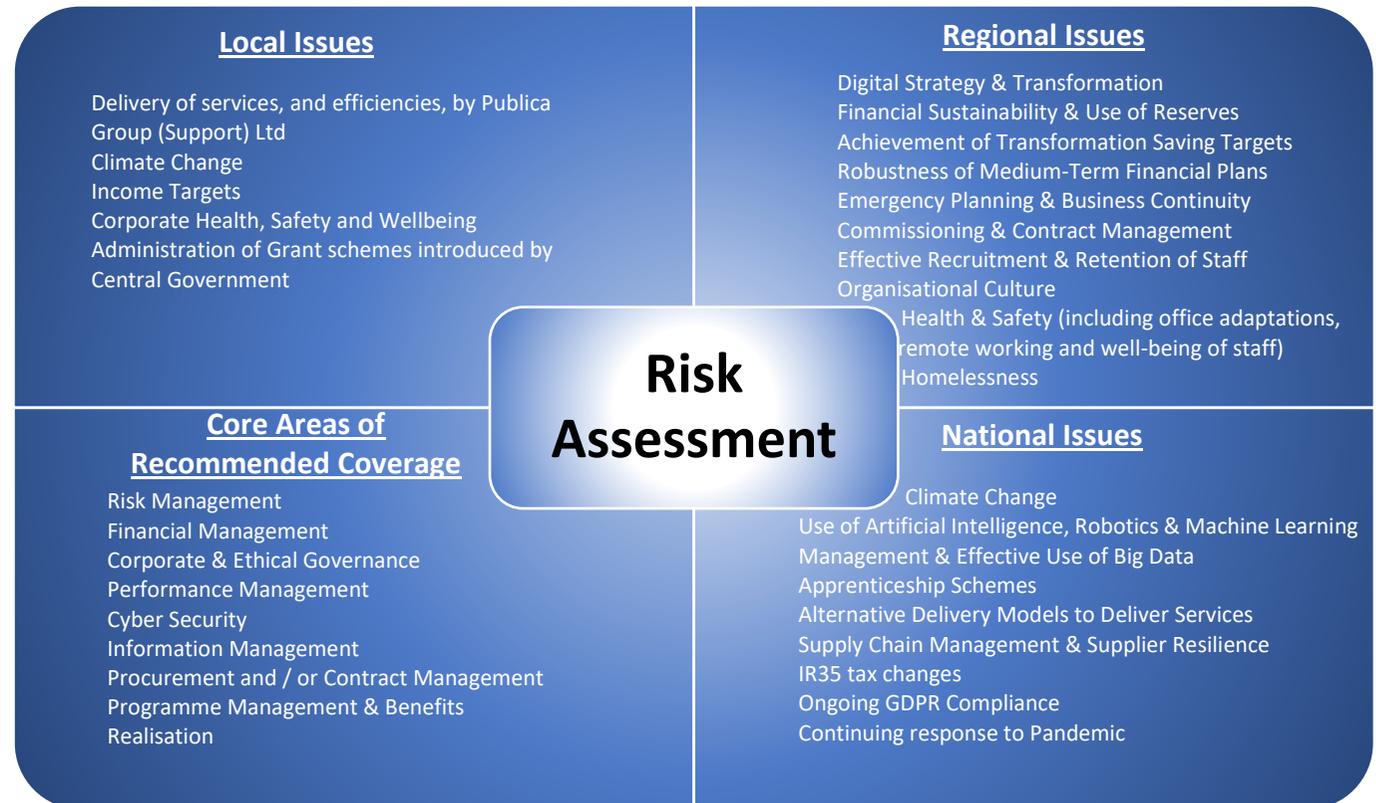
Our documented risk assessment helps to ensure that sufficient and appropriate areas are identified for consideration in our internal audit programme of work.

As above, it is the responsibility of the Authority's Senior Leadership Team, and the Audit and General Purposes Committee to ensure that, with consideration of our risk assessment, the overall programme of work throughout the year contains sufficient and appropriate coverage.

## Internal Audit Risk Assessment (updated)

Our 2022/23 internal audit programme of work is based on a documented risk assessment, which SWAP will revisit regularly, but at least annually. The input of senior management as well as review of the Authority's risk register has been considered in this process.

Below we have set out a summary of the outcomes of the risk assessment for West Oxfordshire District Council



It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific Terms of Engagement for the piece of work, which includes the objective and scope for the review.

Areas of Coverage and Brief Scope	Responsible Officer
<b>Core Audit Areas</b>	
<p><b>Core Financials – Publica Controls and Transactional Testing</b>                      A review of the controls operating within Publica in respect of the Core Financial systems:</p> <ul style="list-style-type: none"> <li>• Payroll</li> <li>• Accounts Payable (Creditors) – to include regular check of potential duplicate payments and reporting to AP service for investigation. Approvals on BW</li> <li>• Accounts Receivable (Debtors)</li> <li>• Treasury Management (Cash Flow Forecasting) and Bank Reconciliations</li> <li>• Main Accounting, Capital Accounting and Budgetary Control – Review to assess how Asset Management, Investment and Capital Strategies support the Medium Term Financial Plan (MTFP) including reporting mechanisms</li> <li>• Management and Monitoring of Contracts – following 2021/22 audit, new annual review of a sample of Council Contracts to ensure compliance with Council legislation / strategy</li> </ul>	<p><b>Group Finance Director</b></p>
<p><b>Human Resources</b>                      A review of an element of the services provided by Human Resources (HR)</p>	<p><b>Group Manager Business Support</b></p>
<p><b>Other Publica Area</b>                      Review to be undertaken of either Procurement / Health and Safety / Insurance</p>	<p><b>Group Manager Business Support</b></p>
<p><b>Revenues and Benefits</b>                      A review of the controls operating in respect of:</p> <ul style="list-style-type: none"> <li>• Council Tax</li> <li>• National Non-Domestic Rates</li> <li>• Housing Benefit and Council Tax Support</li> </ul> <p>Scope to be confirmed</p>	<p><b>Group Manager Resident Services</b></p>
<p><b>ICT Audits</b>                      Audits to be discussed and confirmed with the Chief Technology Officer and ICT Audit and Compliance Manager</p>	<p><b>Group Manager Business Support</b></p>
<p><b>Risk Management</b>                      To review a specific element of the Council’s Risk Management process                      Scope to be confirmed</p>	<p><b>Group Manager Strategic Support</b></p>

## Internal Audit Planning 2022/23

<b>Performance Management</b> <i>A review of an element of Performance Management</i> <i>Scope to be confirmed</i>	<b>Group Manager Strategic Support</b>
<b>Regulatory Services</b> <i>A review of either Licensing / Building Control / Environmental Health – service area to be confirmed</i> <i>A review of an element of Planning e.g. application processing, appeals, income allocation</i> <i>Area and scope to be confirmed</i>	<b>Group Manager Resident Services</b>
<b>Proposed Audit Areas</b>	
<b>Business Grant Post Payment</b> <i>Head of IA working with CFEU Manager re. recovery of overpayment of grants</i>	
<b>Business Grant Post Payment Assurance</b> <i>Post payment assurance on business grants applied for, and paid after March 2021, including Omicron Scheme</i>	
<b>Covid Additional Relief Fund (CARF)</b> <i>Review requested to assess scheme introduced by Central Government and administered by the Council</i>	
<b>Council Tax £150 Rebate</b> <i>Head of IA support to the Project Team</i>	
<b>Council Tax £150 Rebate</b> <i>Review to assess scheme introduced by Central Government and administered by the Council</i>	
<b>Climate Change</b> <i>Review to assess what business areas are doing to support the Council's commitment to the Climate Emergency</i>	
<b>Carbon Reduction</b> <i>Review to assess how carbon data is measured ensuring the Council continues to meet it's commitment to carbon reduction</i>	
<b>Changes to Prudential Code and Treasury Management Strategy</b> <i>Audit to ensure strategies and / or policies have been updated to reflect changes made in the Prudential Code</i>	
<b>Procurement Strategy</b> <i>Review to ensure procurement of new contracts is in accordance with the updated, and approved, strategy</i>	
<b>Contract Waivers</b> <i>Audit to assess if contract waivers are being requested and approved in accordance with strategy / policy</i>	
<b>Escalating Operational / Strategic Risks</b>	

# Internal Audit Planning 2022/23

<i>Review to assess how high scoring operational / strategic risks are included on the Council's Corporate Risk Register, to ensure Statutory Officers are aware of any potential risks to the Council and can suggest measures for mitigation</i>	
<b>Grant Income</b> <i>Audit to assess the effectiveness of the management of grant income by Business Managers. To include communications with the Finance Service and the allocation of income</i>	
<b>Dual Contracts</b> <i>Review of officers with dual contracts – to include ensuring new personnel have the same delegated authorities as their predecessors</i>	
<b>Staff Welfare</b> <i>Assessment of the support in place for staff welfare, during and after Covid-19, and emerging world events which may impact staff wellbeing</i>	
<b>Rolling Audit Areas</b>	
<b>Leisure and Culture Facilities</b> <i>Review to determine how the Council ensures the leisure service provider(s) are adhering to statutory Health and Safety regulations. Review to include the examination of tests such as fixed wire testing, fire alarm systems and emergency lighting tests.</i>	
<b>Property Related Health and Safety</b> <i>Review to assess property related Health and Safety arrangements at the Council's properties, including compliance with Fixed Wire, Emergency Lighting and PAT testing.</i>	
<b>Use of Third-Party Workers</b> <i>Review of the recruitment and on-going personnel management of agency / contractor / temporary / third-party workers who work at / on behalf of the Council. Are HR related considerations, processes and controls robust enough within individual service areas?</i>	
<b>Will consider, during the year, and in discussion with the CFO and / or CEO, any further areas (not included above) that would benefit from an Internal Audit Review. The Audit Plan will be updated as appropriate</b>	
<b>Further requested assurance / advisory / support work</b>	
<b>Other Audit Involvement</b>	
<b>Management</b>	

*Preparation of IA Monitoring Reports and preparation and attendance at Audit Committee. Annual Audit Planning. Attendance at Governance and Risk Groups. High level programme monitoring. Liaison meetings with CFOs and Management Teams.*

**Follow-Up Audits**

*Follow-Up of Previous Year's Agreed Actions*

*Follow-Up audit of all High Priority Agreed Actions*

**Programmes and Projects**

*IA support to programmes and projects as appropriate (to include Environmental Services Improvement Programme ESIP)*

**Grant Certification**

*Review (income and expenditure) and certification of Grants received by the Council ensuring funding requirements have been met (to include Disabled Facilities Grants)*

**Working with the Counter Fraud and Enforcement Unit**

*Provision to ensure collaborative working with the CFEU and to ensure control weaknesses, identified during CFEU activity, are being actioned. Regular liaison meetings*

**Contingency**

*Provision for new work based on emerging risks and Investigations*

# West Oxfordshire District Council

## Internal Audit Charter 2022/23

# The Internal Audit Charter

## Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status, and authority of internal auditing within West Oxfordshire District Council (WODC), and to outline the scope of internal audit work.

## Provision of Internal Audit Services

Internal Audit is provided by SWAP Internal Audit Services (SWAP). This Charter forms part of the legal agreement between SWAP partners and should be read in conjunction with the Service Agreement and other key documents including the Data Sharing Protocol.

The budget for the provision of the internal audit service is determined by WODC, in conjunction with the SWAP Members Meeting. General financial provisions are laid down in the legal agreement, including the level of financial contribution, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment which is reviewed each year by the S151 Officer in consultation with the Chief Executive of SWAP.

## Role of Internal Audit

The Accounts and Audit (England) Regulations, state that: *“A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance.”*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Organisation’s operations. It helps WODC accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## Responsibilities of Management, the Audit and General Purposes Committee and of Internal Audit

### **Management<sup>1</sup>**

Management is responsible for ensuring SWAP has:

- the support of management and the Council; and
- direct access and freedom to report to senior management, including the Council’s Chief Executive and the Audit and General Purposes Committee.

Management is responsible for establishing (including the tracking and implementation of Internal Audit recommendations) and maintaining internal controls, including proper accounting records and other management information and is also responsible for the appropriate and effective management of risk.

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<sup>1</sup> In this instance Management refers to the Senior Management Team

**Audit and General Purposes Committee<sup>2</sup>**

The Audit and General Purposes Committee is responsible for approving the scope of internal audit work, receiving communications from the SWAP Assistant Director (as Chief Audit Executive<sup>3</sup>) on the progress and outcomes of work undertaken, reviewing the independence, objectivity, performance, professionalism, and effectiveness of the Internal Audit function, and obtaining reassurance from the SWAP Assistant Director as to whether there are any limitations on scope or resources.

**Internal Audit**

The SWAP Assistant Director is responsible for determining the scope, except where specified by statute, of internal audit work and for recommending action to be taken on the outcome of, or findings from, their work designed to provide assurance and add value.

Internal audit is responsible for operating under policies established by management in line with good practice. A range of SWAP policies exist to underpin staff and service development, including to seek out and implement new innovative audit techniques and increase technological solutions to ensure provision of an efficient and effective service and consolidate the role of Trusted Advisor.

Internal audit is responsible for conducting its work in accordance with the mandatory elements of the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. SWAP has been independently assessed and found to conform with the Standards.

Internal Audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation, or control of any procedures. Members of SWAP who have transferred into the department from other areas in West Oxfordshire District Council and / or Publica Group (Support) Ltd will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

**Relationship with the External Auditors/Other Regulatory Bodies**

Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation.

**Status of Internal Audit in the Organisation**

\*The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

The Chief Executive for SWAP and Assistant Director also report to the Section 151 Officer, and to the Audit and General Purposes Committee as set out below.

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<sup>2</sup> In this instance Audit and General Purposes Committee relates to "The Board" referred to in the PSIAS.

<sup>3</sup> PSIAS refers to the 'chief audit executive'.

The Assistant Director is the first and primary contact point for the organisation on matters relating to the Audit and General Committee, including the provision of periodic reports, as per company policy. The Assistant Director is also responsible for design, development, and delivery of audit plans, subject to agreement of WODC.

### **Scope and authority of Internal Audit work**

There are no restrictions placed upon the scope of internal audit's work. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of the organisation.

Internal audit work will normally include, but is not restricted to:

- reviewing the reliability and integrity of financial and operating information used for operational and strategic decision making, and the means used to identify, measure, classify and report such information;
- evaluating and appraising the risks associated with areas under review and make proposals for improving the management and communication of risks;
- appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- assist management and Members to identify risks and controls regarding the objectives of the organisation and its services;
- reviewing systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether the organisation complies;
- reviewing, as appropriate, the means of safeguarding and verifying assets;
- appraising the economy, efficiency and effectiveness with which resources are employed;
- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether they are being carried out as planned, with performance and accountabilities established;
- reviewing the operations of the organisation in support of their anti-fraud and corruption policy (and investigating where necessary), ethical expectations and corporate, social, and environmental values and responsibilities; and
- at the request of management, internal audit may provide consultancy services (e.g., data analytics, benchmarking, strategic/project reviews/investigations etc) provided that:
  - independence is not compromised;
  - necessary skills exist to conduct the assignment, or which can be obtained without undue cost or delay;
  - the assignment scope is clearly defined and management can resource the work; and
  - there is clarity that the activity being undertaken is not internal audit work although the outcomes may contribute to the annual opinion.

### **Planning and Reporting**

SWAP will submit an internal audit plan to Management and the Audit and General Purposes Committee for approval, setting out the recommended scope of work and which will be developed with reference to current and emerging risks. The plan will be reviewed quarterly to ensure it remains relevant and adequately resourced.

SWAP will carry out the work as agreed, report the outcomes and findings both during and on completion of reviews, and make recommendations on action to be taken to the appropriate officers and copied to the S151 Officer. SWAP will present a regular summary of their work to Management and the Audit and General Purposes Committee, including assessing the organisation's implementation of previous recommendations along with any significant, persistent, and outstanding issues.

Internal audit reporting will normally comprise a brief presentation to relevant officers and accompanied by an appropriately detailed written report, with the format tailored as necessary to the nature of the work.

The Assistant Director will submit an annual report to Management and the Audit and General Purposes Committee providing an overall opinion of the status of risk and internal control within WODC based upon, and limited to, internal audit activity conducted during the year.

In addition to the reporting lines outlined above, the Chief Executive of SWAP and Assistant Director (Chief Audit Executive) have the unreserved right to report directly to the Leader of the Council, the Chair of the Audit and General Purposes Committee, the Chief Executive Officer, and the External Audit Manager.

*Revised, March 2022*

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## WEST OXFORDSHIRE DISTRICT COUNCIL

### Minutes of the meeting of the **Standards Sub-Committee**

Held in Committee Room 1, Woodgreen, Witney at 2.00 pm on **Wednesday, 23 March 2022**

#### PRESENT

Councillors: Norman MacRae MBE (Chairman), Andrew Beaney (Vice-Chair), Ted Fenton and Elizabeth Poskitt.

Officers: Susan Sale (Monitoring Officer), Amy Bridgewater-Carnall (Democratic Services Manager) and Michelle Ouzman (Strategic Support Officer).

#### **1 Apologies for Absence and Temporary Appointments:**

Apologies for absence were received from Councillor Andrew Coles.

#### **2 Declarations of Interest**

Councillor Ted Fenton wanted it known, that he had recently participated in a similar Committee meeting at Oxfordshire County Council.

#### **3 Oxfordshire Wide Code of Conduct**

Susan Sale the Monitoring Officer, introduced the Members Code of Conduct Report. The Monitoring Officer asked the Committee to consider and approve a revised Member Code of Conduct, in accordance with the Localism Act 2011, and recommend its adoption and inclusion in the West Oxfordshire Constitution to the Council. The following recommendations were requested to be approved:

- a) To note the report and consider the revised draft code of conduct for Members of West Oxfordshire District Council in annex A.
- b) To recommend to West Oxfordshire District Council that they formally adopt the Code of Conduct for Members effective from 18 May 2022.
- c) To recommend to West Oxfordshire District Council that they include the Code of Conduct for Members within their Constitution effective from 18 May 2022.

Mrs Sale also requested an additional recommendation to delegate authority to the Monitoring Officer, in consultation with the Chairman of Standards Sub-Committee, to make minor and consequential amendments.

The Chair commented that he thought it was an advantage to have the Code of Conduct, County wide. Councillor Fenton, agreed as many Councillors wore many hats, as District, Town and Parish Councillors.

Councillors discussed the report, and the Monitoring Officer clarified a few terms, and confirmed that all the Monitoring Officers in Oxfordshire had decided collectively, to apply a changes to the LGA model, in order to simplify the code of conduct.

**Resolved** that, Councillors agreed to approve the Monitoring Officers recommendations:

- a) To note the report and consider the revised draft code of conduct for Members of West Oxfordshire District Council in annex A.

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- b) To recommend to West Oxfordshire District Council that they formally adopt the Code of Conduct for Members effective from 18 May 2022.
- c) To recommend to West Oxfordshire District Council that they include the Code of Conduct for Members within their Constitution effective from 18 May 2022.
- d) Mrs Sale also requested an additional recommendation to delegate authority to the Monitoring Officer, in consultation with the Chairman of Standards Sub-Committee, to make minor and consequential amendments.

#### 4 Standards Sub-committee - Hearings Procedure

The Monitoring Officer, Susan Sale introduced the Local Hearing Panel Procedure Rules report. The report governed the procedures of the Local Hearing Panel when it met as a Sub-Committee of the Standards Committee to determine an allegation that a Member had breached the Code of Conduct. The procedures were written in line with the principles of natural justice and fairness.

The Councillors were asked to note the report, approve the procedures and delegate authority for any minor amendments to the Monitoring Officer in conjunction with the Chairman.

The Monitoring Officer confirmed that consultation on the report had been carried out with Group Leaders and the Independent Person and she had received feedback from Councillors Prosser and Graham.

The Councillors agreed that under Definitions – Subject Councillor should also include Town Councillor. Councillors also confirmed that the term his/her should be replaced where possible

Councillors concluded that it is **resolved** that the Monitoring Officers recommendations are approved:

- a) The Councillors noted the report, approved the procedures and approved delegate authority for any minor amendments to the Monitoring Officer in conjunction with the Chairman
- b) The Councillors agreed that under Definitions – Subject Councillor should also include Town Councillor
- c) Councillors also confirmed that the term his/her should be replaced where possible

The Meeting closed at 2.45 pm

CHAIRMAN

## WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the  
**Miscellaneous Licensing Sub-Committee**  
Held in the Council Chamber at 2.00 pm on **Thursday, 9 September 2021**

### PRESENT

Councillors: Councillor Norman MacRae MBE (Chairman), Councillor Steve Good (Vice-Chair), Councillor Ted Fenton, Councillor David Jackson and Councillor Geoff Saul.

Officers: Michelle Bignell (Service Leader (Licensing and Business Support)), Andrea Thomas (ERS Officer, Professional Services) and Adrienne Frazer (Strategic Support Officer).

#### **6 Minutes of Previous Meeting**

The minutes of the meeting held on 2nd July 2021 were approved and signed by the Chairman as a correct record.

#### **7 Apologies for Absence and Temporary Appointments**

No apologies for absence were received.

#### **8 Declarations of Interest**

There were no declarations of interest received.

#### **9 Participation of the Public**

There was none.

#### **10 Hackney Carriage and Private Hire Licensing Policy Review**

Members considered the report from the Service Leader (Licensing and Business Support) which asked them to review, and if appropriate approve, the Draft Hackney Carriage and Private Hire Licensing Policy which it was proposed would come into effect from 1 October 2021. A copy of the draft policy was attached as Annex A to the report.

A number of background papers were also provided with the report including:

Annex B – Department for Transport (DfT) Statutory Taxi and Private Hire Standards

Annex C – Copy of Oxfordshire's Joint Operating Framework (JOF)

Annex D – Table showing a comparison between current requirements and the proposed requirements to ensure that the District meets the requirements from the DfT Statutory Standards

Annex E – Draft Conviction policy, enforcements and complaints policy and table of delegations

Annex F – the Council's current Hackney Carriage and Private Hire Licensing Policy (April 2018)

Annex G – Institute of Licensing's Guide to determining suitability of applicants and licensees in the hackney and private hire trades

Annex H – Copy of consultation responses and Officer appraisal

The Service Leader (Licensing and Business Support) explained that the policy had been finalised following a twelve week consultation period. She informed the Committee that the consultation had received a small number of responses and the feedback received had been included in the final policy documents. A copy of the responses received was attached as Annex H to the report.

09/September2021

The Chairman noted that the Council was ahead of many Local Authorities with its Hackney Carriage and Private Hire Licensing Policy. He also brought to the Committee's attention the work to introduce CCTV into private hire vehicles, which was ongoing.

Councillors Good and Fenton asked how data protection was managed with regard to the CCTV initiative. The Chairman advised that the response from the trade was generally positive. The Service Leader (Licensing and Business Support) informed the Committee that the Local Government Association (LGA) and the Information Commissioner's Office (ICO) had provided guidance documents on this. She added that the Council would need to complete a full data impact assessment and this was ongoing work for future implementation.

Having considered the report and having received clarification from the officers present, the Committee.

**RESOLVED** that the Hackney Carriage and Private Hire Licensing Policy be adopted and the policy would come into effect from 1 October 2021.

## **11 Business and Planning Act 2020 - Extension to Pavement Licensing Regime**

Members considered a report from the Service Leader (Licensing and Business Support) on the extension of the current pavement licensing regime and the review of the existing policy. The report asked Members to, if appropriate, approve the draft policy and the proposed fee for licences during 2021/22.

The Service Leader (Licensing and Business Support) explained that the Business and Planning Act 2020 was introduced in 2020 by central Government to support local businesses during the Covid-19 pandemic, including hospitality. The Act included numerous temporary relaxations to existing legislations including the introduction of the Pavement Licensing regime. She added that the Council had chosen to waive the fee for these licences last year, also to support local business. She noted that the policy under consideration included a charge of £100.00 per pavement licence and highlighted that this was less than the actual cost of processing and issuing a licence.

The Chairman noted that the policy had been successful throughout the majority of the District and Councillor Saul added that the policy had been hugely successful in Chipping Norton.

Following questions from Councillor Fenton and Good, the officer clarified that the charge of £100.00 per licence was a flat fee and was capped at this amount by the legislation. Councillors felt that it was now reasonable to begin charging for the licenses and that the fee was appropriate.

Having considered the report and the draft policy attached at Annex A, the Committee

Miscellaneous Licensing Sub-Committee

09/September2021

**RESOLVED**

- a) that the draft Pavement Licensing Policy is approved; *and*
- b) the fee charged for 2021/22 is approved.

The Chairman announced that the Service Leader (Licensing and Business Support) was leaving the Council in November 2021. The Chairman thanked her for her tremendous work and wished her well for the future.

The Meeting closed at 2.08 pm

CHAIRMAN

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WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the

**Miscellaneous Licensing Sub-Committee**

Held in the Committee Room 1 (Witney); at 10.00 am on **Thursday, 27 January 2022**

PRESENT

Councillors: Councillor Norman MacRae MBE (Chairman), Councillor Steve Good (Vice-Chair), Councillor Ted Fenton, Councillor David Jackson and Councillor Geoff Saul.

Officers: Helen Blundell (Principal Solicitor, Land, Legal and Property), Andrea Thomas (Licensing Officer), Amy Bridgewater-Carnall (Democratic Services Manager) and Michelle Ouzman (Strategic Support Officer).

**12 Minutes of Previous Meeting**

The minutes of the meeting held on 9 September 2021 were approved and signed by the Chairman as a correct record.

**13 Apologies for Absence and Temporary Appointments**

No apologies of absence were received.

**14 Declarations of Interest**

Declarations of Interest were received as follows:

Councillor Saul declared an interest in Agenda Item 6 – Application for a Hackney Carriage Vehicle Licence, because the applicant was known to him. He therefore left the room whilst the application was being heard.

**15 Participation of the Public**

There was no Participation of the Public.

**16 Application for a Private Hire Vehicle Licence**

The Licensing Officer, Andrea Thomas introduced the application for a Private Hire Vehicle Licence, submitted by Mr Light.

Mr Light had been a licenced driver with the Council since June 2018 and worked for Charlbury Taxis. A copy of the application form, supporting documents and photos of the vehicle were attached as annexes to the report. The vehicle the application related to would be over the required five year age limit, under the council's current policy.

Mr Light had submitted a statement at Annex C to the report explaining why he felt the vehicle make and model should be classed as an executive car and therefore classed as an exception to the five year rule.

In her introduction, the Licensing Officer advised that Mr Light had not contacted the office for advice before purchasing the vehicle. In addition, it was not felt that this make and model fell into the 'elite' category of car.

The applicant Mr Light attended the hearing, and was supported by his employer Mr Sullivan.

The Chairman asked the applicant why he had not contacted the office for advice before purchasing the car. The applicant stated that he had misread the policy and thought that the age of the vehicle was within the boundary of five years because of its registration plate. He had not realised the five years was taken from the date of registration.

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The Chair also asked why the Council should defer from its policy on this occasion. Mr Light felt that the vehicle was in line with Council policy as an elite vehicle and believed it to be likened to a Rolls Royce or similar. Mr Sullivan added that the vehicle was a 2016 plate, so was still only five years old, had executive seats, separate air conditioning for rear seating, extra leg room in the rear seating area and had an extra-long body. Members noted that the vehicle was an S Class, an elite executive car.

Councillor Fenton asked for clarification on whether Mr Light was applying for the licence under the five year term or the elite classification. Mr Light felt that both categories applied on this occasion.

Mr Light confirmed that the vehicle was in the car park and invited the Councillors to view the car. Due to the uncertainty regarding the classification of the car it was agreed that an inspection may assist the Members in reaching a decision.

The Councillors left the committee room to inspect the vehicle.

Following the inspection the Councillors returned to the Committee room and the applicant and Licensing Officer left the meeting to enable to Members to deliberate in private.

The Committee discussed the application and received advice from the Councils Legal representative, Helen Blundell.

The Councillors unanimously agreed that this particular make and model, including specifications (Mercedes-Benz Model S 350 D L AMG LINE EXECUTIVE), along with the condition of this vehicle met the Councils Elite category and therefore the licence would be approved.

Mr Light and Mr Sullivan were invited back into the room, and the Chairman announced the Committee's decision.

The Chairman reminded the applicant that if he had contacted the Licensing Team directly before submitting the application, he would have had clear guidance on the Council's Policy.

**Resolved** that the licence be approved.

#### **17 Application for a Hackney Carriage Vehicle Licence**

The Licensing Officer, Andrea Thomas introduced the application for a Hackney Carriage Vehicle License submitted by Mr Smart.

Mr Smart had been a licenced driver with WODC since April 2019. The vehicle in question was originally licenced by the Council but this had expired on 28 October 2021. In addition, the vehicle would be over the required five year age limit, under the Council's current policy. A copy of the application, relevant driver documentation, photographs of the vehicle and a statement from the driver were included as annexes to the report.

In his statement, Mr Smart explained that he had experienced the bereavement of his brother, then his mother, and had been struggling to deal with the losses, especially his mother, as he had not been able to see her for a long time. After the funeral of his mother, he then had to deal with her affairs.

The applicant Mr Smart addressed the meeting and explained that he had been a driver in the area for many years and due to unforeseen family issues, as explained in his statement, the renewal of the licence has slipped his mind. He also advised that the car had been garaged

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since September 2021, and he had not used it in that time. Mr Smart assured the meeting that this was the first time he had ever missed a licencing deadline.

Councillor MacRae noted the extenuating circumstances that Mr Smart had been dealing with and passed on his condolences. Having checked with the other Committee members, it was confirmed there were no further questions.

AT 10.03 the applicant and Licensing Officer left the room, to allow the Councillors to deliberate in private. During this they received advice from the Councils Legal representation Helen Blundell on the existing Council policy and the discretions that were available to the Committee.

It was unanimously agreed that due to the exceptional circumstances of the applicant, the drivers good record and the hardship endured, the Council would exercise their right to approve the licence.

The applicant was called back into the room and the Chairman informed the applicant of the Councils decision explaining that the Committee understood the situation Mr Smart had found himself in and felt that the rules could be waived under these exceptional circumstances.

**Resolved** that in the exceptional circumstances the Council approves the licence.

The Meeting closed at 10.45 am

CHAIRMAN

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