
Subject:	QUARTERLY INTERNAL AUDIT UPDATE REPORT
Meeting and Date:	Governance Committee – 28th March 2024
Report of:	Christine Parker – Head of Audit Partnership
Portfolio Holder:	Portfolio Holder for Finance, Governance, Climate Change and Environment – Councillor S H Beer
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 2023.

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 four internal audit assignments completed during the period, which are summarised in the table in section 2 of the report.
- 2.8 In addition four 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 months to 31st December, 257.13 chargeable days were delivered against the target of 318, which equates to 80.86% 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 2023-24 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 2023-24 - Previously presented to and approved at the 16th March 2023 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 30th September 2023.

2. SUMMARY OF REPORTS:

Service / Topic		Assurance level	No. of Recs. *	
2.1	Members' Code of Conduct & Standards Arrangements	Substantial	Critical High Medium Low	0 0 0 0
2.2	Dog Warden & Street Scene Enforcement	Substantial	Critical High Medium Low	0 0 1 0
2.3	Payroll	Substantial	Critical High Medium Low	0 0 0 0
2.4	Risk Management	Reasonable Limited	Critical High Medium Low	0 4 7 1

*For Assurance and Recommendation priority definitions see Annex 5

2.1 Members' Code of Conduct & Standards Arrangements – Substantial Assurance

2.1.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the highest standards of Member conduct and probity are maintained.

2.1.2 Summary of Findings

In accordance with the Localism Act 2011 the authority must promote and maintain high standards of conduct by Members and co-opted Members of the authority. In discharging this duty, the authority must adopt a code dealing with the conduct that is expected of Members and co-opted Members of the authority when they are acting in that capacity. Dover District Council has adopted the Kent model Code of Conduct which can be viewed and downloaded from the Council's website.

Councillors are required to adhere to the Council's agreed code of conduct for elected members. A failure to comply with the Council's code can be dealt with via the arrangements in place for investigating allegations, which can be found on the Council's webpages.

Following the abolition of Standards for England on 31 March 2012, the Council assumed responsibility for dealing with and investigating all complaints relating to breaches of the Code, including those made against Parish Councillors within the district. Specific responsibility for assessing alleged breaches of the Code rests with the Monitoring Officer, in consultation with the Independent Person, who is appointed by Council. If the Monitoring Officer, in consultation with the Independent Person, considers that the complaint meets certain prescribed test so as to merit investigation, they will appoint an investigation officer to undertake the investigation. Once the investigation has concluded, the Monitoring Officer may consider that informal resolution is appropriate. Alternatively, they may convene a meeting of the Hearing Panel.

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

- There are effective procedures established to promote and communicate the Members' Code of Conduct, Member / Officer relations protocol and Gifts and Hospitality policies and procedures for the Council for both new and existing Members.
- The Code of Conduct holds sufficient information to ensure there is relevant guidance to promote the ongoing probity and propriety of Members.
- Members are made aware of the rules covering the registration and declaration of interests. The requirement for comprehensive information to be declared by Members to conform to the guidance given and the 28-day rule is actively promoted.
- Suitable arrangements are in place to help ensure that Members disclose all relevant Disclosable Pecuniary Interest (DPI) and Other Significant Interest (OSI) at Council and Committee meetings.
- Members have received clear guidance and sufficient training to ensure that they make the necessary disclosures when considering planning decisions.
- The Standards arrangements and rules comply with the Localism Act.
- The procedure for handling complaints is well documented and information on making complaints is easily available to the public.
- All investigations comply with the rules established by the Council's own stated procedures.
- The initial assessment process for complaints against Members are adequate and well documented.
- Members and the Monitoring Officer responsible for carrying out any assessment of complaints have received suitable training to carry out their role. Guidance and advice is available to Parish and Town Councils if requested.

2.2 Dog Warden & Street Scene Enforcement – Substantial Assurance

2.2.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the Council has an effective dog warden service encompassing both the recovery and kennelling of stray dogs and also enforcement action of dog fouling, graffiti, fly-tipping and littering.

2.2.2 Summary of Findings

The primary findings giving rise to the Substantial Assurance opinion in respect of both Procurement and Contract Management are as follows:

- The Council has up to date procedures in place covering the Stray Dog service.
- The Dog Warden was found to be suitably trained to undertake their duties.
- The Council provides clear information to the public on its website on how to report stray dogs.
- The Dog warden has been provided with suitable PPE and equipment in general to be able to safely deal with stray dogs.
- The Council has a Stray Dog Register which is kept up to date and available to members of the public when requested.
- The Council has up to date policies and procedures in place covering the Street Scene Enforcement function.
- Street Scene Enforcement Officers have been provided with suitable training to enable them to fulfil their job role.
- All officers working on Street Scene related enforcement should have suitable delegated authority to do so.

A review of the Privacy Notice for the service did identify that it is out of date as it makes reference to contractors which the service no longer uses. The Service should therefore review and update its Privacy Notice.

2.3 Payroll - Substantial Assurance

2.3.1 Audit Scope

To ensure that the payroll service administered on behalf of Canterbury, Dover and Thanet Councils, including EK Services is adequately controlled to ensure that the right people are getting paid the right amounts at the right time and all the relevant data held is accurate.

2.1.2 Summary of findings

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

- Responsibility for the payroll function is clearly specified in the Service Agreement between Dover District Council and each organisation which it provides the payroll service for.
- Detailed procedure notes and checklists are in place covering the process for adding and paying new starters.

- Suitable procedures are in place for the collection of information relating to new starters so that they can be paid the correct amount in line with their appointment.
- For a sample of 14 new starters tested, all tax codes and tax earnings year to date were found to be correct.
- Accurate information is being sent to the KCC Pension Administrators to enrol all new starters eligible to join the pension scheme.
- For a sample of 14 new starters tested, the correct deductions in respect of pension contributions are being made.
- Once a new starter has been added to the payroll system, suitable procedures are in place to confirm that the payroll calculation is correct prior to the monthly payroll being processed.
- For a sample of 14 new starters tested, all were found to have their payroll correctly calculated with no errors being identified in the sample tested.

2.4 Risk Management – Reasonable / Limited Assurance

2.4.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the organisation adopts best practices in the identification, evaluation and cost-effective control of risks to ensure that they are reduced to an acceptable level or eliminated, and also maximise opportunities to achieve the organisation's visions and priorities.

2.4.2 Summary of Findings

Risk management is defined by the Institute of Internal Auditors as '*a process to identify, assess, manage and control potential events or situations to provide reasonable assurance regarding the achievement of the organisation's objectives.*' The Council is in the final stages of introducing a new Risk Management Strategy which is scheduled for adoption in January 2024 and will help address some of the issues raised in this report. This audit examined the risk management processes in place over the past 18 months.

As at September 2023 there were 33 risks on the Strategic Risk Register with the top five high risks being:

- Recession, Inflation & Reduced funding;
- Business Rate Funding;
- Increased Homelessness;
- Failure to produce Local Plan; and
- Volatility around the Port Health function.

The assurance for Risk Management has been split.

Management can place;

Reasonable Assurance on the system of internal controls in operation for managing risk, and

Limited Assurance regarding risk governance and transparency and project risk management.

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

- There is a Risk Management Strategy in place which is kept under review.

- There are clear processes in place to manage and monitor strategic risks at a senior management level and appropriate intervals.
- Strategic risks are being managed and controlled effectively.
- Some strategic risk information is reported to elected members.
- The strategic risk register has recently been published on the intranet.
- The Council is soon to adopt a new Risk Management Strategy.

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

- The current risk appetite of the organisation is not approved or communicated and the 3x3 risk scoring matrix is not sufficient for effective risk scoring.
- The Governance Committee is unable to sufficiently fulfil its terms of reference without reviewing the strategic risk register on a bi-annually or quarterly basis.
- For strategic risks, there are weaknesses in the transparency of risk management such as the completeness of information i.e. the audit trail of risk review and an absence of residual risk scoring (numerical scores).
- For operational risks, there are weaknesses in the transparency of risk management arrangements such as the completeness and audit trail of service plans generally and the absence of residual risk scoring (written and numerical).
- For project risk management there is an absence of sufficient information and guidance for staff to follow.

3.0 FOLLOW UP OF AUDIT REPORT ACTION PLANS:

- 3.1 As part of the period's work, four 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) GDPR within Housing	Limited	Reasonable	Critical	0	0
			High	9	2
			Medium	5	0
			Low	2	0
b) Housing Repairs & Maintenance	Reasonable	Reasonable	Critical	0	0
			High	5	2
			Medium	2	1
			Low	5	2
c) Budgetary Control	Reasonable	Substantial	Critical	0	0
			High	0	0
			Medium	1	0
			Low	0	0

Service/ Topic	Original Assurance level	Revised Assurance level	Original Number of Recs		No of Recs. Outstanding
d) Planning Applications, Income & s.106	Reasonable /Limited	Reasonable /Limited	Critical	0	0
			High	4	1
			Medium	2	1
			Low	2	0

*For Assurance and Recommendation priority definitions see Annex 5

3.2 As part of the follow up action, the recommendations under review are either:

- “closed” as they have been successfully implemented, or
- “closed” as the recommendation is yet to be fully implemented but is on target with a revised implementation date, or
- (for medium or low risks only) “closed” as management has decided to tolerate the risk, or the circumstances have since changed, or
- (for critical or high risks only) “closed” on the EKAP System with a revised implementation date and escalated to management for further tracking and reporting to the audit committee.

3.3 Details of each of any individual critical or 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.

3.4 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.

d) Planning Applications, Income & s.106 - The Council have effective processes in place for taking planning decisions and ensuring income is collected and monitored. However, Planning is a very public service, and it is vital that residents, senior management, and elected members can have confidence in the performance information being presented and reported. One of the high priority recommendations outstanding is key to improving transparency and accountability which will help monitor the use of planning extensions as these agreed extensions do not get included in the planning performance figures and there is a risk that these may be overused.

Whilst management have provided their own assurance that the audit trail of S.106 prior to October 2020 has been investigated back to 2013, and is not considered a risk, this is not able to be independently tested (as access is not possible as it is prior to the implementation of the Tech One system). The independent assurance for this control must therefore remain limited, and both CMT and the audit committee are asked to tolerate this risk or accept Management’s assurance on it.

Management Response - The outstanding actions are underway and timeframes for completion identified. The Local Plan Examination hearings have now finished, which will enable officer time to be spent on the remaining section 106 actions. The Extensions of Time are very likely to be changed and monitored by Government,

subject to a consultation in early 2024, which is likely to be relevant to action 2 going forward.

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, Procurement, Equality & Diversity, Resident Engagement, ICT Change Control, and Events Management.

5.0 CHANGES TO THE AGREED AUDIT PLAN:

5.1 The 2023-24 Audit plan was agreed by Members at the meeting of this Committee on 16th March 2023.

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.

6.0 FRAUD AND CORRUPTION:

6.1 There were 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 months to 31st December, 257.13 chargeable days were delivered against the target of 318, which equates to 80.86% 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.

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 31-12-2023 against the agreed 2023/24 Audit Plan.
Annex 4	Balance Scorecard of KPIs to 31 st December 2023
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>GDPR within Housing – December 2023</i>		
<p>The Council should setup an organisation wide Information Audit Programme that attempts to reconcile the information contained within the Record of Processing Activities with the information contained within departmental Privacy Notices, Data Protection Impact Assessments and historic versions of Information Asset Registers to identify gaps for remedial rectification. An audit programme should also verify areas of non-compliance with documentation retention schedules.</p>	<p>The Data Protection Officer & Governance Officer will discuss and action this recommendation going forward once departments have updated the information records detailed.</p> <p>Proposed Completion Date & Responsibility</p> <p>2023/2024 - Data Protection Officer & Governance Officer</p>	<p>Management has confirmed that put a plan of action in place in the new year to set up an organisation wide Information Audit Programme.</p> <p>Recommendation Outstanding with Intent to Acton. Revised Implementation Date – April 2024.</p>
<p>The Council should undertake a DPIA on the processing and storage of personal data being processed and stored within paper-based and USB files.</p>	<p>The Council has a robust process in place in relation to USBs and the whitelisting of removable media. Before any USB is authorised the purpose and personal data to be downloaded to that USB and processed is reviewed.</p> <p>The Governance Officer will complete a DPIA for hardcopy personal information and data stored in USB files.</p> <p>Proposed Completion Date & Responsibility</p> <p>December 2023 - Governance Officer</p>	<p>Management has confirmed that it intends to implement this recommendation next year.</p> <p>Recommendation Outstanding with Intent to Action. Revised Implementation Date April 2024.</p>

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>Housing Repairs & Maintenance – December 2023</i>		
<p>Introduce a Responsive Repairs Policy or Procedure that sets out: -</p> <ul style="list-style-type: none"> - Objectives (right first time) - Links to other strategic documents such as the Corporate Plan - Roles and responsibilities - Pre-Inspection processes - Post-inspection processes - Target response times - Contract management processes - How tenants can report repairs <p>How performance will be monitored</p>	<p>As part of the development of the new responsive repairs and voids contract, all procedures will be reviewed and amended. This will then feed into the Responsive Repairs Policy. This is likely to be fully complete prior to the new contract starting in April 2025.</p> <p>Proposed Completion Date & Responsibility April 2025 Property Assets Asset Manager (FT)</p>	<p>The new contract documents are under preparation. As part of the tender package, procedures will be included which will also form the Responsive Repairs Policy and work procedure.</p> <p>Recommendation Outstanding with Intent to Action. Scheduled implementation date April 2025.</p>
<p>The Council should renew its commitment to the Rechargeable Works Policy and ensure there are adequate processes in place to identify, calculate and invoice tenants for rechargeable works. The Rechargeable Works Policy should also contain the date it was approved and last reviewed. The Council must note that any failure to take an active decision on whether or not it will chase tenants for debts related to deliberate, careless or frequent damage that tenants cause to their properties means that the Council will continue to</p>	<p>Rechargeable works process is being implemented by Property Services staff. The success of this process is to be reviewed as part of the new Responsive Repairs processes.</p> <p>Proposed Completion Date & Responsibility Ongoing Asset Manager (FT)</p>	<p>Rechargeable works orders are raised by inspectors. These are then recorded on a tracker sheet and a dedicated resource is now responsible to send the required letters and invoices.</p> <p>Work is ongoing with income to track payments made.</p> <p>Rechargeable Works Policy will be updated as part of an overall update of all policies.</p>

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.
<p>send a strong message to tenants that they do not need to look after the social housing properties that they occupy, leading to avoidable and increased levels of repairs and maintenance.</p>		<p>Recommendation Partially Implemented. Scheduled implementation date April 2025.</p>
<p><i>Planning Applications, Income & s106 – December 2023:</i></p>		
<p>The Head of Planning should set departmental targets to reduce the percentage of Extensions of Time agreements across the department annually by determining more applications within the statutory time frames.</p>	<p>Recommendation accepted. Proposed Completion Date & Responsibility July 2023 – Head of Planning (SP)</p>	<p>Management will work to implement all remaining recommendations once the Local Plan has been approved in the new year. Recommendation Outstanding with intent to action. Revised implementation date March 2024.</p>

SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS YET TO BE REVIEWED			
Service	Reported to Committee	Level of Assurance	Follow-up Action Due
Commercial Let Properties and Concessions	29-06-2023	Reasonable/Limited	Work-in-Progress
EKS – Data Management Desegregation Project	28-09-2023	Limited	Work-in-Progress
Waste Management & Street Cleansing	28-09-2023	No	Work-in-Progress
Planned Maintenance – Contract Letting and Management	07-12-2023	No	Work-in-Progress
Risk Management	04-12-2023	Reasonable/Limited	Spring 2024
Procurement	28-03-2024	Limited	Spring 2024

**PROGRESS AGAINST THE AGREED 2023-24 AUDIT PLAN
DOVER DISTRICT COUNCIL**

Review	Original Planned Days	Revised Planned Days	Actual days to 31-12-2023	Status and Assurance Level
FINANCIAL SYSTEMS:				
Car Parking & Enforcement	10	0	0	Finalised – No Assurance; Time shown under finalisation of 22-23 audits
HOUSING SYSTEMS:				
Homelessness	10	10	8.34	Finalised - Reasonable
Void Property Management	10	0	0	Covered by 22-23 Repairs and Maintenance
Contract Letting & Management	10	20	26.74	Finalised - No Assurance
Resident Involvement	10	10	1.4	Work-in-Progress
Anti-Social Behaviour	5	5	5	Finalised - Reasonable
Energy Efficiency	10	10	0	Quarter 4
HR RELATED:				
Payroll	6	6	3.31	Work-in-Progress
GOVERNANCE RELATED:				
Members' Code of Conduct & Standards	10	10	10.65	Finalised - Substantial
Local Code of Corporate Governance	10	10	10.39	Finalised - Substantial
Risk Management	10	10	10.05	Finalised – Reasonable/ Limited
Corporate Advice/CMT	2	12	12.61	Work-in-Progress
s.151 Meetings and Support	9	9	9.50	Work-in-progress
Governance Committee Meetings and Reports	12	12	13.33	Work-in-Progress
Audit Plan Preparation 24-25	9	9	3.89	Work-in-Progress
COUNTER FRAUD & CORRUPTION:				
Counter Fraud	10	10	0	Quarter 4
CONTRACT RELATED:				
Procurement	10	10	12.62	Finalised - Limited
ICT RELATED:				
Change Controls	13	13	0.54	Work-in-Progress
Cyber Security	13	13	14.85	Finalised
Physical & Environmental Controls	13	13	0	Quarter 4

Review	Original Planned Days	Revised Planned Days	Actual days to 31-12-2023	Status and Assurance Level
SERVICE LEVEL:				
Commercial Let Properties & Concessions	10	10	9.34	Finalised – Reasonable/ Limited
Community Safety	10	10	10.26	Finalised – Substantial/ Reasonable
Climate Change	5	5	0	Quarter 4
Dog Warden, Fly Tipping & Litter Enforcement	10	10	10.73	Finalised - Substantial
Electoral Registration	10	10	0	Quarter 4
Port Health	10	0	0	Postponed until 24-25
Environmental Protection Service Requests	10	10	11.63	Finalised - Reasonable
Equality & Diversity	10	10	0	Quarter 4
Events Management	8	8	2.09	Work-in-Progress
Building Control	10	10	0	Quarter 4
Waste Mgmt. & Street Cleansing	10	10	13.45	Finalised – No/ Reasonable
OTHER:				
Liaison with External Auditors	1	1	0.19	Work-in-Progress
Follow-up Work	15	15	23.16	Work-in-Progress
FINALISATION OF 2022-23- AUDITS:				
Car Parking & Enforcement	5	15	2.76	Finalised – No
Employee Health & Safety			7.14	Finalised - Reasonable
Leasehold Services			10.44	Finalised - Reasonable
VAT			0.19	Delayed at Client Request
Safeguarding			4.76	Finalised - Limited
Repairs & Maintenance & Void Property Management.			1.09	Finalised - Reasonable
GDPR Compliance within Housing			0.18	Finalised - Limited
RESPONSIVE ASSURANCE:				
Risk Management – Consultancy	0	2	2.03	Finalised – N/A
District Election 2023 – Count staff	0	0	1.27	Finalised – N/A
LUF Grant Project Assurance	0	0	0.44	Work-in-Progress
Grant Payment Query	0	0	2.76	Finalised – N/A
TOTAL	318	318	257.13	80.86%

**PROGRESS AGAINST THE AGREED 2023-24 AUDIT PLAN
EAST KENT SERVICES**

Review	Original Planned Days	Revised Planned Days	Actual days to 31/12/2023	Status and Assurance Level
EKS REVIEWS:				
Housing Benefits Administration	15	13	13.15	Finalised - Substantial
Housing Benefits Testing	20	14	13.79	Finalised - N/A
Council Tax Reduction Scheme	15	15	0.95	Work-in-Progress
Customer Services	15	8	0.12	Work-in-Progress
Transition Governance	0	15	7.15	Finalised - N/A
OTHER:				
Corporate/Committee	4	4	4.06	Ongoing
Follow Up	2	2	0.11	Ongoing
FINALISATION of 2022-23 AUDITS:				
Debtors	2	2	1.45	Finalised - Substantial
Data Management Desegregation Project	1	1	1.55	Finalised - Reasonable
Total	74	74	42.33	57.23%

Balanced Scorecard – Quarter 4

<u>INTERNAL PROCESSES PERSPECTIVE :</u>	<u>2023-24 Actual</u>	<u>Target</u>	<u>FINANCIAL PERSPECTIVE:</u>	<u>2023-24 Actual</u>	<u>Original Budget</u>
	Quarter 3		Reported Annually		
Chargeable as % of available days	87%	90%	<ul style="list-style-type: none"> • Cost per Audit Day 	£	£403.37
Chargeable days as % of planned days			<ul style="list-style-type: none"> • Direct Costs 	£	£521,918
CCC	61.63%	75%	<ul style="list-style-type: none"> • + Indirect Costs (Recharges from Host) 	£	£10,530
DDC	80.86%	75%	<ul style="list-style-type: none"> • - 'Unplanned Income' 	£	Zero
TDC	70.02%	75%			
FHDC	66.31%	75%			
EKS	57.23%	75%			
Overall	69.47%	75%	<ul style="list-style-type: none"> • = Net EKAP cost (all Partners) 	£	£532,448
Follow up/ Progress Reviews;					
<ul style="list-style-type: none"> • Issued 	46	-			
<ul style="list-style-type: none"> • Not yet due 	18	-			
<ul style="list-style-type: none"> • Now due for Follow Up 	33	-			
Compliance with the Public Sector Internal Audit Standards (PSIAS) (see Annual Report for more details)	Partial	Partial			

<u>CUSTOMER PERSPECTIVE:</u>	<u>2023-24 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2023-24 Actual</u>	<u>Target</u>
	Quarter 3		Quarter 3		
Number of Satisfaction Questionnaires Issued;	50		Percentage of staff qualified to relevant technician level	61%	60%
Number of completed questionnaires received back;	17		Percentage of staff holding a relevant higher-level qualification	50%	50%
	= 34%		Percentage of staff studying for a relevant professional qualification	0%	N/A
Percentage of Customers who felt that;			Number of days technical training per FTE	3.37	3.5
• Interviews were conducted in a professional manner	100%	100%	Percentage of staff meeting formal CPD requirements (post qualification)	50%	50%
• 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.