Report

Report to:	**Risk and Audit Scrutiny Committee**
Date of Meeting:	**22 June 2022**
Report by:	**Executive Director (Finance and Corporate Resources)**

Subject:	**Internal Audit Activity as at 3 June 2022**

1. Purpose of Report

1.1. The purpose of the report is to:-

♦ update the Risk and Audit Scrutiny Committee on progress by, and performance of, the Internal Audit service in the period to 3 June 2022

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

(1) that progress and performance be noted.

3. Background

3.1. Findings from internal audit assignments are reported to the Committee throughout the year. The last progress report to the Committee was in January 2022 and reported on work completed in the period 30 October 2021 to 7 January 2022. This report covers all work completed in the period 8 January to 3 June 2022. Performance information is also included.

4. Delivery of the Internal Audit Plan: Progress and Performance

2021/2022 Internal Audit Plan

4.1. As at 30 April 2022, 92% of the 2021/2022 Audit Plan was complete.

4.2. Key performance indicators reflecting quality, on time and within budget for the year to 31 March 2022 are summarised in Appendix 1 together with explanations. 100% of draft reports have been issued on time and 87% within budget against targets of 80% respectively. Quality continues to be monitored through internal quality control procedures.

4.3. Client contributions to the delivery of the Audit Plan take the form of responding to draft reports, agreeing to closing meetings and signing reports quickly once agreed. 95% of audit assignments were concluded to a signed action plan, where this was required, within four weeks of the issue of a draft report against a target set of 80%.

2022/2023 Internal Audit Plan

4.4. In January 2022, the Committee approved the Audit Plan for 2022/2023. An update on progress with the delivery of this Plan is set out in Appendix 2.

4.5.   The intention was to re-present the Plan to the Committee at this meeting in June 2022 providing further detail around how contingency time would be used alongside a programme of Resource audits for approval. However, work to develop the Plan has been impacted by a period of unplanned leave and it is now proposed that further detail around the allocation of remaining Plan time will be presented to the Committee for approval in September 2022. In the interim, Internal Audit will focus on the delivery of corporate tasks and the continuation and finalisation of audit assignments from the 2021/2022 Plan.

4.6   During this period, Internal Audit will also support Fusion, the Oracle upgrade of the Council's main financial system and finalise arrangements to backfill the Internal Audit post undertaking this task for the duration of the project.

4.7.   Members are asked to note progress and performance and the intention to present an updated Plan to the next meeting of the Committee in September 2022.

5.   Findings
5.1.   Appendix 3 lists all assignments completed in the period 8 January to 3 June 2022 together with a summary of overall assurances from each area of work.

5.2.   Key messages from the assignment reviewing the Council's progress with implementing Self Directed Support is attached at Appendix 4. To further assist Members with their scrutiny role, this summary concludes by suggesting areas where Members should seek assurances around the Council's Self Directed Support arrangements.

5.3.   Members are asked to note the findings set out in appendices 3 and 4.

6.   Glasgow City Region City Deal – Internal Audit Plan 2021/2022
6.1   As advised in January 2022, during the December 2021 Cabinet meeting of the Glasgow City Region City Deal, it was suggested that Audit Committees within member Authorities should have sight of City Deal audit reports. To address this point within South Lanarkshire, the Committee was advised that activity reports would now, periodically, include the audit reports presented to the Cabinet. No Internal Audit reports were presented at the Cabinet meeting in February 2022. The next meeting is in June 2022 and an update will now be provided to the Committee in their meeting later in the same month.

6.2.   As previously noted, audit recommendations are followed up by Glasgow City Council as part of the annual audit plan and progress with implementing recommendations are reported to the Cabinet. Where relevant, these actions will now also be added to South Lanarkshire Council's audit action database to ensure that these are implemented in full and on time. Performance with delivery these actions will be reported within the Key Performance Indicators that are included in the routine activity reports presented at each meeting of the Committee.

7.   Chief Internal Auditors Group
7.1.   Throughout the year the Chief Internal Auditor's Group has convened meetings that provide an opportunity to share best practice and attend presentations on topical issues.

7.2.   A copy of the 2021 annual report is attached at Appendix 5 setting out the Group's activities during the year. Attendance at these meetings has now been extended to the wider Internal Audit teams within Local Authorities and this has proven to be a positive development.

7.3. These meetings have been well attended by the Internal Audit team within South Lanarkshire helping to build a greater awareness and understanding of key risk areas.

8. Progress against Strategy

8.1. The Public Sector Internal Audit Standards (PSIAS) require progress against the audit strategy to be monitored and reported to the Committee as part of regular monitoring reports that are presented at each meeting.

8.2. Delivery of the strategy in 2021/2022 has been evidenced by the material completion of the Internal Audit Plan in-year and has been monitored through the performance indicators regularly reported to the Committee.

9. Employee Implications

9.1. There are no employee issues.

10. Financial Implications

10.1. A breakeven position for 2021/2022 was achieved at the end of the financial year for the Internal Audit function.

11. Climate Change, Sustainability and Environmental Implications

11.1. There are no implications for climate change, sustainability or the environment in terms of the information contained within this report.

12. Other Implications

12.1. The main risks to the delivery of the Audit Plan are, generally, vacancies and team up-skilling requirements, unforeseen service demands and delays with client sign-off. Normally these would be mitigated by coaching and training, regular meetings and escalation processes as well as inclusion of contingency time within the annual plan. However, given the ongoing pandemic during 2021/2022, these risks required particular consideration. A period of unplanned absence has also had an impact on finalising assignments around year end. Arrangements are now in place to conclude work within reasonable timeframes.

13. Equality Impact Assessment and Consultation Arrangements

13.1 There is no requirement to equality assess the contents of this report.

13.2. Heads of Service are consulted on each and every audit assignment.

Paul Manning
Executive Director Finance and Corporate Resources

7 June 2022

Link(s) to Council Objectives/Improvement Themes/Values
♦ Achieve results through leadership, good governance and organisational effectiveness

Previous References
♦ 2022/2023 Internal Audit Plan – Risk and Audit Scrutiny Committee, 26 January 2022

List of Background Papers
♦ Figtree extracts of Action Plans

Contact for Further Information
If you would like to inspect the background papers or want further information, please contact:-

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Key audit performance indicators as at 31 March 2022   **Appendix 1**

Indicator	Numbers	Percentage	Target	Comment
Assignments delivered within budget	41/47	87%	80%	
Draft reports delivered within 6 weeks of file review	45/45	100%	80%	
2021/2022 Audit Plan completed to draft by 31 March 2022	47/51	92%	100%	4 assignments outstanding. 2 special investigations, work for the Risk Sponsor's Group and advice and guidance re controls around voucher ordering.
Internal Audit recommendations delivered on time	6/6	100%	90%	
Client to agree findings and actions within 4 weeks of draft issue	42/44	95%	80%	

2022/2023 Internal Audit Plan   **Appendix 2**

Lead Resource	Audit assignment	Outline Scope	Progress
Key year end tasks			
FCR	External Audit	Provide 2021/2022 general ledger data to External Audit for the audit of the financial accounts for the year ended 31 March 2022.	Interim data was provided in March 2022. Further data to provided July 2022.
All	2021/2022 Annual Report	Prepare annual statement of assurance for 2021/2022. Present to Risk and Audit Scrutiny Committee (RASC).	Complete
All	Governance Statement	Undertake review of evidence that supports SLC's Annual Governance Statement and provide 2021/2022 annual assurance statement for Glasgow City Region – City Deal.	Complete
Corporate tasks			
All	Attend internal and external working groups	Attend, respond to requests, participate in consultations and providing updates.	Ongoing throughout year.
All	Committee reporting	Prepare reports to present to RASC and to External Client Committees and Boards.	Ongoing throughout year.
FCR	Fusion	Support implementation of project.	Ongoing throughout year.
All	2023/2024 Audit Plan	Undertake consultation, risk assessment, Resource and Section planning, set scopes and objectives and seek approval through preparation of reports.	Quarter 3 task. To be presented to RASC in March 2023 for approval.
All	National Fraud Initiative (NFI)	Coordinate data uploads for new NFI exercise in 2022/2023. Develop and communicate plan for investigation of matches in 2023/2024.	Commences Quarter 3.
All	Advice and guidance	Provision of advice and guidance on online banking for school funds and on the revision of duplicate invoice checks.	Complete to draft stage. Undergoing final review ahead of issue.

Lead Resource	Audit assignment	Outline Scope	Progress
Core programme of audit work			
All	Informal Follow Up	Prompt Resources on a quarterly and monthly basis of actions due within that period. Collate responses for reporting.	Ongoing throughout year.
All	Follow Up	For all Council Resources, identify audit recommendations due in the period April 2021 to March 2022. Risk assess and follow-up to ensure implementation of all high risk actions.	Ongoing throughout year.
CER/HTR/FCR	Follow Up	Undertake follow up of procurements audits within Roads and Property Services and debtors review within Benefits and Revenue Services.	Some initial work undertaken but the majority of audit testing still to be completed.
All	Anti-fraud checks	Rolling programme of anti-fraud checks – including procurement, petty cash and purchase cards.	Most significant anti-fraud work in 2022/2023 to date has been in relation to COVID-19 grants. Rolling programme of anti-fraud checks were put on hold to allow time to progress higher priority tasks and routine anti-fraud checks will now be completed later in 2022/2023.
All	Continuous Controls Monitoring (CCM)	Continue to download data in current CCM areas. Use data for analysis and to inform internal and external audit testing.	Ongoing throughout year.
EDR	Optimisation software	Review of optimisation software to establish benefit of using within other Council Services.	Assignment start delayed due to year end tasks.
FCR/CER	Investigative contingency	Undertake investigations as required (including COVID-19 grants).	Ongoing throughout year.
All	General contingency	Conclude all 2021/2022 audits and responded to requests for unplanned work 2022/2023.	Ongoing throughout year.

Lead Resource	Audit assignment	Outline Scope	Progress
All	Resource audits	Deliver a programme of risk-based audits across Council Resources.	To be presented to RASC for approval in September 2022.
N/A	Audit Plan	Deliver internal audit service to External Clients	Ongoing throughout year.

Assignments completed 8 January to 3 June 2022   **Appendix 3**

Job Number	Assignment name	Draft Issue	Final Issue	Assurance Info
Previous Years				
I350083	Self Directed Support (SDS) Position statement	31/03/2021	12/01/2022	See Appendix 4.
I810034	Audit Plan 2022/2023	13/01/2022	26/01/2022	Preparation and presentation of 2022/2023 Audit Plan to RASC for approval.
I672190	Whistle Blowing - Primary School	23/06/2021	01/03/2022	No evidence of fraud but audit trails could be improved. Four recommendations were made and accepted by the Primary School. Implementation of actions will be followed up in 2022/2023.
I410095	Follow Up City Deal Actions	31/03/2022	31/03/2022	Collation of actions falling due in 2021/2022 for follow-up in 2022/2023.
I410083	Follow up of previous contract audit recommendations	31/03/2022	31/03/2022	Actions reviewed to ensure points addressed in the Oracle upgrade project (Fusion).
I342094	Sustainability Test Programme	31/03/2022	30/04/2022	Development of a bank of sustainability tests for inclusion in the standard audit programme. Finalisation of test programme in 2022/2023.
I612193	CCM 2021/2022	31/03/2022	31/03/2022	Completion of programme of data downloads from main financial systems during 2021/2022 to inform audit sampling and provide management reports.
I411079	Informal Follow Up 2021/2022	31/03/2022	31/03/2022	Provided quarterly advance prompts of actions falling due. Collated responses monthly for reporting.
I730055	Attend Internal Working Group	31/03/2022	31/03/2022	Attendance at and participation in internal working groups.

I820030	Provide Reports to Committee	31/03/2022	31/03/2022	Provision of reports to Committee.
I420082	Sustainability Strategy Work	31/03/2022	30/04/2022	Research for purposes of annual report.
I420084	Technology and Process Review	31/03/2022	31/03/2022	Attendance at and participation in internal working group.
I710064	Excel	31/03/2022	31/03/2022	Development of training tool for Internal Audit team.
I730066	Fusion Project	31/03/2022	31/03/2022	Participation in Fusion project. Continuing throughout 2022/2023.
I650202	Fraud Risk Register	31/03/2022	31/03/2022	Internal Audit satisfied that there is evidence of review and update across all Resources.
I710057	Advice and Guidance School Funds Online Banking	31/03/2022	31/03/2022	Draft guidance prepared.
I640191	National Fraud Initiative (NFI) exercise 2021/222	31/03/2022	31/03/2022	Facilitate and administer NFI exercise.
I732056	Attend External Working Group	31/03/2022	31/03/2022	Attendance at and participation in external working groups.
I431088	PSIAS – preparation for external assessment	06/09/2021	31/03/2022	Preparation for PSIAS assessment in 2022/2023.
I263109	External Audit Interim Work	31/03/2022	31/03/2022	Provision of interim data to External Audit re 2021/2022 financial year end.

External Clients				
I915117	South Lanarkshire Leisure and Culture (SLLC) ACE membership	19/10/2020	12/01/2022	Reported to SLLC
I919140	SLLC COVID-19 Emerging Risks Work	03/08/2021	12/01/2022	Reported to SLLC
I920183	Lanarkshire Valuation Joint Board (LVJB) Admin Meetings Board	31/03/2022	31/03/2022	Reported to LVJB
I926186	LVJB Fraud Alerts	31/03/2022	31/03/2022	Reported to LVJB
I930176	SEEMIS Admin Meetings Board	31/03/2022	31/03/2022	Reported to SEEMIS
I936179	SEEMIS Fraud Alerts	31/03/2022	31/03/2022	Reported to SEEMIS
I940165	Integrated Health and Social Care (IHSC) Admin, Meetings and Reporting	31/03/2022	31/03/2022	Reported to Integration Joint Board (IJB)
I916171	SLLC Fraud Alerts	31/03/2022	31/03/2022	Reported to SLLC

I913191	SLLC Shared Systems Work	31/03/2022	31/03/2022	Reported to SLLC
I910169	SLLC Admin Meetings and Reporting	31/03/2022	31/03/2022	Reported to SLLC

Key Messages

Objective
The objective of this audit was to confirm the current status of South Lanarkshire Council's Self Directed Support process (SLC SDS) – both in terms of its design (including any remaining process actions to be implemented) and areas identified for improvement/development.   By understanding the current position, an assessment can then be made of whether SLC are in a position to be able to fully comply with the obligations set out in the Social Care (Self-directed Support) (Scotland) Act 2013, now that the original 2020 target date has passed.

Key Observations/Findings
Social Work Resources have continued to progress SDS work plans with the aim of ensuring that the necessary processes and procedures are in place to facilitate adherence to the principles of Self-directed Support, where applicable, within South Lanarkshire Council.

Audit work has been able to confirm that procedures have been designed which incorporate specific SDS documentation and, generally, systems records/screens have now been amended to facilitate the capture of core SDS data (the final areas to be fully implemented have been delayed as a direct result of the pandemic).   In addition, training is available for relevant staff to ensure the SDS process is adhered to.

This audit did not seek to provide assurances that the process is being fully implemented in all applicable cases or that the assessments undertaken are adhering fully to the principles of SDS (this was not the scope of this audit); instead the audit sought to provide assurances that the framework is in place, which is supported by training for Social Work staff.

On this basis, it is Internal Audit's opinion that reasonable assurance can be obtained that the necessary framework is largely in place to facilitate adherence to SDS requirements within SLC, now that the indicative deadline of 2020 has passed.   This mirrors the findings of the Social Work Scotland's SDS Project Team and the Care Inspectorate.

The level of implementation will be assessed in future audit work, but in the interim period, there is management information to indicate that, pre-Covid, a substantial number of SDS assessments were being undertaken, in particular within Adult and Older Peoples Service.

At this point, there are potential areas of risk attached to SDS, include managing the expectations of service users with regards to the timescales that can be attached to the finalisation of SDS assessments.   Management information shows that, in many instances, indicative timescales within the procedures are exceeded and, in some cases, the timescales to finalise assessment can exceed one year.   Social Work are clear that, in some instances, an extended period of assessment is essential, particularly where a number of stakeholders are involved or where periodic assessment over an extended period of time is necessary to truly assess care needs.   Continuing to manage client expectations, at the outset, should help to mitigate the potential for complaints from clients frustrated with long SDS assessment waits.

Although an assessment of compliance with carrying out SDS reviews within the necessary timescales was not included in this audit work, the audit did seek to identify the arrangements in place to support the identification and scheduling of reviews. For SDS, this includes ensuring an annual review of the options is undertaken and financial detail for the direct payments and individual living funds are obtained and reviewed. A level of monitoring of reviews due / overdue is undertaken currently, but this may be an area where further pro-active development work could be undertaken to ensure that all reviews due are identified and scheduled particularly for clients who have had a change in Lead Worker following initial assessments.

Further work to assess compliance with assessment and review timescales is likely to be undertaken in future year's audit plans.   This work would also seek to obtain assurances that the SDS arrangements are delivering the outcomes intended – a key part of the review process.

Summary of Key Findings
- Detailed procedures are in place and training is available for relevant employees.
- Documentation has been produced to capture the SDS 'principles and essence'
- Systems have largely been amended to record the documentation and evidence compliance with the Act (some development work is ongoing including the review screen for Children and Family Services)

Recommendations
➢ Focus is placed on the best methods to facilitate scheduling of reviews to ensure that all necessary SDS reviews can be undertaken timeously.

Areas where Members should seek assurance:-

1. Are Members satisfied that the Council has reasonable arrangements in place to adhere to the principles of SDS?
2. Are Members satisfied that the report records the key risks that would prevent South Lanarkshire Council complying with the Act?
3. Are Members satisfied that the areas that are proposed for further review by Internal Audit are those of highest risk?

ANNUAL REPORT FROM THE CHAIR – 2021

"WORKING TOGETHER TO SUPPORT THE KEY ROLE OF INTERNAL AUDIT"

1. **INTRODUCTION**

1.1 Membership of the Scottish Local Authorities Chief Internal Auditors' Group (SLACIAG) is made up of the heads of internal audit from each Scottish local authority and the Strathclyde Partnership for Transport. The Group is a Special Interest Group of CIPFA Scotland, with operational arrangements, vision, and objectives set out in a formal constitution.

1.2 The Group's vision is to be the voice of internal audit across Scottish local authorities and a driving force for best practice in respect of local authority internal audit, governance, and operations. In support of that vision the Group has the following objectives:

- to secure a quality and responsive service for members of the group;
- to develop the influence of the group with key decision makers and institutions in Scotland, as the key representative body for internal audit in local government with a particular emphasis on governance, risk, control and assurance matters;
- to strengthen links and build long term relationships across the internal audit community within the public service;
- to provide an effective group for the discussion of issues of common concern, sharing of good practice and commissioner of work to develop advanced practice;
- to consider the development and training needs of our people as a collective to ensure that the best available products are procured at the best price;
- to uphold the group's key values including: respect; openness and honesty; adding value; professional team working; sharing best practice; integrity; continuous improvement.

1.3 The purpose of this annual report to key stakeholders is to provide an update on the Group's activities and achievements over the course of 2021 and to recognise actions required to achieve our vision.

1.4 SLACIAG has two sub-groups whose work is also reflected in this report:

- the Computer Audit Sub-Group (CASG); and
- the Scottish Local Authorities Investigators' Group (SLAIG).

2. **SLACIAG ACTIVITY AND ACHIEVEMENTS DURING 2021**

2.1 I was appointed chair at our AGM on 6 March 2020 in Glasgow which was our last face to face meeting before the Covid-19 lockdown. In accordance with SLACIAG's constitution my term of office expires at our AGM on 11 March 2022.

2.2 We have continued to meet virtually with all of our meetings in 2021 via videoconferencing technology. I would anticipate that videoconferencing will continue to play a role in our

meeting arrangements going forward, although ultimately that will be for the management committee to decide.

2.3 The management committee met three times during 2021 in January, June and October. The purpose of the meetings is to arrange the main Group meetings, considering topics, setting dates and arranging speakers. The management committee also co-ordinates training for members and responds to consultations on topics relevant to internal audit. As with the main Group, all of the meetings during 2021 were virtual.

2.4 The management committee also monitors progress in relation to the External Quality Assessment (EQA) process which is a peer review process established by SLACIAG to enable external validation of compliance with the Public Sector Internal Audit Standards (PSIAS).

2.5 The management committee at 31 December 2021 was constituted as follows.

SLACIAG MANAGEMENT COMMITTEE 2021		
Kenneth Ribbons	West Lothian Council	Chair SLACIAG
Pamela Redpath	Dundee City Council	Secretary SLACIAG
Yvonne Douglas	South Lanarkshire Council	Treasurer SLACIAG
Eilidh Mackay	East Ayrshire Council	member and former Chair
Jill Stacey	Scottish Borders Council / Midlothian Council	member and former Chair
Paul Macaskill	Comhairle nan Eilean Siar	member
Gillian McConnachie	East Dunbartonshire Council	member
Duncan Stainbank	Midlothian Council	member
Maureen Leonard	South Ayrshire	Chair CASG
Barry Moncur	East Dunbartonshire Council	Chair SLAIG

2.6 At 31 December 2021 the vice chair position was vacant. Due to committee members either retiring or moving on to other roles, it has been an ongoing challenge to ensure that the Committee has a full complement of office bearers. SLACIAG members are asked to consider what contribution they are able to make to the Group going forward.

2.7 Since 2018 the Chairs of both CASG and SLAIG have attended the SLACIAG management committee to enable us to benefit from their sectoral expertise and to ensure synergy. The SLACIAG constitution was amended at that time to reflect this change. Our constitution remains under review to ensure it is fit for purpose going forward.

2.8 As SLACIAG is a special interest group of CIPFA there is an expectation that we attend the meetings of the CIPFA Scotland Branch Executive Committee. I have shared that task with Eilidh Mackay.

2.9   During 2021 the Group met on four occasions, all virtual. The June meeting was treated as a virtual conference and ran over two days. Meeting business is summarised overleaf.

Date	Attendance (see notes below)	Topics / Speakers
23 April 2021	27	**Climate Change and its Impacts** • George Tarvit, Director, Sustainable Scotland Network **Counter Fraud Arrangements - Council Perspectives on Governance and Risk** • Eilidh Mackay, East Ayrshire Council; Pamela Redpath, Dundee City Council; Paul Macaskill, Comhairle nan Eilean Siar **Counter Fraud Case Study** • Stuart Saunders, West Lothian Council
16 June 2021	22	**Resilience and Business Continuity - lessons learned from the pandemic response** • Graeme Mackenzie, Community Safety & Resilience Service Manager, Dundee City Council **Three Lines Model – Institute of Internal Auditors perspective** • Derek Jamieson, Regional Director, Chartered Institute of Internal Auditors **Three Lines Model - Audit Scotland perspective** • John Cornett, Audit Director, Audit Scotland
17 June 2021	23	**Resilience and Business Continuity - lessons learned from the pandemic response** • Katie Kelly, Depute Chief Executive (Safer Communities), East Ayrshire Council **Risk Management: risks associated with pandemic recovery** • Colin Carmichael, Corporate Risk Management Co-ordinator, Dundee City Council
1 October 2021	17	**Cyber Resilience – Incidents, Lessons and Assurance** • Paul Chapman, Head of Public Sector Cyber Resilience at Scottish Government **Recovery and Renewal** • Eilidh Mackay, Chief Auditor, East Ayrshire Council **Annual General Meeting**
10 December 2021	42	**Audit Scotland Fraud and Irregularity report 2020/21** • Anne Cairns, Audit Scotland **Cyber risks: resilience and incident management** • Paul Kelly, Director of Audit & Assurance, Azets ; Rachel Wilson, Cyber Security & Privacy Manager, Azets

Because some heads of internal audit are responsible for more than one council, the maximum potential attendance from heads of internal audit is 29.

The June meetings were open to team members within the internal audit teams. Attendance records for team members were not retained.

From December 2021, attendance at meeting presentations has been opened to the wider internal audit teams. The December attendance figure reflects that.

2.10 The main themes that emerged during 2021 were climate change, the pandemic response including lessons learned, the three lines model, and cyber security. There was also an understandable interest in counter fraud matters, given the sums of money being disbursed by local government as part of the pandemic response.

2.11 The management committee will very soon need to consider the extent to which the Group wishes to revert back to face to face meetings, taking account of attendance levels, environmental impact, and the relative merits of videoconferencing as against face to face meetings.

3. COMPUTER AUDIT SUB-GROUP

3.1 The main aim of the Computer Audit Sub-Group (CASG), which is a permanent sub-group of SLACIAG, is to provide a forum to share and discuss computer audit practices and developments. This includes raising awareness of new standards, updates to legislation, new and current topics of interest, and computer audit developments, resources, and techniques.

3.2 The Sub Group met four times in 2021, all meetings virtual, with business as follows.

Date	Topics / Speakers
18 February 2021	**Group Discussion - Top five IT Risks in each local authority and examples from risk registers** **Presentation on an audit of remote access controls around the Education Network.** • Yvonne Trundle, North Lanarkshire Council **Group Discussion – Cyber Security & preparedness /planning for managing cyber-attacks in our L.A.'s; understanding limitations from system outages including email.**
14 June 2021	**Annual General Meeting**
26 August 2021	**Security Maturity Assessment** • Anne Yeo, ICT Security Analyst, South Ayrshire Council **Cash Receipting Audit Review – Application Controls** • Maureen Leonard, South Ayrshire Council **SEPA Ransomware Attack** • Robbie MacDonald, Resilience Manager, Scottish Environment Protection Agency (SEPA)

18 November 2021	**Cloud Migrations** • Ashley Bickerstaff, Manager Business Technology Consulting, Azets **Cyber Security** • Stan Dormer, Director Learning Systems, Mindgrove

4.

4. SCOTTISH LOCAL AUTHORITY INVESTIGATORS SUB-GROUP (SLAIG)

4.1 The main aim of SLAIG, which is a permanent sub-group of SLACIAG, is to provide a forum to share and discuss counter fraud practices and developments. This includes raising awareness of updates to legislation, new and current topics of interest, and developments in counter fraud activities.

4.2 The Sub Group met four times in 2021, all meetings were virtual, with business as follows.

Date	Topics / Speakers
24 February 2021	**Competition and Markets Authority Overview** • Lucy Stone, Senior Intelligence Officer, Competition and Markets Authority **Open Source/Internet Investigations** • Kevin Scott, Midlothian Council **NFI Business Grants** • Shona Duncan, Dundee City Council /Barry Moncur, East Dunbartonshire Council
26 May 2021	**Open Source Training** • Mark Bentley, Bentac **Overview of Tenancy Fraud Forum** • Katrina Robinson/Alan Bryce, Tenancy Fraud Forum **Zac O'Neill, Head of Counter Fraud Profession, Scottish Gov - Introduction** **Sickness Fraud Case Study** • Stuart Saunders, West Lothian Council
26 August 2021	**Insurance Fraud Group – Overview of IFG** • Steven Jackson & Nashi Woodley, IFG
2 December 2021	**Competition & Markets Authority** • Catherine O'Neill **The Cabinet Office – Update on NFI** • Nathan Nash **Scottish Government – Investigatory Powers update** • Zac O'Neill

4.3 The group established a short life working group to produce a business case for the creation of investigatory powers, similar to those already held by authorities in England & Wales. Case studies have been submitted to The Cabinet Office who are undertaking a review of fraud within the UK. A business case is being finalised and that this will be submitted to The Scottish Government.

5.   CONCLUSION

5.1   During the year the Covid-19 pandemic continued have an impact on us and our biennial conference, which would normally have been a face to face event, was instead held virtually over two mornings in June.

5.2   Notwithstanding the challenges presented by the pandemic, SLACIAG and its sub groups have had another successful year, as evidenced by the attendance at our meetings and the range of topics discussed. Although the impact of the pandemic has continued to feature on our agenda, we also considered matters such as climate change, the three lines model, counter fraud, and cyber security, specifically the impact of the cyber attack on SEPA in December 2020. In line with their remits the CASG and SLAIG meetings focussed on IT and counter fraud matters respectively.

5.3   I would like to thank the management committee for their assistance and efforts during the year. I would also like to thank the office bearers of our sub groups for their work in organising meetings and responding to the challenges that have arisen. I would also like to thank our speakers for giving up their time to be with us at our meetings and assist us in enhancing our effectiveness as auditors and counter fraud investigators.

5.4   Finally I would also like to thank our members for their support, as evidenced not just by attendance at our meetings, but also by the generous advice and assistance provided in relation to the myriad of audit, risk and governance questions which have arisen within our membership during the year.

Kenneth Ribbons
Audit, Risk and Counter Fraud Manager, West Lothian Council
Chair of SLACIAG
11 March 2022