
Subject: QUARTERLY INTERNAL AUDIT UPDATE REPORT

Meeting and Date: Governance Committee – 17th March 2022

Report of: Christine Parker – Head of Audit Partnership

Decision Type: Non-key

Classification: Unrestricted

Purpose of the report: This report includes the summary of the work completed by the East Kent Audit Partnership since the last Governance Committee meeting, together with details of the performance of the EKAP to the 31st December 2021

Recommendation: That Members note the update report.

1. Summary

This report includes the summary of the work completed by the East Kent Audit Partnership since the last Governance Committee meeting.

2. Introduction and Background

- 2.1 For each Audit review, management has agreed a report, and where appropriate, an Action Plan detailing proposed actions and implementation dates relating to each recommendation. Reports continue to be issued in full to each member of Corporate Management Team, as well as an appropriate manager for the service reviewed.
- 2.2 Follow-up reviews are performed at an appropriate time, according to the status of the recommendation, timescales for implementation of any agreed actions and the risk to the Council.
- 2.3 An Assurance Statement is given to each area reviewed. The assurance statements are linked to the potential level of risk, as currently portrayed in the Council's risk assessment process. The assurance rating given may be Substantial, Reasonable, Limited or No assurance.
- 2.4 Those services with either Limited or No Assurance are monitored and brought back to Committee until a subsequent review shows sufficient improvement has been made to raise the level of Assurance to either Reasonable or Substantial. A list of those services currently with such levels of assurance is attached as Annex 2 to the EKAP report.
- 2.5 The purpose of the Council's Governance Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent review of the Authority's financial and non-financial performance to the extent that it affects the Authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process.
- 2.6 To assist the Committee meet its terms of reference with regard to the internal control environment an update report is regularly produced on the work of internal audit. The purpose of this report is to detail the summary findings of completed audit reports and follow-up reviews since the report submitted to the last meeting of this Committee.

SUMMARY OF WORK

- 2.7 There have been seven internal audit assignments completed during the period, which are summarised in the table in section 2 of the report.
- 2.8 In addition six follow-up reviews have been completed during the period, which are detailed in section 3 of the quarterly update report.
- 2.9 For the nine-month period to 31st December 2021, 231.76 chargeable days were delivered against the target of 300, which equates to 77.25% plan completion.

3 Resource Implications

- 3.1 There are no additional financial implications arising directly from this report. The costs of the audit work will be met from the Financial Services 2020-21 revenue budgets.
- 3.2 The financial performance of the EKAP is currently on target at the present time.

Appendices

Appendix 1 – Internal Audit update report from the Head of the East Kent Audit Partnership.

Background Papers

- Internal Audit Annual Plan 2021-22 - Previously presented to and approved at the 11th March 2021 Governance Committee meeting.
- Internal Audit working papers - Held by the East Kent Audit Partnership.

Contact Officer: Christine Parker, Head of Audit Partnership



INTERNAL AUDIT UPDATE REPORT FROM THE HEAD OF THE EAST KENT AUDIT PARTNERSHIP.

1. INTRODUCTION AND BACKGROUND

1.1 This report includes the summary of the work completed by the East Kent Audit Partnership since the last Governance Committee meeting, together with details of the performance of the EKAP to the 31st December 2021.

2. SUMMARY OF REPORTS:

Service / Topic		Assurance level	No. of Recs.	
2.1	Capital	Substantial	C H M L	0 0 0 0
2.2	EKS/Civica – Council Tax	Substantial	C H M L	0 0 0 0
2.3	EKS/Civica – Housing Benefits Payments	Substantial	C H M L	2 2 0 0
2.4	Playgrounds	Reasonable	C H M L	0 3 4 2
2.5	Climate Change – Position Statement	Not Applicable		
2.6	EKS - Housing Benefit Quarterly testing 2021/22 - Quarters 1 & 2	Not Applicable		
2.7	Lessons Learned Review	Not Applicable		

2.1 Capital – Substantial Assurance

2.1.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that there is an effective and efficient evaluation and approval procedure for capital projects and robust financial procedures to enable sufficient budgetary provision to be made available for their funding.

2.1.2 Summary of Findings

The Section 151 Officer is responsible for ensuring that the capital programme is prepared on an annual basis for consideration by the Executive before submission to the Council. The capital programme operates on a cash funded position with no new projects being approved to commence unless either the whole project cost can be financed through additional funding, sufficient capital receipts have been banked, or other savings in the programme have been identified.

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- There is a properly approved Capital Strategy in place which is produced as part of the Medium Term Financial Plan each year.
- The strategy has been appropriately approved and regularly reviewed.
- Suitable procedures are in place to evaluate and approve capital projects.
- Capital budgets are regularly reported and monitored by Senior Management and elected Members
- Where capital projects are funded from the capital receipts, calculations of sale proceeds are taken into consideration.
- Procedure notes are in place within Financial Services which document the processes to be followed in respect of Capital Applications and future monitoring, and these are reviewed on a regular basis.
- Project Post Implementation Reviews are carried out. Recent examples include Dover Leisure Centre, Ottaway House and Kearsney Abbey

2.2 EKS/Civica; Council Tax – Substantial Assurance

2.2.1 Audit Scope

To ensure that the processes and procedures established by EK Services/CIVICA are sufficient to provide the level of service required by the partner authorities of Canterbury CC, Dover DC and Thanet DC and incorporate relevant internal controls regarding the administration of Council Tax functions especially the allocation of liability, billing and the monitoring of payments for Council Tax accounts.

2.2.2 Summary of Findings

Canterbury City, Dover and Thanet District Councils are responsible for the setting and approving of the council tax rates whilst the billing and collection processes are carried out by CIVICA on behalf of each council.

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- Council Tax is set in accordance with the relevant legislation.

- Parameters within the Council Tax system are extensively checked and reviewed before the billing process is started.
- Council Tax bills are checked to confirm they are in the correct format before the commencement of the billing process.
- Updates from the Valuation Office are actioned and reconciled to the Council Tax system on a regular basis.
- Established processes are in place for the processing of refunds, write offs and the recovery of outstanding arrears of council tax. A revision to the write off form has been agreed with the Council Tax Manager during the course of the audit so a recommendation has not been made in this audit report.

2.3 EKS/Civica; Housing Benefits Payments – Substantial Assurance

2.3.1 Audit Scope

To ensure that the processes and procedures established by EK Services/CIVICA are sufficient to provide the level of service required by the partner authorities of Canterbury CC, Dover DC and Thanet DC and incorporate relevant internal controls regarding the payments of Housing Benefit.

2.3.2 Summary of Findings

On behalf of Canterbury, Dover and Thanet councils, Civica currently administers new and existing claims for Housing Benefits under an agreement. Payment runs are undertaken on a 2 or 4 weekly basis (depending on if the claim is to be paid direct to the claimant or a landlord); the amounts paid to date are given in the following table:

Authority	Made to date (Jan 2022) £
CCC	8,028,723
DDC	11,458,481
TDC	24,460,314

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- There is a contract in place between Civica and all three partner councils for this service, which is being monitored and managed;
- There are adequate, relevant, up to date and easily accessible procedures and guidance notes for staff;
- From the samples tested there are adequate controls in place to ensure payments made are accurate; checked and being made in a timely manner;
- Preventative and checking controls are in place for payments over £1000;
- Bank details and change controls are in place to ensure payments are issued correctly; however the defaulted position for bank account details needs to be reviewed on claimant forms and within systems to minimise carry over into the payments system and cause unnecessary delays.

Scope for improvement was however identified in the following areas:

- Up to date retention schedule and policy statements need to be in place; and
- To enhance the authorisation process for the payment run and to check on payment duplications a management spot check process on duplications identified within the verification report should be in place;

2.4 Playgrounds – Reasonable Assurance

2.4.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the service provision regarding playgrounds and the equipment located within them ensures that they are safe, well maintained and are robust to meet their intended use for the future.

2.4.2 Summary of Findings

Dover District Council currently has 22 playgrounds (not including skate parks and Multi use games (MUGAS) areas) for which a maintenance regime is in place. These are listed follows:

Area	Playground
Aylesham	Central Boulevard, Aylesham
Aylesham	Market Place, Aylesham
Deal	Cowdray Square, Deal
Deal	Marke Wood Recreation Ground, Deal
Deal	North Deal Playing Fields
Deal	Travers Road, Deal
Deal	Victoria Park, Deal
Deal	William Pitt Avenue, Deal
Deal	Wilson Avenue, Deal
Dover	Aycliffe Recreation Ground, Dover
Dover	Colton Crescent, Whitfield, Dover
Dover	Connaught Park, Dover
Dover	Elms Vale Recreation Ground, Dover
Dover	Kearsney Abbey, Dover
Dover	Northbourne Avenue, Dover
Dover	Pencester Gardens, Dover
Dover	Russel Gardens, Dover
Dover	Sheridan Road, Dover
Dover	St Radigunds, Dover
Sandwich	Poulders Gardens, Sandwich
Sandwich	The Bulwarks, Sandwich
Sandwich	The Butts Recreation Ground, Sandwich

Due to a management re-structure and an officer retirement the day-to-day management of these play areas is now being over seen by the Facilities Management Team. As such, this has provided an opportunity for a 'refresh' of both operational and managerial systems. These new ways of working require time to embed.

The operational and inspection framework in place is based upon best standards set out by ROSPA (Royal Society for the Prevention of Accidents) in order for the Council to satisfy the requirements and duties as set out within section 3 and 4 of the Health & Safety at Work Act etc. (1974).

The system in place is called a three-tier system (i.e., three levels of inspection) which is widely recognised as a good working model to have in place in line with best practice. This framework helps the Council comply with the European Playground Equipment Standard EN 1176 as well as providing a certain level of assurance that playgrounds and playground equipment are being monitored adequately. The three-tier approach adopted by the Council is as follows and any issues found during these inspections are reported back to the asset management team for action:

- Weekly inspections are undertaken by the Grounds Maintenance Team.
- A contractor, Safeplay, undertakes a programme of inspections for each site. These occur as a minimum two times a year; and
- The Insurance Provider undertakes an annual inspection of all play areas.

The processes in place rely on multiple information systems, some of which are in the control of suppliers (3rd Party).

The primary findings giving rise to the Reasonable Assurance opinion in this area are as follows:

- There is a wealth of information on the Council's website relating to play areas, including an on-line 'fault' reporting mechanism for the public to use if they have a concern regarding a play area.
- The health and safety inspection processes are effective, well documented, and robust. There are schedules of work in place for the undertaking of Health & Safety inspections and a reporting system for escalating safety issues.
- The 3-tier inspection process in place is working well and complies with that recommended by RoSPA to satisfy the Health and Safety at Work Act (1974).
- The management and monitoring of the inspection programme is effective, however, as this is a new system of recording actions this needs time to embed.
- The insurance process is working well with evidence of a documented system being in place.

Scope for improvement was however identified in the following areas:

- The strategy in place is out of date and there are no policies or procedures in place to document the Council's decision processes or day to day operations for this function.
- There are no records being maintained by the service to support or evidence that budget management is occurring.

2.5 Climate Change; Position Statement – Not Applicable
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In 2020 the Council, following around 300 other local government authorities ([LGA](#)), recognised the severity of this situation and declared a climate emergency in order to ramp up its actions to reduce harmful greenhouse gases and other emissions.

This review looks at progress to date, highlights any gaps, and suggests further ways of reaching the Council's zero net carbon and improved biodiversity goals.

SUMMARY

Progress to date and future plans

- EV charging points have recently been installed across the district and an LED street lighting scheme has been completed.
- Grant schemes have been delivered to help vulnerable residents achieve affordable warmth through increased insulation and thereby also reducing energy consumption and emissions.
- The Council participated in the first round of Solar Together Kent, which promotes group buying of solar panels/battery storage to the 'able to pay', thus encouraging renewable energy across the district. Solar Together Kent round 2 is now open.
- The Council has set up a cross-party Project Advisory Group to review potential solutions and monitor progress on climate action.
- A Climate Change Strategy and carbon reduction action plan has been produced.
- The Council is considering ways to 'green up' its housing stock e.g. with increased levels of insulation, and more energy efficient doors and windows.
- Reporting on reduced carbon emissions, resulting from increased energy efficiency measures, may be based on 'expected carbon reduction' as measuring and reporting on actuals is complicated at present.
- The Council is considering an on-street EV car hire scheme, particularly in areas where the need for parking exceeds on-street availability – see also [Tunbridge Wells Car Club](#) for a similar pay-as-you-go operation.
- Council vehicles such as small vans will be replaced with electric vehicles when due for renewal.
- Regarding car emissions, the Council is using tiered pricing for parking permits depending on level of emissions.
- Ambitious ideas are being considered for future housing developments in the district, ones designed for a hotter climate which provide cooling, shade and capture the energy from the sun. Sustainability and self-sufficiency are also at the heart of these ideas, such as vertical farming. Better transport links or closer amenities would be designed-in to reduce the need for cars and utilise parking spaces instead, for housing. Some housing may be cleverly designed to occupy a much smaller footprint, discourage the accumulation of 'stuff' and share outdoor spaces or atriums with neighbouring properties.

Ideas for progression

The following is a sample of key ideas summarised at a high level. Please see the report findings for further (itemised) ideas and supporting information.

- There should be an internal Comms campaign to raise the profile of climate change, engage staff and invite participation.
- As part of the Comms campaign, staff should be given training on climate change and how to reduce their carbon footprint.
- Any all-staff briefings should include an update on what the Council is doing to tackle climate change as well as invite ideas. If there are no staff briefings, these should be suggested.
- As well as engaging all staff in climate mitigating activity, sufficient resource should be provided to show presence, lead, and co-ordinate climate related work. This should be commensurate with the high, global, national and local priority given to the climate agenda. Work to tackle the impact of climate change will become ever more pressing.

- Look to assign carbon neutralising tasks/projects to specific teams/service areas which set clear objectives.
- There should be a high-level district wide carbon strategy to engage with stakeholders.
- The Council must adopt a green thread and align all its policies and strategies with the climate agenda and Corporate Plan (which includes climate/environment).
- Inward investment should encourage industries that adopt a circular design approach. There should be more emphasis on Reducing and Re-using before, Recycling (the 3 Rs). Reducing our consumption has a far greater positive impact on climate.
- Maidstone Borough Council has recently been voted as having the best climate action plans in Kent - see Kent Online. This may provide some useful ideas.

CONCLUSION

The Council has some positive high-profile projects in the pipeline such as the new electric Fastrack service which will connect large housing estates in Whitfield to the town centre and the train station in the most efficient way. The district also boasts some high-quality green spaces. However, the Council has a way to go in adopting a joined-up collaborative approach to tackling the climate and ecological crises, both internally with staff and with external stakeholders. Staff education and engagement is crucial since climate change is immense. It cuts across all departments and affects every person. The Council must raise the profile of climate change amongst staff and invite participation from everyone. Currently the message is just not reaching people and the Council is missing an opportunity to get support and expertise from in-house.

2.6 EKS - Housing Benefit Quarterly testing 2021/22 - Quarters 1 & 2 – Not Applicable for Assurance

2.6.1 Introduction

Over the course of 2021/22 financial year the East Kent Audit Partnership completes a sample check of Council Tax, Rent Allowance and Rent Rebate and Local Housing Allowance benefit claims.

2.6.2 Findings

For the first and second quarters of 2021/22 financial year (April to September 2021) thirty claims including new and change of circumstances of each benefit type were selected by randomly selecting the various claims for verification. Below is a summary table of the findings:-

A 'fail' is categorised as an error that impacts on the benefit calculation. However, data quality errors (such as an incorrect NINO) are still to be shown but if they do not impact on the benefit calculation, then for reporting purposes the claim will be recorded as a 'pass'.

2.6.3 Audit Conclusion

For this period thirty benefit claims were checked and one (3.33%) of the claims had a financial error and there was one (3.33%) data quality error.

2.7 LESSONS LEARNED REVIEW – Not Applicable for Assurance

EXECUTIVE SUMMARY & CONCLUSION

- 2.7.1 In March 2021 the Council became aware that a Planning Decision Notice (DN) had been issued against an application which contained errors. Attempts were made to work with the applicant to edit the errors and, a Second Decision Notice was subsequently issued. However, it later transpired that this further compounded the error and should not have been attempted. Once the errors on the Second Decision Notice came to light the matter was escalated and a legal view was sought as to what the next steps should be.
- 2.7.2 The EKAP was commissioned to identify why the error happened in the first instance and to establish the root cause of why opportunities were missed for ensuring the correct action was taken immediately following the error being highlighted.
- 2.7.3 A summary of the key issues is as follows: -
- The initial error is somewhat unexplained, the root cause is thought to be human error by the case officer, due to cutting and pasting from one system to another, where for an unexplained reason, one screen is recorded differently to another;
 - The system generated Decision Notice was issued with several significant errors. They were first detected by the Applicant several weeks after having been issued;
 - The Planning Officers tried to correct the errors informally, but the Second Decision Notice was incomplete;
 - The matter was handled by colleagues due to the case officer being absent at different times in the relevant period;
 - The case officer escalated the matter when they became aware of the Second Decision Notice and the errors;
 - Having been escalated, the Planning Solicitor has been involved in advising on all the steps that have followed since;
 - An inconsistency in both the understanding of the law in respect of changing an issued Decision Notice, and;
 - Not having established standardised procedures which set out the roles and responsibilities within the planning team, (due to the speed of implementing new systems and working remotely) have also contributed to the circumstances.
- 2.7.4 There were some changes made immediately by the Head of Planning, Regeneration and Development to improve controls preventing any future reoccurrence, and one further suggestion was made in response to the report's findings.

3.0 FOLLOW UP OF AUDIT REPORT ACTION PLANS:

- 3.1 As part of the period's work, five follow up reviews have been completed of those areas previously reported upon to ensure that the recommendations previously made have been implemented, and the internal control weaknesses leading to those recommendations have been mitigated. Those completed during the period under review are shown in the following table.

Service/ Topic		Original Assurance level	Revised Assurance level	Original Number of Recs		No of Recs Outstanding	
a)	Land Charges	Reasonable	Reasonable	C	0	C	0
				H	2	H	0
				M	2	M	0
				L	3	L	0
b)	Environmental Protection Service Complaints	Substantial	Substantial	C	0	C	0
				H	0	H	0
				M	0	M	0
				L	3	L	0
c)	Tenant Health & Safety	No	Substantial	C	1	C	0
				H	0	H	0
				M	0	M	0
				L	0	L	0
d)	EKS - Key Performance Indicators	Substantial	Substantial	C	0	C	0
				H	0	H	0
				M	1	M	0
				L	1	L	0
e)	EKS – ICT Software Licensing	Reasonable /Limited	Reasonable	C	1	C	0
				H	1	H	0
				M	1	M	0
				L	1	L	0

- 3.2 Details of each of any individual high priority recommendations outstanding after follow-up are included at Annex 1 and on the grounds that these recommendations have not been implemented by the dates originally agreed with management, they are now being escalated for the attention of the s.151 Officer and Members of the Governance Committee – None this quarter.

The purpose of escalating outstanding high-risk matters is to try to gain support for any additional resources (if required) to resolve the risk, or to ensure that risk acceptance or tolerance is approved at an appropriate level.

4.0 WORK-IN-PROGRESS:

- 4.1 During the period under review, work has also been undertaken on the following topics, which will be reported to this Committee at future meetings Digital, Tech 1 PIR, Tenancy & Estate Management, Recruitment, Budgetary Control, and Contract Management & Monitoring.

5.0 CHANGES TO THE AGREED AUDIT PLAN:

- 5.1 The 2021-22 Audit plan was agreed by Members at the meeting of this Committee on 11th March 2021.
- 5.2 The Head of the Audit Partnership meets on a quarterly basis with the Strategic Director (Corporate Resources) - Section 151 Officer to discuss any amendments to the plan. Members of the Committee will be advised of any significant changes through these regular update reports. Minor amendments are made to the plan during the course of the year as some high-profile projects or high-risk areas may be requested to be prioritised at the expense of putting back or deferring to a future year some lower risk planned reviews. The detailed position regarding when resources have been applied and or changed are shown as Annex 3. As a result of the HR service being brought back in house, the DDC Audit Plan has been increased by 10 days.

6.0 FRAUD AND CORRUPTION:

- 6.1 Apart from some working in respect of possible grant frauds, there have been no other new or recently reported instances of suspected fraud or irregularity that required either additional audit resources or which warranted a revision of the audit plan at this point in time.

7.0 INTERNAL AUDIT PERFORMANCE

- 7.1 For the nine-month period to 31st December 2021, 231.76 chargeable days were delivered against the target of 300, which equates to 77.25% plan completion.
- 7.2 The financial performance of the EKAP is currently on target at the present time.
- 7.3 The EKAP introduced an electronic client satisfaction questionnaire, which is used across the partnership. The satisfaction questionnaires are sent out at the conclusion of each audit to receive feedback on the quality of the service. Current feedback arising from the customer satisfaction surveys is featured in the Balanced Scorecard attached as Annex 4.

Attachments

- | | |
|---------|---|
| Annex 1 | Summary of High priority recommendations outstanding after follow-up. |
| Annex 2 | Summary of services with Limited / No Assurances yet to be followed up. |
| Annex 3 | Progress to 31 st December 2021 against the agreed 2020/21 Audit Plan. |
| Annex 4 | Balanced Scorecard of performance indicators to 31 st December 2021. |
| Annex 5 | Assurance Statements |

SUMMARY OF HIGH PRIORITY RECOMMENDATIONS OUTSTANDING OR IN PROGRESS AFTER FOLLOW-UP – ANNEX 1

Original Recommendation	Agreed Management Action, Responsibility and Target Date	Manager's Comment on Progress Towards Implementation.
<i>None this Quarter</i>		

SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS STILL TO BE REVIEWED			
Service	Reported to Committee	Level of Assurance	Follow-up Action Due
EKHR – Disclosure & Barring Service Checks	November 2020	Limited	WIP
EKS – ICT Software Licensing	December 2021	Reasonable/Limited	Work-in-Progress
CSO Compliance	March 2022	Reasonable/Limited	Spring 2022

**PROGRESS AGAINST THE AGREED 2021-22 AUDIT PLAN.
DOVER DISTRICT COUNCIL:**

Review	Original Planned Days	Revised Planned Days	Actual days to 31-12-2021	Status and Assurance Level
FINANCIAL SYSTEMS:				
Capital	10	10	10.65	Finalised - Substantial
Creditors & CIS	10	0	0.18	Postponed
External Funding Protocol	10	0	0.18	Postponed
Main Accounting System	10	0	0.18	Postponed
Budgetary Control	10	10	2.31	Work-in-Progress
HOUSING SYSTEMS:				
Repairs & Maintenance – Replaced with Contract Mngmt & Monitoring	15	15	0	Quarter 4
Tenant H&S	10	0	0	Replaced with Housing Regulator Review
Rechargeable Works	10	0	0	Postponed
Tenancy & Estate Mgmt.	10	10	9.26	Work-in-Progress
HR SYSTEMS:				
Recruitment (Starters and Leavers)	0	10	0.22	Work-in-Progress
GOVERNANCE RELATED:				
Cloud Computing/Digital	10	10	1	Brief issued – Quarter 4
Officers Code of Conduct	10	10	10.67	Finalised – Substantial
Project Management	10	0	0	Postponed
Corporate Advice/CMT	2	2	1.76	Work-in-Progress
s.151 Meetings and support	9	9	9.98	Work-in-Progress
Governance Committee Meetings and Reports	12	12	10.25	Work-in-Progress
Audit Plan Preparation and Meetings	9	9	8.74	Work-in-Progress
POST IMPLEMENTATION REVIEWS:				
Ottaway House	10	10	10.63	Finalised – N/A
Main Accounting System (Tech 1)	5	0	0	Postponed
CONTRACT AUDITS:				
CSO Compliance	13	13	16.60	Work-in-Progress
Service Contract Mgmt.	10	0	0	Postponed
SERVICE LEVEL:				
Climate Change	10	10	6.64	Finalised – N/A

Review	Original Planned Days	Revised Planned Days	Actual days to 31-12-2021	Status and Assurance Level
CCTV	10	10	10.61	Finalised - Substantial
Contaminated Land, Air & Water Quality	10	10	2.58	Brief issued – Quarter 4
Grounds Maintenance	12	12	0.32	Brief issued
Licensing	12	12	13.84	Finalised - Reasonable
Phones, Mobiles & Utilities	10	0	0.37	Postponed
Garden Waste & Recycling Income	10	10	0.18	Work-in-Progress
OTHER				
Liaison with External Auditors	1	1	0	Work-in-Progress
Follow-up Work	15	15	14.91	Work-in-Progress
FINALISATION OF 2020-21- AUDITS				
Environmental Health Protection Requests	5	60	1.39	Finalised - Substantial
Treasury Management			0.68	Finalised - Substantial
Land Charges			10.68	Finalised - Reasonable
Playgrounds			14.08	Finalised - Reasonable
Housing Regulator Review			20.80	Finalised - Reasonable
Planning Enforcement			10.11	Finalised - Reasonable
Responsive Work:				
HRA Properties Data Match	0	3	2.99	Finalised
Staff Related Matter	0	10	10.35	Finalised
Tech One Assistance	0	0	1.69	Finalised
Lessons Learned Review	0	5	5.97	Finalised
Exit Interview Investigation	0	2	1.28	Finalised
Homes England Grant Certification	0	10	9.98	Finalised
TOTAL	290	300	231.76	77.25%

(Note - From 1st September EKHR has been taken back in house and the DDC plan has increased by 10 days)

EKS & CIVICA:

Review	Original Planned Days	Revised Planned Days	Actual days to 31/12/21	Status and Assurance Level
EKS Reviews;				
Council Tax	15	15	10.65	Finalised - Substantial
Housing Benefit Testing	15	15	12.60	Ongoing
Housing Benefit Payments	15	15	13.73	Work-in-Progress
Customer Services	15	0	-	Postponed
ICT – Change Controls / Updates	15	15	0.20	Quarter 4
ICT – Procurement & Disposal	15	15	0.14	Quarter 4
KPIs	5	5	0.74	Quarter 4
Payroll	18	18	16.42	Finalised - Substantial
EKHR	32	0	0.20	Trs to partner councils
Other;				
Corporate/Committee	8	8	6.49	Ongoing
Follow Up	3	3	2.69	Ongoing
Housing Benefit Verification Framework	0	1	0.95	Finalised – N/A
Restart Grants	0	6	6.59	Finalised - N/A
Finalisation of 2020/21 Audits:				
ICT Disaster Recovery	5	1	0.35	Finalised - Reasonable
Housing Benefit Testing		5	5.45	Finalised – N/A
ICT Software Licensing		9	9.63	Finalised - Reasonable / Ltd
Total	160	128	86.83	67.84%

(Note - From 1st September EKHR has been taken back in house by the three partner councils and the EKS plan has reduced by 32 days)

EKAP Balanced Score Card 2020-21

Quarter 3

<u>INTERNAL PROCESSES PERSPECTIVE:</u>	<u>2021-22 Actual</u>	<u>Target</u>	<u>FINANCIAL PERSPECTIVE:</u>	<u>2021-22 Actual</u>	<u>Original Budget</u>
	Quarter 3		Reported Annually		
Chargeable as % of available days	90%	80%	<ul style="list-style-type: none"> • Cost per Audit Day 	£	£356.35
Chargeable days as % of planned days			<ul style="list-style-type: none"> • Direct Costs 	£	£459,443
CCC	59.31%	75%	<ul style="list-style-type: none"> • + Indirect Costs (Recharges from Host) 	£	£10,945
DDC	77.25%	75%	<ul style="list-style-type: none"> • - 'Unplanned Income' 	£	Zero
TDC	68.42%	75%			
FHDC	79.68%	75%			
EKS	67.84%	75%			
Overall	71.89%	75%	<ul style="list-style-type: none"> • = Net EKAP cost (all Partners) 		£470,388
Follow up/ Progress Reviews;					
<ul style="list-style-type: none"> • Issued 	49	-			
<ul style="list-style-type: none"> • Not yet due 	15	-			
<ul style="list-style-type: none"> • Now due for Follow Up 	17	-			
Compliance with the Public Sector Internal Audit Standards (PSIAS) (see Annual Report for more details)	Partial	Full			

<u>CUSTOMER PERSPECTIVE:</u>	<u>2021-22 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2021-22 Actual</u>	<u>Target</u>
	Quarter 3		Quarter 3		
Number of Satisfaction Questionnaires Issued;	46		Percentage of staff qualified to relevant technician level	74%	74%
Number of completed questionnaires received back;	19		Percentage of staff holding a relevant higher level qualification	38%	38%
	= 41%		Percentage of staff studying for a relevant professional qualification	15%	N/A
Percentage of Customers who felt that;			Number of days technical training per FTE	4.99	3.5
• Interviews were conducted in a professional manner	95%	100%	Percentage of staff meeting formal CPD requirements (post qualification)	38%	38%
• The audit report was 'Good' or better	100%	90%			
• That the audit was worthwhile.	100%	100%			

Definition of Audit Assurance Statements & Recommendation Priorities

Cipfa Recommended Assurance Statement Definitions:

Substantial assurance - 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.

Reasonable assurance - 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.

Limited assurance - 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.

No assurance - 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.

EKAP Priority of Recommendations Definitions:

Critical – A finding which significantly impacts upon a corporate risk or seriously impairs the organisation’s ability to achieve a corporate priority. Critical recommendations also relate to non-compliance with significant pieces of legislation which the organisation is required to adhere to and which could result in a financial penalty or prosecution. Such recommendations are likely to require immediate remedial action and are actions the Council must take without delay.

High – A finding which significantly impacts upon the operational service objective of the area under review. This would also normally be the priority assigned to recommendations relating to the (actual or potential) breach of a less prominent legal responsibility or significant internal policies; unless the consequences of non-compliance are severe. High priority recommendations are likely to require remedial action at the next available opportunity or as soon as is practical and are recommendations that the Council must take.

Medium – A finding where the Council is in (actual or potential) breach of - or where there is a weakness within - its own policies, procedures or internal control measures, but which does not directly impact upon a strategic risk, key priority, or the operational service objective of the area under review. Medium priority recommendations are likely to require remedial action within three to six months and are actions which the Council should take.

Low – A finding where there is little if any risk to the Council or the recommendation is of a business efficiency nature and is therefore advisory in nature. Low priority recommendations are suggested for implementation within six to nine months and generally describe actions the Council could take.