



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 June 2013

2.0 SUMMARY OF REPORTS

	Service / Topic	Assurance level
2.1	Imprest Floats & Rail Travel Procurement	Substantial
2.2	Members' Allowances	Substantial
2.3	Phones, Mobiles and Utilities	Substantial
2.4	EK Services (ICT Network Security)	Substantial
2.5	Housing Allocations	Reasonable
2.6	Environmental Protection Service Requests	Reasonable
2.7	Members' Code of Conduct, Disclosure of Interests, and Standards Arrangements	Reasonable
2.8	EK Services – Housing Benefit Quarterly Testing (Qtr 4 of 2012-13)	Not Applicable
2.9	EK Services – Housing Benefit Quarterly Testing (Qtr 1 of 2013-14)	Not Applicable

2.1 Imprest Floats & Rail Travel Procurement – Substantial Assurance:

2.1.1 Audit Scope

To ensure that the Council's imprest floats and rail travel procurement arrangements comply with the organisation's standing orders and financial regulations.

2.1.2 Summary of Findings

All of the requisite controls governing both imprest floats and rail travel procurement were found to be in place and consistently adhered to.

2.2 Members' Allowances – Substantial Assurance:

2.2.1 Audit Scope

To ensure that Members' allowances and expenses are calculated and paid in accordance with the prevailing rules.

2.2.2 Summary of Findings

The Members' Allowances process is working very well and all of the expected controls are effective.

Since the last audit in this area in 2010-11, a project has been completed to introduce the payment administration of member expenses into the CIVICA workflow process. Controls are programmed to replace the elements of manually handled claims and to ensure compliance with the scheme is maintained and can be easily monitored and reported on.

2.3 Phones, Mobiles and Utilities – Substantial Assurance:

2.3.1 Audit Scope

To ensure that Council expenditure on telephones, mobiles and utilities is adequately monitored and reviewed.

2.3.2 Summary of Findings

From the testing completed during this review a sound system of control was found to currently be managed and achieved to ensure that the Council expenditure on telephones, mobiles and utilities is adequately monitored and reviewed.

Almost all of the necessary, key controls of the system are in place. Any areas for improvement found are minor and not indicative of system faults.

2.4 EKS (ICT Network Security) – Substantial Assurance:

2.4.1 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.

2.4.2 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.

2.5 Housing Allocations – Reasonable Assurance:

2.5.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that housing property is allocated efficiently and effectively to qualifying tenants in accordance with Council policy and procedures and offers choice to prospective tenants through the allocations process in accordance with prevailing legislation.

2.5.2 Summary of Findings

The Housing Allocations process is generally working well and most of the expected controls are effective

A revised Housing Allocations Policy is currently going through the Members approval process which, when approved will sit alongside the Housing and Tenancy Strategies and put in place strategic priorities for housing allocations. In addition all those on the Council's housing list will be required to reapply via the Kent wide Locator housing system which may result in a reduction in the size of the housing list due to some current applicants not reapplying to go back onto the housing list. An equalities impact assessment has been undertaken that has identified various actions that have to be carried in respect of the communication of the new policy and the new registration process to the public.

Within the Council's housing allocation division there are currently various process undertaken which are carried out by East Kent Housing at a neighbouring authority. e.g putting the empty property advert on to Locator). If the processes were reviewed and possibly brought into line with those carried out at the neighbouring authority then this would free up time for the officers to carry out proactive services for housing applicants

A full review of the voids process is to be carried out later in the financial year and the Housing Options Manager has confirmed that she would also include the housing allocation functions as part of this review with East Kent Housing.

2.6 Environmental Protection Service Requests – Reasonable Assurance:

2.6.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the Council has an effective system of controls and procedures for investigating and responding to environmental protection complaints in the following areas:

1. Dust;
2. Smoke;
3. Odour;
4. Fumes;
5. Animals;
6. Noise;
7. Accumulations ;
8. Filthy and verminous premises ;
9. Drainage ; and
10. Fly tipping.

2.6.2 Summary of Findings

The Environmental Protection Complaints process is working very well and the expected controls have been established and are effective. Officers within the team are specialists of various environmental health subjects and this can impact on the performance indicators and service delivery should any individual officers be absent. The Environmental Protection Manager has confirmed that a future task is to develop the team to be able to deal with all types of complaints and not just specialise in certain types.

The Environmental Enforcement Policy has not been reviewed since 2006 when it was last presented to Cabinet for their approval. There is therefore a need to put in place a timetable to ensure that all policies and procedures are reviewed on a regular basis to ensure that they are in compliance with current legislation.

2.7 Members' Code of Conduct, Disclosure of Interests, and Standards Arrangements – Reasonable Assurance:

2.7.1 Audit Scope

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

2.7.2 Summary of Findings

The audit found that there is good practice in place through the Member Code of Conduct, training and administrative support to ensure that probity is maintained. The Standards Committee arrangements and the complaint handling processes were generally working well. Most of the expected controls are effective.

2.8 EK Services Housing Benefit Quarterly Testing (Quarter 4 of 2012-13):

2.8.1 Over the course of the 2012/13 financial year the East Kent Audit Partnership has been completing 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.

For the final quarter of 2012/13 financial year (January to March 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 all of these (100%) were found to have passed the criteria set by the former Audit Commission's verification guidelines. Additionally, there were no data quality errors within the sample.

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

2.9.1 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 and rent rebate and Local

Housing Allowance benefit claims to support the Audit Commission'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 just one was found to have failed the criteria set by the former Audit Commission's verification guidelines

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 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)	East Kent Housing – Tenancy and Estate Management	Reasonable	Reasonable	H	1	H	0	
				M	7	M	1	
				L	9	L	1	
b)	Monitoring and Performance of <i>Your Leisure</i>	Limited	Limited	H	2	H	2	
		Limited	Limited	M	5	M	2	
		Limited	Substantial	L	1	L	0	
c)	Let Properties and Concessions	Reasonable	Reasonable	H	2	H	2	
				M	1	M	1	
				L	1	L	0	
d)	EK Services – ICT Physical & Environmental	Reasonable	Reasonable	H	4	H	3	
				M	6	M	2	
				L	3	L	0	
e)	EK Services – ICT Procurement & Disposal	Reasonable	Reasonable	H	1	H	0	
				M	4	M	1	
				L	1	L	0	

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 Members' of the Governance and Audit 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.

3.3 As highlighted in the above table, those areas previously reported as having either Limited or No assurance have been reviewed and, in respect of those remaining at below Reasonable assurance, Members are advised as follows:

b) Monitoring and Performance of Your Leisure:

A considerable amount of work has been undertaken since the original audit review was concluded in September 2012 together with ongoing progress to complete the recommendations made in the audit report, however to date only one recommendation has been fully implemented and therefore it would be premature to increase the assurance levels in this area until the recommendations are fully implemented and embedded within the organisation. The assurance levels therefore currently remain as:

- **Limited Assurance** that the Council currently has in place an up to date lease and terms and conditions of grant which both the Council and Thanet Leisure Force are fully compliant with;
- **Limited Assurance** that there are sufficient processes and indicators in place to ensure that the Council's Corporate Plan – Priority 9 can be met; and
- **Substantial Assurance** that Thanet Leisure Force are fulfilling their requirements to manage the Council's facilities.

Management Response

The report shows that significant progress has been made on the audit recommendations, the remaining actions are of a complex contractual nature and I am satisfied that those actions are being progressed thoroughly and are currently on target to be completed in line with the proposed deadlines.

- 3.4 After the follow-up review has been completed by the East Kent Audit partnership any recommendations which remain outstanding are tracked through the Council's Policy & Business Planning team, via quarterly reminders, with an expectation that progress reports will be provided quarterly for all high priority matters. If the recommendations remain outstanding the tracking and reminders will continue for three years, which is the usual period between programmed internal audits. The current numbers involved and progress towards achieving currently outstanding recommendations is as follows:

Service/ Topic		Assurance level	No of Recs. Outstanding	
a)	Employee Health and Safety	Reasonable	H M L	1 1 0
b)	Homelessness – due for a full audit in 2013-14	Reasonable /Limited	H M L	1 0 0
c)	Coast Protection– due for a full audit in 2013-14	Reasonable	H M L	0 1 0
d)	Food Safety– due for a full audit in 2013-14	Reasonable	H M L	0 1 0
e)	HRA Business Plan	Substantial	H M L	1 0 0

Service/ Topic		Assurance level	No of Recs. Outstanding	
f)	Dickens House and Margate Museum	Reasonable /Limited	H M L	2 4 0
g)	Let Properties and Concessions	Reasonable	H M L	2 1 0
h)	Your Leisure	Substantial Limited Limited	H M L	2 2 0

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: Child Protection, Performance Management, Public Health Burials, Business Rates, Officers' Code of Conduct and Whistle blowing, Service Contract Monitoring, and Housing Repairs and Maintenance.

5.0 CHANGES TO THE AGREED AUDIT PLAN:

5.1 The 2013-14 internal audit plan was agreed by Members at the meeting of this Committee on 21st March 2013.

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 new 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 three month period to 30th June 2013, 61.37 chargeable days were delivered against the planned target of 300 days which equates to 20.46% plan completion.

8.2 The financial performance of the EKAP is on target at the present 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 2013-14 is attached as Appendix 5.

- 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 June 2013 against the agreed 2013-14 Audit Plan.
- Appendix 4 EKAP Balanced Scorecard of Performance Indicators to 30th June 2013.
- 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.
Monitoring and Performance of <i>Your Leisure</i> :		
<p>Management must ensure that the lease and conditions of grant between the Council and TLF are updated to reflect the current situation and action is taken to check that it is kept up to date.</p>	<p>Agreed this is to be undertaken by the Community Development Officer.</p> <p>Proposed Completion Date: March 2013</p> <p>Responsibility: Economic & Regeneration Manager</p>	<p>A draft deed of variation has been created, including all of the issues raised in the audit report. This is currently being reviewed by Legal for minor amendments.</p> <p>Revised Implementation Date 1st September 2013 Community Development Officer</p>
<p>Action must be taken to introduce some meaningful performance measures to ensure that TLF is meeting the requirements of the Council. Once these are in place they should be monitored regularly.</p>	<p>Agreed</p> <p>Proposed Completion Date: March 2013</p> <p>Responsibility: Economic & Regeneration Manager</p>	<p>Meaningful performance indicators are being included in the new conditions of grant and these will be requested monthly. These will be recorded on I-Trent and reported on annually.</p> <p>Revised Implementation Date 1st September 2013 Community Development Officer</p>
Let Properties and Concessions		
<p>To formally introduce and approve a new Asset Management Strategy and Plan as soon as possible to ensure the Council:</p> <ul style="list-style-type: none"> • Maximise every possible revenue income stream from the property portfolio; 	<p>To have a draft strategy in place before Christmas 2012 with the aim to have a formal agreed plan by January 2014. Capital receipts are currently reaching the revised Corporate objectives for 2012/13.</p>	<p>The most recent Service Plan was examined and contains a commitment from the new Property Manager to develop a new Asset Management Strategy and Asset</p>

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.
<ul style="list-style-type: none"> • Help realise some of the capital receipts required to meet the Capital Programme and the Medium Term Financial Strategy; • Meet the objectives contained in the Council’s Corporate Plan and Regeneration Strategy; and • Mentions the use of its office policies and procedures. 	<p>The Draft Strategy will meet the recommendations required.</p> <p>Proposed Completion Date: December 2012</p> <p>Responsibility: Property Manager .</p>	<p>Management Plan by April 2014.</p> <p>This recommendation is now progressing towards completion and should be implemented by April 2014.</p> <p>Revised Implementation Date 31st July 2014</p>
<p>To review and amend the set of office procedures in place by:</p> <ul style="list-style-type: none"> • Carrying out a full review of the manual (for instance the Tendering Process should have its own section as opposed to being part of CSO’s. This process should include the introduction of a Corporate Plan Objective Score Spreadsheet which is currently being used by one of the surveyors; • An electronic copy should be maintained on the shared drive and made available via the intranet; • Each section should be formatted, clearly referenced and labelled consistently • Each individual section should contain a date it was last reviewed; • Any templates should be referenced to and clearly labelled (i.e. memo to legal); • An Income and Debt Monitoring process should be made available and include a step by step guide in order to help anyone other than the normal member of staff carry out this duty; and • To review the New Letting procedure to make it 	<p>The office procedures will be amended to include the recommendations. Update the procedure file to include CIVICA input.</p> <p>Proposed Completion Date: August 2013.</p> <p>Responsibility: Estates Surveyors, Technical Officer and Technical Assistant.</p>	<p>This recommendation is in progress with intent to action by July 2014. The Property Manager should be given this time to address other strategic issues in order to maximise the effectiveness and usefulness of these procedure notes.</p> <p>Revised Implementation Date 31st July 2014</p>

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.
<p>easier to follow (perhaps bullet points) on the following:-</p> <p>a) Who and at what stage would show an interested tenant around a property?</p> <p>b) Procedure for drafting the tenancy / legal agreement?</p> <p>c) How and when the keys are issued to tenants?</p>		
<p>EK Services – ICT Physical and Environmental:</p>		
<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>

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.
<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 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>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 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 – APPENDIX 2

Service	Reported to Committee	Level of Assurance	Management Action	Follow-up Action Due
Data Protection Act Compliance	December 2012	Reasonable/Limited	On-going management action in progress to remedy the weaknesses identified.	Work-in-Progress
Dog Warden and Litter Enforcement	March 2013	Reasonable/Limited	On-going management action in progress to remedy the weaknesses identified.	Work-in-Progress
EK Services – Software Licences	June 2013	Limited	On-going management action in progress to remedy the weaknesses identified.	Work-in-Progress
Absence Management	June 2013	Limited	On-going management action in progress to remedy the weaknesses identified.	Work-in-Progress

PROGRESS TO DATE AGAINST THE AGREED 2013-14 AUDIT PLAN – APPENDIX 3

THANET DISTRICT COUNCIL:

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-06-2013	Status and Assurance Level
FINANCIAL SYSTEMS:				
Main Accounting System	10	10	0	Quarter 3
Budget Monitoring	10	10	0	Quarter 3
Income	10	10	0	Quarter 3 if new income system implemented or replace with a Project Mngmt. audit
RESIDUAL HOUSING SERVICES:				
Homelessness	10	10	0	Quarter 3
GOVERNANCE RELATED:				
Asset Management	10	10	0	Quarter 4
Members' Code of Conduct & Standards Arrangements	10	10	10.65	Finalised - Reasonable
Officers Code of Conduct and Whistle blowing Arrangements	10	10	2.87	Work-in-Progress
Local Code of Corporate Governance	7	7	0.17	Work-in-Progress
Performance Management	10	10	0	Work-in-Progress
Corporate Advice/SMT	2	2	0.37	Work-in-progress throughout 2013-14
s.151 Officer Meetings and Support	9	9	2.11	Work-in-progress throughout 2013-14
Governance & Audit Committee Meetings and Report Preparation	12	12	3.41	Work-in-progress throughout 2013-14
2014-15 Audit Plan and Preparation Meetings	9	9	0	Quarter 4
CONTRACT RELATED:				
Service Contract Monitoring and Management	10	10	0.17	Work-in-Progress
Procurement Strategy	10	10	0	Quarter 4
SERVICE LEVEL:				
Cemeteries and Crematoria	10	10	0.21	Work-in-Progress
HMO Licensing and Selective Licensing Scheme	10	10	0	Quarter 4
Coast Protection	8	8	0.17	Quarter 3

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-06-2013	Status and Assurance Level
Environmental Health – Food Safety	10	10	0	Quarter 4
Environmental Health – Public Health Burials	6	6	2.81	Work-in-Progress
Environmental Protection Service Requests	10	10	8.03	Finalised - Reasonable
Equality & Diversity	10	10	0	Quarter 4
Disabled Facilities Grants	10	10	0.17	Work-in-Progress
Maritime – Ramsgate Marina	10	10	0	Work-in-Progress
Members' Allowances	10	10	6.36	Finalised – Substantial
Planning & Building Control	20	20	0.17	Work-in-Progress
Travel Warrants and Imprest Floats	5	5	4.85	Finalised – Substantial
Phones, Mobiles and Utilities	7	7	4.85	Finalised – Substantial
OTHER :				
Liaison With External Auditors	3	3	0	Work-in-progress throughout 2013-14
Follow-up Reviews	17	16	11.5	Work-in-progress throughout 2013-14
UNPLANNED WORK:				
Election Duty – 1 Presiding Officer at KCC May Elections	0	1	1	Finalised
Broadstairs Visitor Information Kiosk –Financial Arrangements	0	0	0.03	Finalised
FINALISATION OF 2012-13 AUDITS:				
Days under delivered in 2012-13	0	0	-9.01	Completed
Housing Allocations			6.87	Finalised - Reasonable
Child Protection and CRB Checks	5	5	1.86	
Recruitment & Induction			1.75	Finalised - Reasonable
EK HUMAN RESOURCES:				
Payroll, SMP and SSP	5	5	0	Quarter 3
Employee Benefits-in-Kind	5	5	0	Quarter 4
TOTAL - THANET DISTRICT COUNCIL RESIDUAL DAYS	300	300	61.37	20.46 % Complete as at 30-06-2013
UNPLANNED ADDITIONAL WORK				
Interreg Grant – Maritime (Yacht Valley)	4	4	0.3	Work-in-progress throughout 2013-14
Interreg Grant – LOPINOD	4	4	0	Work-in-progress throughout 2013-14

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-06-2013	Status and Assurance Level
English Heritage Grant	2	2	2.4	Finalised

EAST KENT HOUSING LIMITED:

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
Planned Work:				
Audit Ctte/EA Liaison/Follow-up	8	8	2.47	Work-in-Progress throughout 2013-14
Rents Accounting, Collection and Debt Management	12	0	0	Postpone until 2013-14
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 Investigations Unit	15	15	0	Quarter 4
Council Tax Reduction Scheme	0	15	0.10	Quarter 3
Housing Benefits – Quarterly	40	40	4.93	

Review	Original Planned Days	Revised Planned Days	Actual days to 30-06-13	Status and Assurance Level
Testing				
Business Rates	30	30	0.57	Quarter 2
Debtors and Re-chargeable works	15	15	0	Quarter 4
ICT – Change Controls	15	15	0	Quarter 3
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	20.46%	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		Percentage of staff qualified to relevant technician level	75%	75%
Number of completed questionnaires received back;	10 =36%		Percentage of staff holding a relevant higher level qualification	33%	32%
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	0.52	3.5
<ul style="list-style-type: none"> • The audit report was 'Good' or better 	100%	100%	Percentage of staff meeting formal CPD requirements	33%	32%
<ul style="list-style-type: none"> • That the audit was worthwhile. 	100%	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.