
Subject: QUARTERLY INTERNAL AUDIT UPDATE REPORT

Meeting and Date: Governance Committee – 26th September 2024

Report of: Christine Parker – Head of Audit Partnership

Portfolio Holder: Councillor S Blair

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 30th June 2024.

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 five internal audit assignments completed during the period, which are summarised in the table in section 2 of the report.
- 2.8 In addition five follow-up reviews have been completed during the period, which are detailed in section 3 of the quarterly update report.
- 2.9 For the three-month period to 30th June, 85.14 chargeable days were delivered against the target of 318, which equates to 26.77% 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 2024-25 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 2024-25 - Previously presented to and approved at the 28th March 2024 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 June 2024.

2. SUMMARY OF REPORTS:

Service / Topic		Assurance level	No. of Recs. *	
2.1	Scheme of Officer Delegations	Substantial	Critical High Medium Low	0 0 0 0
2.2	Coastal Management	Substantial	Critical High Medium Low	0 0 0 3
2.3	EKS/Civica – Customer Services	Substantial	Critical High Medium Low	0 0 0 0
2.4	EKS/Civica – Housing Benefit Appeals	Substantial	Critical High Medium Low	0 0 0 0
2.5	Garage Management	Limited	Critical High Medium Low	0 13 4 4

*For Assurance and Recommendation priority definitions see Annex 5

2.1 Scheme of Officer Delegations – Substantial Assurance

2.1.1 Audit Scope

To provide assurance that the approved Scheme of Delegations complies with any national guidance and best practice, is adequately advised to Officers and Councillors and that it is being complied with.

2.1.2 Summary of Findings

Under the Local Government and Housing Act 1989 the Monitoring Officer is responsible for the operation of the Councils Constitution; the Scheme of Delegations forms part of this document.

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

- The scheme of officer delegations is well documented and approved in accordance with the Council's Constitution.
- The scheme is complied with.
- Training needs are identified and met.
- Information is readily available to the public and updated on a regular basis.

2.2 Coastal Management – 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 following business objectives are met:

1. To reduce the risk to people and the developed and natural environment from flooding and coastal erosion by encouraging the provision of technically, environmentally and economically sound and sustainable defence measures;
2. To support the provision of adequate and cost effective flood warning systems.
3. To support the provision of adequate, economically, technically and environmentally sound and sustainable flood and coastal defence measures.
4. To discourage inappropriate development in areas at risk from flooding and coastal erosion.

2.2.2 Summary of Findings

Coastal management is to provide defence against flooding and erosion, and techniques that stop erosion to claim lands. Changes in sea level damage beaches and coastal systems and are expected to rise at an increasing rate, causing coastal sediments to be disturbed by tidal energy.

Dover District Council have Shoreline Management Plans (SMPs) in place which are technical documents that consider how to manage the influence of coastal processes on the natural and human environment. They focus on how to manage the risk from flooding and erosion. Kent County Council and the Port of Dover have responsibility for much of the coastline in the area, however Dover District Council have some responsibility for beach management and the inspection of 'furnishings' (monuments, benches etc.) along the coastline.

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

- There are clear Shoreline Management Plans in place, including long-term objectives.
- All policies and action plans for this area of coastline are available to both the public and staff.
- Emergency response plans are in place and have been agreed with the Environment Agency.
- Social and economic benefits are considered alongside coastal management.
- The Council keeps up to date with DEFRA and Environmental Agency guidance.
- East Kent Engineering Partnership (EKEP) are used for all coastal management jobs where additional expertise is needed.

Scope for improvement was however identified in the following areas:

- The documentation in respect of any beach inspections completed should be retained.
- The inspection and repair of monuments and statues should be reintroduced.
- The time taken to repair any defects found should be prioritised.

2.3 EKS/Civica Customer Services – Substantial Assurance

2.3.1 Audit Scope

To ensure that the processes and procedures established by EK Services are sufficient to provide the level of service required by the partner councils and incorporate relevant internal controls regarding the interface with the public to respond to customer enquiries and requests for service via e-mail/internet, post, telephone and face-to-face (if available) contact points and especially the controls and safety of officers at remote offices (if applicable).

2.3.2 Summary of Findings

This audit has been undertaken to provide assurance that the adequacy and effectiveness of the procedures and controls established by CIVICA are sufficient to provide the level of service required by the partner councils and incorporate relevant internal controls regarding the interface with the public to respond to customer enquiries and requests for service.

CIVICA currently operates as a 'one team' model with 67 officers within the Customer Services function, including managers and a small system admin/ support team. However there are not any staff dedicated to individual partner Councils, all staff deal with work and queries relating to multiple sites.

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

- The Service Level Agreement between each Council and Civica is well documented and includes clear expectations and performance measures which CIVICA are required to meet.

- Civica has suitable arrangements in place for ensuring that they are able to deliver services and still make improvements in the way services are delivered in the short and medium term.
- Suitable training is given to staff to ensure that the customer service function is delivered in line with the service plan and the objectives of each Council.
- Suitable arrangements are in place to ensure compliance with data protection regulations at front desks.
- Suitable measures were found to be in place to ensure that staff working on front desks are protected.
- The number of officers available to deal with enquiries should be matched with 'peaks and troughs' in demand for the service.
- Appropriate measures are taken to ensure that sufficient officers are available to deal with varying levels of customer contacts at different times of each month across the hole of the year so that CIVICA are able to meet the levels of performance required under the service standards.

2.4 EKS/Civica Housing Benefit Appeals – Reasonable Assurance

2.4.1 Audit Scope

To ensure that the processes and procedures undertaken by CIVICA are sufficient to provide the level of service required by the partner Councils and these incorporate relevant internal controls to ensure that appeals by members of the public against their Housing Benefit awards are conducted in a fair and consistent manner and are in line with Housing Benefit guidance from the DWP.

2.4.2 Summary of findings

Any person affected by a relevant decision can ask the Council to revise its decision as per the Housing Benefit (Decision and Appeals) Regulations 2001. They can appeal against the Council's decision, to an independent appeal tribunal if they are not satisfied with the LA's response to the dispute. The Tribunal Service is an independent body that makes decisions that are binding on the Local Authority. The decision is made by a panel; with the claimant present if they wish.

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

- A central record is maintained to track the status of all appeals received.
- Suitably detailed information is made available to claimants to inform them of their rights to appeal any decision made in respect of their Housing Benefits claim.
- There are effective controls in place to ensure that appeals are dealt with on a consistent basis.
- All claimants are being kept informed on the status of their appeal.
- CIVICA has a specific officer to undertake the appeals process.

2.5 Garage Management – Limited Assurance

2.5.1 Audit Scope

To provide assurance on the processes and procedures that are in place to effectively manage the Council's stock of garages and ensure that they are kept in a good state of repair and the rental payments are properly received and accounted for.

2.5.2 Summary of findings

The Council manages a portfolio of approximately:

- 867 Standard Garages;
- 7 Leasehold Garages; and
- 10 Scooter Storages.

Currently 477 garages have been let across the district and there are 121 garages that are ready to be let. Work is to begin shortly on letting the empty garages with those on the waiting list to offered them first before opening up the waiting list.

The audit has been timed to both recognise improvements and changes introduced by Housing that assist the Council on focusing on maximising income by letting previously vacant garages. To further enhance work underway an action plan has been agreed that will assist in delivering control improvements, with a view to the management of garages becoming reasonable assurance overall hopefully at the time of the follow up review.

Management can place Limited Assurance on the system of internal controls in operation and scope for improvement was identified in the following areas:

- Consideration should be given to putting in place a strategy in respect of garages to support the current processes for garage management (i.e. insurance, repairs) and the garage licence agreement.
- Approximately 94 garages are being used as storage facilities for evicted tenant's possessions and some have been used for a considerable period of time. This needs to be addressed and the garages should be cleared and made available for letting again. There are also possible insurance implications regarding this that may need to be addressed.
- A reconciliation exercise needs to be carried out between the three databases (i.e. Logotech) and the garage rent system to ensure that the records agree and all of the garages are accounted for correctly and then the agreed figure should be reported to the Insurance Officer to support the Councils insurance policy.
- Processes should be put in place to ensure that when a right to buy has been completed that where the former Council tenant rents a garage that the weekly rental figure is revised to reflect them no longer being a Council tenant.
- The next setting of the fees and charges should consider setting the rates for non-Council tenants at a higher level that factors in the treatment of VAT and will mean that the Council gets the same income from both Council and non-Council tenants.
- Re-consider if the garage stock should be included on the Council insurance policy as part of the annual review of insurance.
- As part of the bedding in of the new processes across Housing for garages consideration should be given to developing a planned maintenance programme of works, or at least identify the types of works that should be considered (i.e. As per the garage license)

Effective control was however evidenced in the following areas:

- Procedure notes are in place to assist officers in processing applications, returns and day to day processes for the payments and also chasing for outstanding monies.

- 121 Garages are ready to let, processes are in place to start letting them out thus bringing in additional income into the Council. (If all of the garages were let in the garage stock then this would generate approximately £850,000 income for the Council each financial year).
- The tenancy agreement correctly states who has the responsibility for repairs and maintenance and insurance.
- Processes are in place as per the tenancy agreement, for when a termination of a garage let is carried out.
- Garage performance indicator HOM008 states that the total garage arrears as a % of annual rental income (GF) shows no issues in the amount of arrears as the latest figure stood at 0.07%.

Management Response

We accept the findings of the audit, and thank the team for their recommendations. The Management of the garages has only come into the Housing area during the last 9 months, and we are aware of the improvements which need to be made to the administration of this service in order to make best use of this Council asset. The policy and procedures relating to the garage management are already in the Policy Team workplan, and these recommendations will support the development of these policies and procedures. The report acknowledges the progress which has already been made, and the implementation of the recommendations will further support these improvements to the service.

Head of Housing

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) Commercial Let Properties and Concessions	Reasonable /Limited	Reasonable /Limited	Critical	0	0
			High	4	3
			Medium	2	1
			Low	3	0
b) Community Safety	Substantial/ Reasonable	Substantial/ Reasonable	Critical	0	0
			High	4	3
			Medium	3	0
			Low	0	0
c) Procurement	Limited	Reasonable	Critical	0	0
			High	2	0

Service/ Topic	Original Assurance level	Revised Assurance level	Original Number of Recs		No of Recs. Outstanding
			Medium	5	1
			Low	2	0
d) Equality and Diversity	Reasonable	Reasonable	C	0	0
			H	0	0
			M	0	0
			L	2	2
e) Housing ASB	Reasonable	Reasonable	C	0	0
			H	2	2
			M	3	3
			L	2	2

*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.

a) Commercial Let Properties and Concessions - Staff resource issues have hindered the progress of implementing most of the high risk recommendations. This in turn, has impacted upon the improvement of the councils Let Properties and Concessions process since the audit was finalised in June 2023. Management have recognised this and provided updated implementation by dates for those outstanding recommendations to ensure further improvement can be achieved.

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, Planning Enforcement,

ICT Cyber Event PER, Cash Collection, Income and Bank Rec, and White Cliffs Countryside Partnership.

5.0 CHANGES TO THE AGREED AUDIT PLAN:

- 5.1 The 2024-25 Audit plan was agreed by Members at the meeting of this Committee on 28th March 2024.
- 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 three-month period to 30th June, 85.14 chargeable days were delivered against the target of 318, which equates to 26.77% plan completion.
- 7.2 The financial performance of the EKAP is currently on target at the present time.
- 7.3 Thee 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 30-06-2024 against the agreed 2024/25 Audit Plan.
- Annex 4 Balanced Scorecard of KPIs to 30th June 2024.
- 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>Commercial Let Properties & Concessions – June 2024</i>		
<p>A new asset management plan / strategy that contains objectives which are linked to the new Corporate Objectives approved by the new cabinet plus any accompanying policies and procedures such as a policy on acquisitions and disposals, should be considered by CMT and adopted by the new Cabinet.</p>	<p>It is anticipated that the incoming Head of Service will review the draft Asset Management Plan and present it to CMT and Cabinet.</p> <p>Proposed Completion Date & Responsibility: April 2024 – Asset Manager (FT)</p>	<p>The basis of a new Asset Management Strategy exists (and is available upon request) but is yet to be finalised.</p> <p>This work sits alongside a new Business Plan for the department which will sit alongside the new Corporate Plan that was adopted by the Council in November 2023. The new Business Plan is still in production with completion by end of July 2024, the AMS will follow the business plan.</p> <p>Alongside the above the work the Council’s Principal Valuer recently retired (May 2024). A New Principal Valuer has been appointed and will be given the opportunity to develop, review and implement the new AMS themselves, alongside the Head of Service. The draft plan will then be presented to CMT and Cabinet for adoption with any new policies or procedures.</p> <p>Outstanding with revised completion date: April 2025.</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>Once the new asset management plan / strategy has been adopted new KPIs should be introduced that measure success against the objectives contained within the new asset management plan / strategy. For example, performance indicators that measure the effectiveness of let properties and concessions to support tourism, economic growth and sustainability, inward investment, heritage and climate change objectives.</p>	<p>KPI's recommended by CIPFA were not found to be useful. These will be looked at by the new Head of Service.</p> <p>Proposed Completion Date & Responsibility: April 2025 – Asset Manager (FT)</p>	<p>Please see response above.</p> <p>Outstanding with revised completion date: April 2026.</p>
<p>The Council should review the entire arrangements in place for the pavilion at Crabble Rugby Club to ensure: -</p> <ul style="list-style-type: none"> • Property valuation is up to date. • The rental liability correctly shows on the Tech One system. • Any rental liability owed since August 2022 is billed for. • Any overdue rent review is carried out. 	<p>These matters will all be checked by 31 August 2023.</p> <p>Proposed Completion Date & Responsibility: 31 August 2023 - Asset Manager (FT)</p>	<p>New Principal Valuer is undertaking review of licence and lease for Pavilion and ground, work on this has begun but there is potentially a significant amount of work needed to conclude this process. Principal Valuer is working with Head of Parks, Open Spaces and Countryside.</p> <p>Outstanding with revised completion date: Summer 2025.</p>
<p><i>Community Safety – July 2024:</i></p>		
<p>The Strategic Assessment should be presented to the Overview and Scrutiny Committee as they are acting</p>	<p>This will be discussed with democratic services and moving forward ensure this is added to the agenda annually.</p>	<p>An updated Strategic Assessment needs to be completed. This will be raised as an action at the next CSP Executive meeting</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>as the Council's Crime & Disorder Committee.</p>	<p>Proposed Completion Date/ Responsibility: April 2024 -Community Safety and Resilience Manager (DP) / Community Services, Asylum and Transport Manager (ST)</p>	<p>and ensure it links in with the County assessment. Outstanding with Revised Completion Date of December 24</p>
<p>An Anti-Slavery Policy Statement should be put in place and include a statement regarding Modern Day Slavery which should then be presented to the relevant committee for approval each year.</p>	<p>This has been added to the draft safeguarding policy which is still to go through HR and Cabinet approval. We will work with legal to ensure a draft policy statement is prepared in advance of the next committee. Proposed Completion Date/ Responsibility: April 2024 -Community Safety and Resilience Manager (DP) / Community Services, Asylum and Transport Manager (ST)</p>	<p>Both the safeguarding and PiPot policy have been drafted and likely to go to Cabinet in September. This has been delayed as the policies are entering Cabinet as part of a suite of new and revised policies along with housing. Partially Implemented with Revised Completion date September 24</p>
<p>Once the Anti-Slavery Policy has been approved it should be communicated to all persons working for the District Council or on behalf of the Council in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, agents, contractors and suppliers.</p>	<p>As above once approved it will be disseminated and place on external website and staff hub as well as included in newsletters and procurement to include in any service supplied. Proposed Completion Date/ Responsibility: April 2024 -Community Safety and Resilience Manager (DP) / Community Services, Asylum and Transport Manager (ST)</p>	<p>As above once approved it will be disseminated and place on external website and staff hub as well as included in newsletters and procurement to include in any service supplied. Partially Implemented with Revised Completion date September 24</p>
<p><i>Housing ASB – September 2024</i></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>Consideration should be given to presenting the Housing Services Neighbour Nuisance and Anti-Social Behaviour Policy to the Council's Overview and Scrutiny Committee on an annual basis as they are acting as the Council's Crime & Disorder Committee and they are required by legislation to oversee work on community safety.</p>	<p>The Housing Services Neighbour Nuisance and Anti-Social Behaviour Policy will be presented to the Council's Overview and Scrutiny Committee on an annual basis when they sit as the Council's Crime & Disorder Committee.</p> <p>Proposed Completion Date / Responsibility: May 2024 – Housing Operations Manager</p>	<p>The updated version of the ASB policy is currently going through Legal Services. Once this is published, it would be ideal to present it to the Council's Overview and Scrutiny Committee.</p> <p>Partially Implemented with Revised Completion date November 2024.</p>
<p>Consideration should be given to presenting the Customer Alerts Policy to the Council's Overview and Scrutiny Committee on an annual basis as they are acting as the Council's Crime & Disorder Committee and they are required by legislation to oversee work on community safety.</p>	<p>Agreed. Customer Alerts Policy to be presented to the Council's Overview and Scrutiny Committee on an annual basis when they sit as the Council's Crime & Disorder Committee.</p> <p>Proposed Completion Date / Responsibility: May 2024 – Housing Operations Manager</p>	<p>Overview and scrutiny committee sitting on 9 September 2024 the Housing Operations Manager has requested attendance and the opportunity to present the customer alerts policy to the overview and scrutiny committee.</p> <p>Partially Implemented with Revised Completion date November 24</p>

SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS YET TO BE REVIEWED			
Service	Reported to Committee	Level of Assurance	Follow-up Action Due
EKS – Data Management Desegregation Project	28-09-2023	Limited	Work-in-Progress
Garage Management	26-09-2024	Limited	Autumn/Winter 2024

**PROGRESS AGAINST THE AGREED 2024-25 AUDIT PLAN
DOVER DISTRICT COUNCIL**

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-24	Status and Assurance Level
FINANCIAL SYSTEMS:				
Treasury Management	10	10	0	Quarter 3
Creditors & CIS	10	10	6.48	Work-in-progress
Main Accounting System	10	10	0	Quarter 3
Income, Cash Collection & Bank Rec	10	10	0.18	Work-in-progress
HOUSING SYSTEMS:				
Decent Homes & Stock Condition	10	10	0	Quarter 4
Garage Management	8	8	12.76	Finalised - Limited
Rent Accounting, Collection & Recovery	10	10	0	Work-in-progress
Rechargeable Works	10	10	0	Work-in-progress
Tenancy Fraud	10	10	0	Quarter 2
HR RELATED:				
Apprenticeships	10	10	0	Quarter 3
Employee Benefits-in-Kind	3	3	0	Work-in-progress
Payroll	3	3	0	Work-in-progress
GOVERNANCE RELATED:				
Scheme of Officer Delegations	8	8	8.76	Finalised - Substantial
Project Management	10	10	0	Quarter 4
Corporate Advice/ CMT	2	12	2.38	Work-in-Progress
s.151 Meetings and Support	9	9	5.21	Work-in-progress
Governance Committee Meetings and Reports	12	12	4.32	Work-in-Progress
Audit Plan Preparation 25-26	9	9	0	Quarter 4
COUNTER FRAUD & CORRUPTION:				
Data Analysis	8	8	0	Quarter 2
Duplicate Creditor Testing	2	2	0	Work-in-progress
CONTRACT RELATED:				
Service Contract Management	10	10	0	Quarter 4
ICT RELATED:				

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-24	Status and Assurance Level
ICT – Cyber Security Post Event Review	14	14	0.88	Work-in-Progress
ICT - Physical and Environmental	14	14	0	Quarter 4
SERVICE LEVEL:				
Commercial & Operational Properties - Compliance	10	10	0	Quarter 2
Coastal Management	10	10	18.29	Finalised - Substantial
Community Grants	10	10	0	Quarter 3
Climate Change	5	5	0	Quarter 3
Port Health	10	10	0	Quarter 4
Planning Enforcement	10	10	2.98	Work-in-Progress
Business Continuity & Emergency Planning	10	10	0	Quarter 4
Playgrounds	10	10	0	Quarter 4
Building Control	10	10	0	Quarter 4
White Cliffs Countryside Project	10	10	3.39	Work-in-Progress
OTHER:				
Liaison with External Auditors	1	1	0.14	Work-in-Progress
Follow Up Work	15	15	5.82	Work-in-Progress
FINALISATION OF 2023-24- AUDITS:				
Resident Engagement	5	5	0.65	Finalised -Substantial
Equality & Diversity			3.18	Finalised - Substantial
RESPONSIVE ASSURANCE:				
LUF Grant – Project Assurance	0	0	0.07	Work-in-Progress
Grievance Investigation	0	0	8.11	Work-in-Progress
Elections	0	0	1.54	Finalised
TOTAL	318	318	85.14	26.77%

**PROGRESS AGAINST THE AGREED 2024-25 AUDIT PLAN
EAST KENT SERVICES**

Review	Original Planned Days	Revised Planned Days	Actual days to 30/06/2024	Status and Assurance Level
EKS REVIEWS:				
Housing Benefits Overpayments	16	16	0.26	Quarter 2
Housing Benefits Appeals	16	16	4.23	Work in progress
Business Rates / Reliefs & Credits	16	16	0.27	Quarter 3
Customer Services	16	16	13.30	Finalised - Substantial
OTHER:				
Corporate/Committee	5	5	0.54	Ongoing
Follow Up	3	3	0.99	Ongoing
FINALISATION of 2023-24 AUDITS:				
Council Tax Reduction Scheme	1	1	0.07	Finalised - Substantial
Transition Project Governance	1	1	0.14	Finalised - N/A
Total	74	74	19.80	26.76%

Balanced Scorecard to 30th June 2024

Annex 4

INTERNAL PROCESSES PERSPECTIVE :	2024-25 Actual	Target	FINANCIAL PERSPECTIVE:	2024-25 Actual	Original Budget
	Quarter 1		Reported Annually		
Chargeable as % of available days	86%	90%	<ul style="list-style-type: none"> • Cost per Audit Day 	£-	£428.41
Chargeable days as % of planned days			<ul style="list-style-type: none"> • Direct Costs 	£-	£554,972
CCC	24.91%	25%	<ul style="list-style-type: none"> • + Indirect Costs (Recharges from Host) 	£-	£10,530
DDC	26.77%	25%	<ul style="list-style-type: none"> • - 'Unplanned Income' 	-£-	Zero
TDC	23.89%	25%	<ul style="list-style-type: none"> • = Net EKAP cost (as billed all Partners) 	£-	£565,502
FHDC	21.03%	25%			
EKS	26.76%	25%			
Overall	24.71%	25%		Reported Annually	
Follow up/ Progress Reviews;					
<ul style="list-style-type: none"> • Issued 	18	-			
<ul style="list-style-type: none"> • Not yet due 	21	-			
<ul style="list-style-type: none"> • Now due for Follow Up 	37	-			
		-			
Compliance with the Public Sector Internal Audit Standards (PSIAS)	Generally Conforms	(the top rated score possible)			

Balanced Scorecard to 30th June 2024

Annex 4

<u>CUSTOMER PERSPECTIVE:</u>	<u>2024-25 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2024-25 Actual</u>	<u>Target</u>
	Quarter 1		Quarter 1		
Number of Satisfaction Questionnaires Issued;	16		Percentage of staff qualified to relevant technician level	75%	50%
Number of completed questionnaires received back;	7		Percentage of staff holding a relevant higher-level qualification	36%	36%
	= 44%		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	0.65	3.5
<ul style="list-style-type: none"> • Interviews were conducted in a professional manner • The audit report was 'Good' or better • That the audit was worthwhile. 	100%	100%	Percentage of staff meeting formal CPD requirements (post qualification)	36%	36%
	100%	90%			
	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.