
Subject: QUARTERLY INTERNAL AUDIT UPDATE REPORT

Meeting and Date: Governance Committee – 26 September 2013

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 30 June 2013

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, together with details of the performance of the EKAP to the 30th June 2013.

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. Attached as Appendix 1 to the EKAP report is a summary of the Action Plans agreed in respect of the reviews covered during the period.
- 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 Appendix 2 to the EKAP report.
- 2.5 The purpose of the Council's Audit 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 reports that have been completed during the period, of which six reviews were classified as providing Substantial Assurance. The remaining piece of work was of a nature for which an assurance level is not applicable i.e. quarterly housing benefit claim testing. Summaries of the report findings and the recommendations made are detailed within Annex 1 to this report.
- 2.8 In addition eight 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 2013, 51.18 chargeable days were delivered against the planned target of 300, which equates to 18.96% 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 2013-14 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 2013-14 - Previously presented to and approved at the 14th March 2012 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 2013.

2. SUMMARY OF REPORTS:

Service / Topic		Assurance level
2.1	Disabled Facilities Grants	Substantial
2.2	Business Continuity and Emergency Planning	Substantial
2.3	CCTV	Substantial
2.4	Dover Museum and Visitor Information Arrangements	Substantial
2.5	EK Services - Network Security	Substantial
2.6	Members' Code of Conduct & Standards Arrangements	Substantial
2.7	EK Services – Housing Benefit Quarterly Testing (Qtr 1 of 2013-14)	Not Applicable

2.1 Disabled Facilities Grants – Substantial Assurance:

2.1.1 Audit Scope

To ensure that Disabled Facility Grants are efficiently and effectively administered to maximise the funds available to make the most difference to those in need of the scheme.

2.1.2 Summary of Findings

The Disabled Facilities Grants process is generally working well and most of the expected controls are effective. Positive action is taken to control risk and monies are being recovered in accordance with the grant conditions, sundry debtor invoices should be raised and passed to the solicitors as part of the recovery of the outstanding grant monies. This would be a good accounting practice and in compliance with the Financial Procedure Rules. Currently this process is not in place.

2.2 Business Continuity & Emergency Planning – 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 adequate arrangements to enable it to continue providing core services in the event of a loss of data and/or facilities (ICT provision, telephony and accommodation, etc) at the main offices and to fulfil its statutory obligations under the Civil Contingencies Act 2004 in planning for and responding to emergencies.

2.2.2 Summary of Findings

With the introduction of the Civil Contingencies Act 2004 responsibility for all emergency planning activities was delegated to Local Authorities. To ensure the Authority fulfils its obligations it has entered into a three-year service level agreement with Kent County Council.

The Council operates a weekly rota for the Emergency Activation Officers and the Incident Liaison Officers who deal with emergency calls, these Officers review each situation and take appropriate action.

A copy of the major emergency plan is held securely in a locked cupboard outside the Emergency Centre at the Council. The plan is readily available on the Council's intranet and Internet pages. A 'grab bag' is given to the Incident Liaison Officer on call and included in this is a copy of the major emergency plan.

All of the expected controls and procedures were therefore found to be in place and consistently adhered to.

2.3 CCTV – Reasonable Assurance:

2.3.1 Audit Scope

To ensure that the CCTV operation is undertaken in accordance with the Code of Practice and all prevailing legislation such as the Data Protection Act and the Human Rights Act.

2.3.2 Summary of Findings

The CCTV operation is working well and the expected controls are effective.

The CCTV operation covers the cameras at Dover, Deal and Sandwich. The control room is situated in Dover town centre and the cameras record 24 hours a day 365 days. The control room is manned on a shift basis providing the following cover: -

Monday – Thursday	09.00 – 24.00
Friday – Saturday	09.00 – 03.00
Sunday	09.00 – 17.00

There is a reciprocal agreement in place between the Kent Authorities to undertake CCTV peer reviews for each other. In addition to this the Council has 3 volunteer lay visitors that periodically visit the control room to ensure compliance with the Code of Practice.

The Code of Practice was reviewed and updated in April 2013 and this version has been published on the Council's intranet and webpage. Previously the Code had been reviewed in September 2012.

The current maintenance contract was initially awarded in 1999 for a three year period with an option to extend for a further two years. However, to date the contractor is still employed by the Council and the contract has not been reviewed to ensure the Council is receiving value for money and the contractor is fulfilling the Council's requirements. The Community Safety, CCTV and Parking Manager is currently reviewing the maintenance contract for re-tendering with a start date of March 2014.

2.4 Dover Museum and Visitor Information Arrangements – Substantial Assurance:

2.4.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the Council's Museum and Visitor Information Arrangements are operated in an efficient and effective manner which safeguards Council assets (exhibits, income, stock, reputation etc.) and minimises risk.

2.4.2 Summary of Findings

The Dover Museum and Visitor Information processes are working extremely well. A sound system of control is currently being managed and achieved over both the Dover Museum and visitor information arrangements. Working practices and established procedures adequately safeguard the Council assets of exhibits, income, and stock and effectively manage the associated risks identified within this report.

The tourism and Dover Museum websites are very informative, have excellent links within the sites and are logical and easy to navigate around. The website information is of a high quality and portrays a very professional image of the Council, Dover Museum and visitor services.

2.5 EK Services – ICT Network Security – Substantial Assurance:

2.5.1 Audit Scope

To ensure that the procedures and internal controls established by EK Services are sufficient to provide an effective, efficient, secure and economical ICT service to the three partner authorities of Canterbury CC, Dover DC and Thanet DC. An important aspect of this being the network security being provided on behalf of the partners.

2.5.2 Summary of Findings

The function of network security for Canterbury City Council, Dover District Council and Thanet District Council has been delegated to EK Services as part of the ICT function.

The Network & Security Team is a small team of three officers who are responsible for managing the authorities' networks. The team are proficient in ensuring that the controls are in place to ensure that the networks are secure.

Although the individual authorities have their own policies and guidance on information security and ICT access, these are not up to date and ideally one comprehensive policy on ICT usage should be developed for all partners to follow.

2.6 Members' Code of Conduct & Standards Arrangements – Substantial Assurance:

2.6.1 Audit Scope

To provide assurance that the key controls and operating procedures surrounding the Member Code of Conduct, Protocol for Officer/Member relations and Standards arrangements are found to be operative throughout the year.

2.6.2 Summary of Findings

The audit focused on the controls in place that ensure Councillors are provided with sufficient guidance, protocols, training and procedures to ensure probity whilst undertaking their elected responsibilities.

Code of Conduct:

The Council is effective in its ability to raise awareness of the Code of Conduct and the ability to promote it online and through other avenues such as the Constitution and the Councillor Induction Process.

During examination of the Code of Conduct it was found that there is currently no guidance relating to the use and risks associated with social media. Whilst only two members currently actively participate in the use of social media as a communication tool, it is generally accepted that use of social media will continue to increase. Some guidance has therefore been developed by the Auditor and passed to the Monitoring Officer in order to help the Council develop its own guidance which should help raise awareness of the risks associated with misconceived and misunderstood messages published on social media websites.

Disclosure of Interests:

Individual Registers of Pecuniary Interests are now a requirement by law under the Localism Act 2011. Records for each Councillor were very well documented and the processes in place for assisting and monitoring were adequate and effective. The Council also gives Councillors every opportunity to disclose interests at each Council Committee meeting and these interests are well documented within the minutes of meetings.

Standards Arrangements:

The Standards arrangements have recently changed due to the introduction of the Localism Act 2011. The Monitoring Officer, in consultation with an Independent Person, now initially assesses all complaints received. The established processes and decisions made were all well documented. The complaint handling process was well controlled bearing in mind one officer from one service area controls the acknowledgement of complaints and then a second officer from another service area assists with the second stage of the complaint assessment process.

2.7 EK Services Housing Benefit Quarterly Testing (Quarter 1 of 2013-14):

- 2.7.1 Over the course of the 2013/14 financial year the East Kent Audit Partnership will be completing a sample check of council tax, rent allowance, rent rebate and Local Housing Allowance benefit claims to support the External Auditor's verification work.

For the first quarter of 2013/14 financial year (April to June 2013) 20 claims including new and change of circumstances of each benefit type were selected by using Excel software to randomly select the various claims for verification.

In total 20 benefit claims were checked and of these two were found to have failed the criteria set by the former Audit Commission's verification guidelines; additionally another claim failed on data quality however this does not affect either the amount payable to the claimant nor the Council's subsidy claim

3.0 FOLLOW UP OF AUDIT REPORT ACTION PLANS:

3.1 As part of the period's work, eight 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)	'Your Leisure' Arrangements	Reasonable /Substantial	Reasonable /Substantial	H M L	0 2 0	H M L	0 1 0
b)	East Kent Housing – Tenancy & Estate Management	Reasonable	Reasonable	H M L	1 7 9	H M L	0 1 1
c)	Bank Reconciliation	Substantial	Substantial	H M L	0 0 1	H M L	0 0 0
d)	Environmental Protection Service Requests	Substantial	Substantial	H M L	0 0 1	H M L	0 0 0
e)	Housing Allocations	Reasonable	Substantial	H M L	1 3 0	H M L	0 1 0
f)	Commercial Properties and Concessions	Reasonable	Reasonable	H M L	1 8 1	H M L	0 4 0
g)	EK Services – ICT Physical & Environmental	Reasonable	Reasonable	H M L	4 6 3	H M L	3 2 0
h)	EK Services – ICT Procurement & Disposal	Reasonable	Reasonable	H M L	1 4 1	H M L	0 1 0

3.2 Details of each of the individual high priority recommendations outstanding after follow-up are included at Appendix 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.

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: Housing Repairs and Maintenance, Insurance and Inventories of Portable Assets. Right to Buy, Environmental Protection, and Planning.

5.0 CHANGES TO THE AGREED AUDIT PLAN:

- 5.1 The 2013-14 Audit plan was agreed by Members at the meeting of this Committee on 14th March 2013.
- 5.2 The Head of the Audit Partnership meets on a regular basis with the 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 have been made to the plan during the course of the year as some high profile projects or high-risk areas have been 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 Appendix 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 2013, 51.18 chargeable days were delivered against the planned target of 270, which equates to 18.96% plan completion.
- 7.2 The financial performance of the EKAP is currently on target at the present time.
- 7.3 As part of its commitment to continuous improvement and following discussions with the s.151 Officer Client Group, the EKAP has improved on the range of performance indicators it records and measures. The performance against each of these indicators for Quarter 1 of 2013-14 is attached as Annex 4.
- 7.4 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
- Annex 3 Progress to 30th June 2013 against the agreed 2013/14 Audit Plan.
- Annex 4 EKAP Balanced Scorecard of Performance Indicators to 30th June 2013.
- Annex 5 Assurance statements

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

Original Recommendation	Agreed Management Action , Responsibility and Target Date	Manager's Comment on Progress Towards Implementation.
EK Services – ICT Physical & Environmental		
<p>The three partner authorities should work with EK Services to agree an up to date single solution IT Security Policy.</p>	<p>EK Services: ICT are working on developing a single IT security policy. It is at investigation stage and should be completed by March 2013</p> <p>Responsibility/Completion date.</p> <p>March 2013, Network & Security Manager</p>	<p>Follow Up Findings as at 1st July 2013</p> <p>EKS ICT – the operational work, including compliance related issues, have delayed this. The revised date is the end of 2013, with the Removable Media element due July 2013, for which a TDC NetConsent policy has already been issued. In addition Dover DC has set up a 'Personal Data and Information Security Project'.</p>
<p>EK Services IT should ensure that Netconsent is set up so that staff are annually required to read and accept the IT Security Policy.</p>	<p>EK Services: This will be an established process documented within the single policy</p> <p>Responsibility/Completion date.</p> <p>March 2013, Network & Security Manager</p>	<p>Follow Up Findings as at 1st July 2013</p> <p>Netconsent is now operational across all partner domains and policies can have their own 'renewal frequency' set. The Internet Security Policy will slot into this when ready.</p>
<p>Each partner authority should ensure that all security ID cards are issued to a specific named person and their photo put on the pass to ensure that all people with a current pass can be identified; with the exception of 'day' visitors.</p>	<p>Dover – ID cards will be issued to a specific person to include a photo if on the premises for longer than a week.</p> <p>Thanet - a request will be made for each department, partner group to provide a budget against which visitors who attend for more than a week can be given a photo on their ID security card.</p> <p>Canterbury - Our policy on the issue of ID</p>	<p>Follow Up Findings as at 1st July 2013</p> <p><u>Dover</u> – this task is part of the work of the "Personal Data and Information Security Project" and is being completed.</p> <p><u>Thanet</u> - restricted cards are issued to visitors i.e. do not allow access weekends etc. and can be day limited where required. If there are any major works cards are issued and the team leader (clerk of works) is instructed to retrieve</p>

SUMMARY OF HIGH PRIORITY RECOMMENDATIONS OUTSTADING 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>cards is that all permanent staff have a photo card, temp staff who are here for less than a year have a "Temp" Card and contractors have a day card issued by Reception – neither of these have photos. The cards that do not have a photo can be tracked by the serial number on the back and we record in a book who they have been issued to. These cards are also set to deactivate on an agreed date. We do not wish to issue photo cards for temps and contractors as there will be an additional cost because these cards are reusable. Cost per card is £10 including staff time, printing and materials. Furthermore, we also only have one member of staff available to produce ID cards which could be a problem if contractors turn up unannounced or unplanned for.</p> <p>Responsibility/Completion date. March 2013, Partner Authority Client Officers</p>	<p>them and is responsible for access.</p> <p><u>Canterbury</u> – in addition to the above action Canterbury will introduce photo ID for contractors and temporary staff by September 2013.</p>

SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS STILL TO BE REVIEWED				
Service	Reported to Committee	Level of Assurance	Management Action	Follow-up Action Due
CSO Compliance	June 2012	Limited	On-going management action in progress to remedy the weaknesses identified.	As part of planned audit in 2013-14
VAT Compliance	March 2013	Reasonable/ Limited	On-going management action in progress to remedy the weaknesses identified.	Work in Progress
Data Protection Compliance	March 2013	Reasonable/ Limited	On-going management action in progress to remedy the weaknesses identified.	Work in Progress
EK Services – Software Licenses	June 2013	Limited	On-going management action in progress to remedy the weaknesses identified.	Quarter 2 2013-14
Absence Management	June 2013	Limited	On-going management action in progress to remedy the weaknesses identified.	Quarter 2 2013-14

PROGRESS AGAINST THE AGREED 2013-14 AUDIT PLAN.

DOVER DISTRICT COUNCIL:

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
FINANCIAL SYSTEMS:				
Capital	5	5	0	Quarter 3
Treasury Management	5	5	0	Quarter 3
Main Accounting System	5	5	0	Quarter 3
Budgetary Control	5	5	0	Quarter 3
Insurance and Inventories of Portable Assets	12	12	3.82	Work-in-Progress
RESIDUAL HOUSING SYSTEMS:				
Homelessness	10	10	0	Quarter 4
Right to Buy	5	5	0.17	Work-in-Progress
GOVERNANCE RELATED:				
FOI and Information Management	10	10	0	Quarter 3
Members Code of Conduct & Standards Arrangements	10	10	1.56	Work-in-Progress
Local Code of Corporate Governance	6	6	0	Quarter 4
Performance Management	10	10	0	Quarter 4
Business Continuity and Emergency Planning	10	10	5.51	Finalised - Substantial
Corporate Advice/CMT	2	2	1	Work-in-Progress throughout 2013-14
s.151 Meetings and support	9	9	2.58	Work-in-Progress throughout 2013-14
Governance Committee Meetings and Reports	12	12	3.3	Work-in-Progress throughout 2013-14
2014-15 Audit Plan Preparation and Meetings	9	9	0	Quarter 4
CONTRACT RELATED:				
CSO Compliance	10	10	0	Quarter 4
Service Contract Monitoring	10	10	0	Work-in-Progress
SERVICE LEVEL:				
Cemeteries	10	10	0	Quarter 3

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
Coast Protection	6	6	0	Quarter 4
CCTV	10	10	0.96	Finalised - Substantial
Environmental Health – Food Safety	10	10	0	Quarter 4
Environmental Health – Contaminated Land and Air Quality	10	10	0	Quarter 3
Disabled Facilities Grants	10	10	9.02	Finalised - Substantial
DES Project Work	12	12	0	Work-in-Progress
Health & Wellbeing	12	12	0	Quarter 4
Planning	10	10	0.24	Work-in-Progress
OTHER				
Liaison with External Auditors	3	3	0.14	Work-in-Progress throughout 2013-14
Follow-up Work	17	17	17	Work-in-Progress throughout 2013-14
UNPLANNED WORK				
None in Quarter 1				
FINALISATION OF 2011-12 AUDITS				
Dover Museum and VIC	5	5	2.26	Finalised - Substantial
Recruitment & Induction			1.75	Finalised - Reasonable
Licensing			2.77	Finalised - Reasonable
Officers' Code of Conduct & Whistle Blowing Arrangements			1.22	Finalised - Reasonable
Environmental Protection Service Requests			0.3	Finalised - Substantial
Port Health			0.99	Finalised - Substantial
Days over delivered in 2011-12	0	0	8.86	Finalised
EK HUMAN RESOURCES				
Payroll, SMP and SSP	5	5	0	Quarter 3
Employee Benefits-in-Kind	5	5	0	Quarter 4
TOTAL - DOVER DISTRICT COUNCIL RESIDUAL DAYS	270	270	51.18	18.95 % complete as at 30th June 2013

EAST KENT HOUSING LIMITED:

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
Planned Work:				
Audit Committee/EA liaison/follow-up	8	8	2.47	Work-in-Progress throughout 2013-14
Rent Accounting, Collection and Debt Management	12	0	0	Postpone until 2014-15
Leasehold Services	40	36	0	Quarter 3
Sheltered Housing	20	20	0.27	Quarter 4
Finalisation of 2012-13 Audits:				
Housing Repairs and Maintenance	9	25	19.04	Work-in-Progress
Days over delivered in 2012-13	0	0	6.65	Finalised
Responsive Work:				
None in Quarter 1				
Total	89	89	28.43	31.94% Complete as at 30-06-2013

EK SERVICES:

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
Planned Work:				
Housing Benefits Overpayments	15	15	0	Quarter 4
Housing Benefits – Fraud Investigation Unit	15	15	0	Quarter 4
Council tax Reduction Scheme	0	15	0.10	Quarter 3
Housing Benefits – Quarterly Testing	40	40	4.93	Work-in-progress throughout 2013-14
Business Rates	30	30	0.57	Quarter 2
Debtors and Rechargeable Works	15	15	0	Quarter 4
ICT – Change Controls	15	15	0	Quarter 3

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
ICT – Procurement and Disposal	15	15	0.17	Quarter 2
ICT – PC Controls and Application Controls	15	15	0	Ongoing
Corporate/Committee	0	5	0.98	Ongoing
Follow-up	0	2	1.3	Ongoing
New Homes Bonus	0	0	0.34	Ongoing
Days under delivered in 2012-13	0	6	12.26	
Total	160	188	20.65	10.98% Complete as at 30-06-2013

BALANCED SCORECARD – QUARTER 1

<u>INTERNAL PROCESSES PERSPECTIVE:</u>	<u>2013-14 Actual</u>	<u>Target</u>	<u>FINANCIAL PERSPECTIVE:</u>	<u>2013-14 Actual</u>	<u>Target</u>
	Quarter 1				
Chargeable as % of available days	82%	80%	Cost per Audit Day (Reported Annually)		£319.56
Chargeable days as % of planned days					
CCC	30.57%	25%			
DDC	18.95%	25%			
SDC	19.17%	25%			
TDC	20.45%	25%			
EKS	10.98%	25%			
EKH	31.94%	25%			
Overall	22.83%	25%			
Follow up/ Progress Reviews;					
• Issued	18	-			
• Not yet due	34	-			
• Now due for Follow Up	21	-			
Percentage compliance with the CIPFA Code for Internal Audit 2006	97%	97%			

BALANCED SCORECARD – QUARTER 1

<u>CUSTOMER PERSPECTIVE:</u>	<u>2013-14 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2013-14 Actual</u>	<u>Target</u>
	Quarter 1			Quarter 1	
Number of Satisfaction Questionnaires Issued;	28		No. of FTEs = 8		
Number of completed questionnaires received back to date;	10 =36%		Percentage of staff qualified to relevant technician level	75%	75%
Of the Questionnaires Returned Percentage of Customers who felt that;			Percentage of staff holding a relevant higher level qualification	33%	32%
<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 studying for a relevant professional qualification	13%	13%
	100%	100%	Number of days technical training per FTE	0.52	3.5
	100%	100%	Percentage of staff meeting formal CPD requirements	33%	32%



ANNEX 5

AUDIT ASSURANCE

Definition of Audit Assurance Statements

Substantial Assurance

From the testing completed during this review a sound system of control is currently being managed and achieved. All of the necessary, key controls of the system are in place. Any errors found were minor and not indicative of system faults. These may however result in a negligible level of risk to the achievement of the system objectives.

Reasonable Assurance

From the testing completed during this review most of the necessary controls of the system in place are managed and achieved. There is evidence of non-compliance with some of the key controls resulting in a marginal level of risk to the achievement of the system objectives. Scope for improvement has been identified, strengthening existing controls or recommending new controls.

Limited Assurance

From the testing completed during this review some of the necessary controls of the system are in place, managed and achieved. There is evidence of significant errors or non-compliance with many key controls not operating as intended resulting in a risk to the achievement of the system objectives. Scope for improvement has been identified, improving existing controls or recommending new controls.

No Assurance

From the testing completed during this review a substantial number of the necessary key controls of the system have been identified as absent or weak. There is evidence of substantial errors or non-compliance with many key controls leaving the system open to fundamental error or abuse. The requirement for urgent improvement has been identified, to improve existing controls or new controls should be introduced to reduce the critical risk.