



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

1.0 INTRODUCTION AND BACKGROUND

1.1 This report provides Members with an update of the work completed by the East Kent Audit Partnership since the last Governance and Audit Committee meeting, together with details of the performance of the EKAP to the 30th September 2011.

2.0 SUMMARY OF REPORTS

	Service / Topic	Assurance level
2.1	Land Charges	Substantial
2.2	Climate Change	Substantial
2.3	Licensing	Reasonable
2.4	Ramsgate Townscape Heritage Grants	Reasonable
2.5	HMO and Selective Licensing	Reasonable
2.6	Ramsgate Port and Marina	Reasonable
2.7	CCTV	Limited*
2.8	Housing Benefit Testing (Quarter 1 of 2011-12)	Not Applicable

*The Assurance level in this area increased to Reasonable at the time of the follow-up audit.

2.1 Land Charges – Substantial Assurance:

2.1.1 Audit Scope

To ensure that the Council provides an efficient and effective Land Charges function.

2.1.2 Summary of Findings

The day to day operation and administration of the Council's Land Charges service, including the processing of all searches, is undertaken in a very sound and effective manner.

The most significant change which has occurred since the time of the last audit in 2008 is that the Land Charges Registers are now all held electronically.

The electronic records have also enabled achievement of the 2011-12 Corporate Plan goal to provide public access to the local land charges register.

2.2 Climate Change – Substantial Assurance:

2.2.1 Audit Scope

To address climate change and its impact on the lives of the Authority's residents.

2.2.2 Summary of Findings

The Authority should be praised for the various initiatives that it has place for recycling and reducing its carbon footprint. With buy in and guidance from SMT the Corporate Climate Change Action Group is in place to drive forward the Climate Change Strategy and ensure that the supporting actions on the action plan are being completed to assist in reducing climate issues both in house and across the district.

2.3 Licensing – Reasonable Assurance:

2.3.1 Audit Scope

To ensure that Licences are issued correctly to applicants who qualify for the various licensing categories, the information is recorded accurately and the income receivable by the Council is collected correctly and on a timely basis in line with the procedures laid down.

2.3.2 Summary of Findings

The Licensing process is generally working very well and most of the expected controls have been established and are consistently adhered to across all licensing income streams. There is only minor scope for improvement to strengthen the existing controls and the implementation of the associated recommendations contained within the audit report will be followed up by Internal Audit in early January 2012 when it is anticipated that a Substantial Assurance level should be able to be concluded.

2.4 Ramsgate Townscape Heritage Grants – Reasonable Assurance:

2.4.1 Audit Scope

To provide assurance in respect of the Ramsgate Townscape Heritage Grant scheme whose objective is to encourage the conservation, regeneration and enhancement of the historic buildings and street scenes that make up the distinctive character of Ramsgate's Seafront Townscape through the Townscape Heritage Initiative (THI) Grant Scheme which is jointly funded by the Heritage Lottery Fund (HLF) and Thanet District Council (TDC).

2.4.2 Summary of Findings

The internal controls and procedures surrounding Ramsgate Townscape Heritage grant scheme are generally working well and most of the expected controls are effective.

A small number of areas for improvement have been highlighted by the review and these will be addressed as part of the implementation of the new proposed THI grant scheme for Dalby Square commencing in May 2012.

2.5 HMO and Selective Licensing – Reasonable Assurance:

2.5.1 Audit Scope

To work with landlords and tenants to ensure the legal standards for housing are met.

2.5.2 Summary of Findings

The processes for implementing the duties placed upon the Council by virtue of the Housing Act 2004 are generally working well and most of the expected controls are effective.

Housing regeneration activities can demonstrate a proactive approach to the work undertaken in ensuring its mandatory duties are discharged. Improvement and/or revision activity is already proposed on various aspects of the controls reviewed. On implementation they will be a positive addition to the current system of internal control and the overall assurance of control effectiveness.

Reconciliation of the collated operational information to the Financial Management Information System would compliment the current recording and checking procedures ensuring that all income due to the Council arising from HMO licensing is received and accurately accounted for.

2.6 Ramsgate Port and Marina – Reasonable Assurance:

2.6.1 Audit Scope

To ensure that all income arising from the Council's maritime operations at Ramsgate Harbour is completely and correctly accounted for and that the schedule of fees and charges are set at levels which ensure not only the recovery of direct costs but also an appropriate contribution towards the overheads and medium term maintenance requirements of the Harbour.

2.6.2 Summary of Findings

The overall financial process is generally working well and most of the expected controls are effective. The invoicing processes for both marina and port site users is undertaken through the harbour office with sufficient documentary evidence retained to support the posted transactions.

Plans are developing for the maintenance of the harbour and work is continuing towards the harbour master plan.

2.7 CCTV – Limited increasing to Reasonable Assurance after follow-up:

2.7.1 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.

2.7.2 Summary of Findings

At the time of the original review in April/May 2011, a number of control weaknesses were identified particularly surrounding non-compliance with the CCTV Code of Practice. By the time of the follow-up audit in November 2011, Management had taken prompt action to address these matters and the assurance level had increased to Reasonable.

The Council operates 96 cameras in Margate, Broadstairs and Ramsgate, the vast majority of which are of the tilt, pan and zoom configuration with only a small number of static cameras.

The use of cameras is covered by a CCTV Code of Practice based upon the model code of practice used throughout Kent and the individual operators are also in possession of a CCTV Operators code which sets out how the operation will be conducted on a daily basis. The Code should be easily available via the TDC website, however, all that appears during searches is a very abbreviated version.

Two vital elements in ensuring public confidence in the CCTV system are the use of lay visitors to carry out random checks of the operation comparing its use to the two guiding Codes and through annual peer reviews by another service. Whilst two lay visitors have been appointed, neither has thus far fulfilled the role. Management should look to increasing the number of lay visitors to ensure fair coverage of the operation. A comprehensive peer review was conducted in June 2010 with a further review scheduled for July 2011. The possible publication of the review was discussed with Management.

Access to the control room is well protected behind two locked doors and surveilled by a camera in the foyer. Visitors are required to sign in, testing however showed that this was not always accomplished. Neither are visitors required to sign a confidentiality declaration as recommended by the Model Code of Practice, this could simply be achieved by introducing the model sign in register.

The previous audit in 2007/8 recommended that an annual report be produced, this was agreed for April 2008 and thereafter each April, however the report was not produced. The peer review mechanism in 2010 identified this as a continuing weakness. An annual report has not been produced for 2011 and publicised as set out in the Code of Practice; this audit reiterates the previous recommendation.

Signs are displayed advising that an area covered by CCTV is about to be entered, they conform to the required standard and carry the Council Anti Social Behaviour phone number. The comprehensive signage expected was not however always present.

These issues had been satisfactorily addressed by Management at the time of the follow-up review

2.8 Housing Benefit Testing (Quarter 1 of 2011-12) – An assurance level is not applicable for this work:

- 2.8.1 Over the course of the 2011/12 financial year the East Kent Audit Partnership (EKAP) is undertaking a sample check of council tax, rent allowance and rent rebate and Local Housing Allowance benefit claims to support the Audit Commission's verification work.

- 2.8.2 For the first quarter of the 2011/12 financial year (April to June 2011) an initial sample of 20 claims, including new claims and changes of circumstance of each benefit type, were selected by using Excel software to randomly select the various claims for verification.
- 2.8.3 In total 20 benefit claims were checked and of these 4 (20% of the sample) failed the criteria set by the Audit Commission's verification guidelines as they impact on the subsidy claim. One further claim failed due to procedural error; however this has no affect on the subsidy claim.
- 2.8.4 Due to the higher than expected error rate the EKAP then undertook, at the request of EK Services, testing of a additional sample of 20 benefit claims. From this additional sample of 20 claims 2 (10% of the sample) were found to have failed the set criteria as they would have an impact on the subsidy claim. One further claim failed the data quality check due to the input of an incorrect national insurance number; this however has had no affect on the subsidy claim.
- 2.8.5 In total 40 benefit claims were checked and of these 6 failed the criteria set by the Audit Commission's verification guidelines as they impact on the subsidy claim. Two further claims failed due to procedural/data input errors, however these have no affect on the subsidy claim. The first sample of 20 claims produced an error rate of 20% and the second sample of 20 claims produced an error rate of 10%.
- 2.8.6 The overall error rate, identified by the EKAP from the sample of 40 claims of 15% is the same as the reported error rate arising from the testing undertaken by the EKAP during 2010/11.
- 2.8.7 During Quarter 1 of 2011-12, quality control testing was also undertaken by EK Services and during this period a total of 721 transactions on cases were tested which highlighted an error rate effecting subsidy of 2.36%. Detailed results of the testing undertaken by EK Services can be seen in the table below.

Total cases tested	721
Total errors	58 (8.4%)
Cases with calculation errors	17 (2.36%)
Percentage of cases with procedural errors	44 (6.10%)
Overall accuracy rate	704 (97.64%)

- 2.8.8 The next sample of benefit claims to be checked by the EKAP will be in respect of Quarter 2 (July to September 2011) and this work is currently in progress. The sample for Quarter 2 has been selected from those claims which have already been quality control tested by EK Services in order to provide assurance on the data quality of the benefits accuracy performance indicator and also to seek to ascertain the reasons for the difference in the accuracy rate highlighted by the EKAP and that identified by EK Services.

The point must be reiterated, however, that the methodology being used for quality assurance differs between EKAP and EK Services. EKAP check the whole amount of the benefit paid in the financial year to date in order to establish potential accuracy of subsidy claims and EK Services only check the most recent adjustment (transaction) which gave rise to the claim being selected for quality checking.

2.8.9 Management Response

Local Authorities are entitled to receive an accuracy bonus from the DWP to reflect safe stewardship of the Housing Benefit and Council Tax Benefit schemes. At the current time, the Audit Commission are auditing the 2010/2011 final subsidy claim for Thanet (a claim of just under £80M) where a final accuracy bonus will be determined and agreed.

The impact of accuracy on the financial position of both the customer and the authority are monitored and reported on a regular basis. Early indications show that a bonus will also be due for the current financial year. Bonuses have so far been received for the years 2007/2008, 2008/2009 and 2009/2010, with the 2010/2011 decision due imminently.

3.0. **FOLLOW UP OF AUDIT REPORT ACTION PLANS:**

3.1 As part of the period's work, seven follow up reviews have been completed of those areas previously reported upon to ensure that the recommendations 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)	Officer Code of Conduct	Substantial	Substantial	H	0	H	0
				M	1	M	1
				L	2	L	2
b)	Complaints Monitoring	Substantial	Substantial	H	0	H	0
				M	0	M	0
				L	1	L	0
c)	Car Parking	Reasonable	Reasonable	H	1	H	0
				M	0	M	0
				L	0	L	0
d)	Cemeteries and Crematoria	Reasonable	Reasonable	H	1	H	0
				M	1	M	0
				L	0	L	0
e)	Members' Code of Conduct and Standards Arrangements	Reasonable	Reasonable	H	1	H	1
				M	4	M	3
				L	0	L	0
f)	Waste (Vehicle Fleet) Management	Reasonable	Reasonable	H	8	H	0
				M	6	M	1
				L	0	L	0
g)	CCTV	Limited	Reasonable	H	5	H	1
				M	2	M	0
				L	4	L	1

3.2 Details of any 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 Member's 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: Capital, Treasury Management, Main Accounting System, Budgetary Control, ICT Physical and Environmental Controls, Inventories of Portable Assets, Insurance, Debtors, Business Rates, Payroll, SSP and SMP, Housing Rent Setting and Collection, Employee Health and Safety, Housing Tenant Health and Safety, ICT Management and Finance Controls, Business Continuity and East Kent Housing Governance Arrangements .

5.0 CHANGES TO THE AGREED AUDIT PLAN:

5.1 The 2011-12 internal audit plan was agreed by Members at the meeting of this Committee on 15th March 2010.

5.2 The Head of the Audit Partnership meets on a monthly basis with the Section 151 Officer or their nominated representative 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:

There are no known instances of fraud or corruption to bring to Members attention at the present time.

7.0 UNPLANNED WORK:

There was no unplanned work arising during the period quarter to bring to Members attention at the present time.

8.0 INTERNAL AUDIT PERFORMANCE

8.1 For the six months to 30th September 2011, 204.33 chargeable days were delivered against the planned target of 342 which equates to 67.19% plan completion.

8.2 The financial performance of the EKAP is on target and there are no concerns to highlight at this time.

8.3 As part of its commitment to continuous improvement and following discussions with the s.151 Officer Client Group, the EKAP has established a range of performance indicators which it records and measures. The performance against each of these indicators for the first quarter of 2011-12 is attached as Appendix 5. There are no concerns regarding the resources engaged or outputs achieved at this time, and the

East Kent Audit Partnership has performed well against its targets for the 2011-12 financial year.

- 8.4 The EKAP audit maintains 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 Appendix 4.

Attachments:

- Appendix 1 Summary of High priority recommendations outstanding after follow-up.
- Appendix 2 Summary of services with Limited / No Assurances
- Appendix 3 Progress to 30th September 2011 against the agreed 2011-12 Audit Plan.
- Appendix 4 EKAP Balanced Scorecard of Performance Indicators to 30th September 2011.
- Appendix 5 Assurance statements

SUMMARY OF HIGH PRIORITY RECOMMENDATIONS OUTSTANDING AFTER FOLLOW-UP - APPENDIX 1

Original Recommendation	Agreed Management Action , Responsibility and Target Date	Manager's Comment on Progress Towards Implementation.
Members' Code of Conduct and Standards Arrangements:		
<p>The Council should consider the establishment of a voluntary Standards Committee and associated Local Code of Conduct for elected Members ahead of the abolition of the existing Standards Board regime.</p>	<p>Agreed in principle. Chapter Five of the Localism Bill proposes the establishment of a revised Standards Framework by Local Authorities to promote and maintain high standards of conduct. The Standards Committee will be an advisory body to the council, not a statutory body with no voting rights for Independent Members.</p> <p>Next steps: Further consultation with the Standards Committee and Group Leaders to establish how a voluntary code of conduct could work.</p> <p>Following the May elections, new councillors will be trained on the 2007 Code of Conduct. Estimated timescale for the establishment and adoption of a voluntary code is November 2011 by which time more details of the Localism Bill will be available.</p> <p>Responsibility: Monitoring Officer. Target Date: November 2011.</p>	<p>Initial meeting of Standards Working Party arranged for 30 Nov 2011. However no detail available from Secretary of State.</p> <p>Changes made to the Localism Bill in the House of Lords have delayed progress of the bill through Parliament.</p>
CCTV:		
<p>To ensure that the operation of the CCTV system complies with the Thanet CCTV Code of Practice - Monitoring Procedures, the existing lay visitors should be reminded of their duty to carry out inspections or if they are unable to fulfil this role they should resign and strenuous efforts should be made to recruit new lay visitors.</p>	<p>The existing Lay Visitors are to be replaced by members of the crime and disorder scrutiny group.</p> <p>Proposed Completion Date: October 2011</p> <p>Responsibility: Enforcement Services Manager</p>	<p>We are in the process of appointing new lay visitors and new procedures will be up and running in the New Year.</p> <p align="center">Recommendation Outstanding</p> <p>Revised Implementation date - February 2012.</p>

SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS STILL TO BE REVIEWED – APPENDIX 2

Service	Reported to Committee	Level of Assurance	Management Action	Follow-up Action Due
Equality and Diversity	March 2011	Limited	On-going management action in progress to remedy the weaknesses identified.	Work-in-Progress

PROGRESS TO DATE AGAINST THE AGREED 2011-12 AUDIT PLAN – APPENDIX 3

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-09-2011	Status and Assurance Level
FINANCIAL SYSTEMS:				
Capital	8	8	0.25	Work-in-Progress
Treasury Management	8	8	0.24	Work-in-Progress
Main Accounting System	8	8	0.19	Work-in-Progress
Budgetary Control	10	10	0.2	Work-in-Progress
Insurance	8	8	0.32	Work-in-Progress
RESIDUAL HOUSING SERVICES:				
Homelessness	6	6	5.97	Work-in-Progress
Right to Buy	7	8.17	8.17	Finalised - Substantial
GOVERNANCE RELATED:				
Anti-Money Laundering	5	3.39	3.39	Finalised - Substantial
Complaints Monitoring	8	9.46	9.46	Finalised - Substantial
RIPA	8	7.5	7.5	Finalised – Substantial
Partnerships	10	5	3.04	Finalised
Climate Change	8	8	2.46	Finalised - Reasonable
Business Continuity	6	6	0.17	Quarter 4
Risk Management	10	0.17	0.17	Postpone until Quarter 1 of 2012-13
Corporate Advice/SMT	2	2	1.41	Work-in-Progress throughout 2011-12
s.151 Officer Meetings and Support	9	9	3.72	Work-in-Progress throughout 2011-12
Governance & Audit Committee Meetings and Report Preparation	12	12	4.97	Work-in-Progress throughout 2011-12
Audit Plan and Preparation Meetings	9	9	0.2	Work-in-Progress throughout 2011-12
CONTRACT RELATED:				
Receipt & Opening of Tenders	6	6.51	6.51	Finalised - Substantial
SERVICE LEVEL:				
Private Sector Housing – HMO and Selective Licensing	10	10.92	10.92	Finalised - Reasonable
Community Safety	10	12.14	12.14	Finalised - Substantial
CCTV	8	10.94	10.94	Finalised – Limited Reasonable after follow-up

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-09-2011	Status and Assurance Level
Dog Wardens and Litter Enforcement	8	0	0	Postpone until Quarter 1 of 2012-13
Electoral Registration & Election Management	10	13.41	13.41	Finalised
Pest Control	8	7.7	7.7	Finalised - Reasonable
Ramsgate Townscape Heritage Grants	8	7.38	7.38	Finalised - Reasonable
Inventories of Portable Assets	8	8	0.34	Work-in-Progress
Land Charges	8	8	4.21	Finalised - Substantial
Licensing	10	9.88	9.88	Finalised - Reasonable
Maritime – Port Operations and Pricing Structure	20	18	17.52	Finalised - Reasonable
Regeneration	10	0	0	Postpone until Quarter 1 of 2012-13
Visitor Information Arrangements	8	0	0	Postpone until Quarter 1 of 2012-13
OTHER :				
Liaison With External Auditors	3	1	0.5	Work-in-Progress throughout 2011-12
Follow-up Reviews	27	17.73	9.18	Work-in-Progress throughout 2011-12
Carry forward from last year	25.47	25.47	25.47	Completed
UNPLANNED WORK:				
Maritime - Electricity VAT Query	0	0.91	0.91	Finalised
Council Offices - Cleaning Stock Controls	0	1.52	1.52	Finalised
Election Duty	0	1	1	Polling Duty – May 2011 District Elections and Referendum
FINALISATION OF 2010-11 AUDITS:				
Procurement	-15.47	31.45	11.12	Finalised - Substantial
Car Parks			8.98	Finalised - Reasonable
Coastal Protection			0.2	Finalised - Reasonable
Waste (Vehicle Fleet) Management			2.46	Finalised - Reasonable
Cemeteries and Crematoria			3.69	Finalised - Reasonable
Housing Benefits Quarterly Testing – Quarter 3 of 2010-11			4.66	Finalised – Not Applicable
Contract Monitoring and Management			0.34	Finalised - Reasonable
EAST KENT HR PARTNERSHIP:				
Absence Management, Flexi and Annual Leave	5	5	0	Quarter 4

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-09-2011	Status and Assurance Level
Payroll, SMP and SSP	5	5.35	5.35	Work-in-Progress
Employee Expenses	5	4	0	Quarter 4
HR Systems Development	5	0	0	Contingency
Employee Health and Safety	8	8	1.67	Work-in-Progress
TOTAL - THANET DISTRICT COUNCIL RESIDUAL DAYS	342	342	229.83	67.20% Complete as at 30-09-2011
EK SERVICES:				
Housing Benefits - Overpayments	5	5	0.06	Quarter 4
Housing Benefits – Fraud Investigations	5	5	0.13	Work-in-Progress
Housing Benefit Testing	20	20	16.8	2010-11 Quarter 4 – Finalised 2011-12 Quarter 1 – Finalised 2011-12 Quarter 2 – WIP 2011-12 Quarter 3 – Qtr 4
Business Rates	8	8	0.55	Work-in-Progress
Customer Services/Gateway	5	5	0.23	Quarter 4
Debtors and Rechargeable Works	5	5	0.06	Quarter 4
ICT – Management & Finance Controls	5	5	0.06	Quarter 4
ICT – Physical & Environment Controls	5	5	0.06	Work-in-Progress
ICT – Internet & e-mail Controls	5	5	2.81	Quarter 4
Total EK Services	63	63	20.76	
EAST KENT HOUSING:				
Governance Arrangements	3	3	0.25	Work-in-Progress
Internal Controls and Finance	3	3	0	Quarter 4
Interfaces with Finance and ICT Systems	2	2	0	Quarter 4
Audit Committee/Follow-up work	1	1	0.3	Work-in-Progress throughout 2011-12
Rent Setting, Collection & Debt Management	8	8	0.21	Work-in-Progress
Fire and Gas Safety Inspections	0	8	0.15	Work-in-Progress
Tenancy & Estate Management	8	0	0.1	Postponed until 2012-13 to accommodate the Fire and Gas safety audit instead in 2011-12.
Total East Kent Housing	25	25	1.01	
UNPLANNED ADDITIONAL WORK				
Interreg Grant – Customer Services (Mosaic)	4	4	1.26	First Level Controller sign off charged to project

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-09-2011	Status and Assurance Level
Interreg Grant – Tudor House	4	4	1.48	First Level Controller sign off charged to project
Interreg Grant – Maritime (Off-Shore Wind Farm)	4	4	0.38	First Level Controller sign off charged to project
Interreg Grant – Maritime (Yacht Valley)	4	4	2.76	First Level Controller sign off charged to project

BALANCED SCORECARD – QUARTER 2

<u>INTERNAL PROCESSES PERSPECTIVE:</u>	<u>2011-12 Actual</u>	<u>Target</u>	<u>FINANCIAL PERSPECTIVE:</u>	<u>2011-12 Actual</u>	<u>Target</u>
	Quarter 2				
Chargeable as % of available days	86%	80%	Cost per Audit Day (Reported Annually)		£300.15
Chargeable days as % of planned days					
CCC	53.13%	50%			
DDC	50.42%	50%			
SDC	54.36%	50%			
TDC	67.19%	50%			
EKS	22.47%	50%			
EKH	6.77%	50%			
Overall	49.29%	50%			
Follow up/ Progress Reviews;					
• Issued	43	-			
• Not yet due	41	-			
• Now overdue for Follow Up	7	4			
Percentage compliance with the CIPFA Code for Internal Audit 2006	97%	97%			

BALANCED SCORECARD – QUARTER 2

<u>CUSTOMER PERSPECTIVE:</u>	<u>2011-12 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2011-12 Actual</u>	<u>Target</u>
	Quarter 2				
Number of Satisfaction Questionnaires Issued;	58		Percentage of staff qualified to relevant technician level	75%	75%
Number of completed questionnaires received back;	23		Percentage of staff holding a relevant higher level qualification	33%	33%
Percentage of Customers who felt that;			Percentage of staff studying for a relevant professional qualification	13%	13%
<ul style="list-style-type: none"> • Interviews were conducted in a professional manner 	100%	100%	Number of days technical training per FTE	0.95	3.5
<ul style="list-style-type: none"> • The audit report was 'Excellent or Very Good' 	83%	90%	Percentage of staff meeting formal CPD requirements	33%	33%
<ul style="list-style-type: none"> • That the audit was worthwhile. 	87%	100%			



Appendix 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.