

**QUARTERLY 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 2022.

**2.0 SUMMARY OF REPORTS**

Service / Topic		Assurance level	No. of Recs.	
2.1	EKS - Key Performance Indicators	Substantial	C H M L	0 1 0 0
2.2	Income, Bank Reconciliation and Cash Collection	Substantial/ Substantial/ Limited	C H M L	0 6 3 1
2.3	Recruitment & Leavers	Reasonable	C H M L	0 8 1 2
2.4	Thanet Community Lotto	Limited	C H M L	1 5 8 0
2.5	EKS - Housing Benefit Quarterly Testing 2021/22 Quarters 3 & 4	Not Applicable		

**2.1 EKS Key Performance Indicators – Substantial Assurance**

2.1.1 Audit Scope

To ensure that the controls over the production of the key performance indicators in respect of CIVICA are robust and sufficient to enable EK Services and the partner councils to have confidence in the data produced

2.1.2 Summary of Findings

There is a contract in place which sets out both the Service Standards and Key Performance Indicators (KPI's) within schedule 2. For the purposes of this audit only the KPI's have been reviewed which are detailed and set out within table 2H of this schedule. This details 6 Key Performance Indicators which are being reported on via Monthly Performance Monitoring Reports.

If a KPI fails to meet the set target there could be financial penalties to be applied, such penalties are highlighted within the Monthly Report but a decision on any exclusions are made by the Contract Strategic Board. Reasons and actions taken to remedy any unsatisfactory performance are also being reported on.

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

- Any changes to the Contract are being agreed and documented via the Contract Change Notification scheme as per the process detailed within Schedule 6: Change Control Procedure of the contract.
- The methodology and descriptors for each KPI can be found within Schedule 2 of the contract documentation; these are also being detailed within each monthly performance pack for managers to reference as necessary. Furthermore there are detailed procedural notes for each KPI being held on file.
- Sufficient reporting of the key performance indicators to management is in place via Monthly Reports which were found to be clear, concise and easy to follow.

Scope for improvement was however identified in the following area.

- Testing identified some minor errors in the calculation process of two KPI's (KPI 02 and KPI 05) these did not affect the overall KPI results which were still found to be within the targets set. Management has been alerted to these minor errors and the methodology/data input will be double checked moving forward to ensure correct values are reported for 2022/23.

## **2.2 Income, Bank Rec. & Cash Collection – Substantial, Substantial & Limited Assurance**

### 2.2.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that all income due to the Council is promptly collected, and completely and accurately accounted for in a timely manner and to ensure that the bank reconciliation is calculated correctly.

### 2.2.2 Summary of Findings

Income is described in the Council's Financial Procedure Rules as an asset that can be vulnerable and that effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly; this improves the Council's cash flow and reduces the time and cost of administration.

The Council has recently undergone some changes with regard to the cash collection function from in-house to external arrangements.

#### **Cash Collection**

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

- There is no mention within the new cash collection contract of providing the Council with the income reconciliation sheet for the cash being collected. This has impacted on the year end accounting process as no information is being received from the

contractor on the 'pull tickets & audit tickets' for car parking income. This means that accounting for the proper treatment of VAT and confirming the cash being collected and banked as being accurate has not occurred.

- Reconciliation routines for the Parking System (monies collected) to the bank statements (monies banked) have not been established since the new cash collection contract became live in February 2022. From the information provided during the review for 2021/22 by the Finance Manager it would appear that there is £92,820.85 collected, banked and not reconciled. This continues to be unreconciled for the current financial year.

Effective control was however evidenced in the following areas:

- A 12 month contract, with option to extend for a further 10 months, is in place with the contractor to undertake the cash collection process from February 2022 .
- Business Continuity arrangements for the failure of the cash collection contract were put in place by the Finance Team by the implementation of an in-house collection service which was fully risk assessed and additional insurance was put in place.
- There are adequate arrangements in place for the storage of cash within the Council and at the various collection points.

### **Income Processing**

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

- There is a documented process in place for all income routines.
- There are safe and secure post opening procedures for cash and cheques which are being banked in a timely manner.
- There are adequate procedures in place; via the suspense account processes to ensure rejected and unallocated receipts are being reviewed and correctly accounted for.
- During 2021/22 waybills were produced for finance to perform reconciliation routines on the cash collected for the Tourism Office, Harbour Office and Crematorium.

Scope for improvement was however identified in the following areas:

- Reconciliation processes by submission of waybills to the income team on the monies taken and banked for car parking since the start of the new cash collection contract has not occurred.
- Secure Internet, telephone and direct payments relates to PCI DSS which was reviewed in 2018/19 under a separate audit process; the arrangements are documented via a Payment Card Industry Data Security Standards Policy accessible for all staff. For clarity and ownership officer contacts for PCI DSS arrangements for the Council need to be provided to ICT and detailed within this policy as currently these details have been left blank.

### **Bank Reconciliation**

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

- A bank reconciliation process occurs once a month, the process is being fully documented, any discrepancies are fully reviewed for the reasons and the actions taken and the reconciliation statement is signed off by a senior manager.

- Unpresented cheques are being reviewed and monitored every month and being written back after 6 months.

Scope for improvement was however identified in the following areas:

- Procedures need to be reviewed and updated where necessary.

## 2.3 Recruitment & Leavers – Reasonable Assurance

### 2.3.1 Audit Scope

To provide assurance that the Council's internal controls and procedures are robust, in order to ensure that the Council selects the best candidates for the available positions and that those applicants are of good character, experienced and are professionally qualified where required. Also that the Council correctly processes staff leaving their employment to include accurate calculation of last pay including any outstanding holiday pay or debts to the Council and the issuing of the P45 documentation.

### 2.3.2 Summary of Findings

The HR function was bought back in house on 01 September 2021. The team structure for managing and maintaining this service has 8 Posts: an HR Manager, an HR Business Partner, a Senior HR Advisor, two HR Officers and two HR Advisors and one vacant post. From the 01/09/21 to the end of the 2021/22 financial year there were 64 leavers and 56 New Starters to the Council. At the time of the Audit testing there were 7 posts being advertised on the Council's Website.

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

- There are policies and procedures in place for Managers and Staff which are easily accessible via the staff intranet (TOM). They do require a refresh to bring them up to date which is currently being undertaken by a phased approach.
- Vacancies are being appropriately advertised / offered to staff on the 'at risk' registers.
- From the sample of advertised posts selected and reviewed; up to date job description and person specifications were provided. These are later saved within the successful candidates personnel file for future reference as and when required.
- There is an approved process in place for managers to follow to ensure that a P45/P46 has been completed; the employee is given pension information and a signed contract is in place.
- The eRecruitment system is a step-by-step system detailing every stage of the recruitment process. It is designed to ensure that a fair process is adopted and that all records can be managed and stored and that all employee checks are taken up and are satisfactory prior to the commencement of the employment.
- The leaver process in place is documented and working well.

Scope for improvement was however identified in the following areas:

- Whilst there is a documented 'approval to recruit' process in place evidence of this having occurred was not, whilst historically this was a management led process, having the HR function in-house would necessitate having this saved within the eRecruitment system to provide a complete audit trail.

- In order to provide a more fair process to the 'internal candidates only' recruitment campaigns, consideration needs to be given for a set time frame for advertising the post as this was found to be sporadic, the minimum days being advertised was 4, the maximum was 19 and the average was 10.
- Whilst the eRecruitment Process provides separate stages for managers to follow in order to progress to an interview, a system is required to ensure all interview questions; scoring sheets; notes taken during the interview process are being retained on file for all candidates needs to be in place. Retention of these records needs to comply with GDPR and instructions on how/where to upload these will need to be added to the procedural notes.
- To ensure completion and consistency on managing the induction process all notes/checklists need to be centrally filed.
- Information relating to leavers being provided via the leaver survey needs to be formally fed back and exit interviews need to be implemented where applicable.

## **2.4 Thanet Community Lotto – Limited Assurance**

### 2.4.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the Thanet Community Lotto is fully compliant with requirements and financial controls are effective.

### 2.4.2 Summary of Findings

The Thanet Community Lottery was created in 2017 by Thanet District Council and is managed and run by an External Lottery Manager. The Council has been granted a remote operating licence by the Gambling Commission which include statutory conditions attached by virtue of the Gambling Act, the suite of general conditions attached to operating licences and the Code of Practice Provisions.

As at May 2022 there were 1,086 active users signed up to the Thanet Community Lotto and total lottery winnings have so far equated to £24,300 since 2017. Lottery tickets cost £1 each of which £0.60p from every ticket sold is donated to a good cause as chosen by the customer. A customer can either choose to donate their £0.60 per ticket to a local approved charity of their choice or to the generic 'Thanet Community Fund'. The lottery has helped generate an income of £22,825 towards the General Fund of Thanet District Council since 2017.

Since 2017 the lottery has generated a total of £54,928 made payable to 65 different registered good causes in the District of Thanet plus £42,959 to the Thanet Community Fund which has not yet been allocated to any good causes. The current balance of the Thanet Community Fund stands at £54,189 owing to a transfer of funds worth £11,230 authorised by the Financial Services Manager in June 2020.

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

- The Council has not formally adopted any policies relating to protection of children & vulnerable adults, fairness & openness, remote technical standards or corporate social responsibility and may therefore be non-compliant with 3.1 of the Code of Practice and Sections 24 and 82(1) of the Gambling Act 2005;
- The Council has not carried out a documented risk assessment for money laundering and terrorist financing in accordance with 12.1 of the suite of general conditions attached to operating licences under Section 75 of the Gambling Act;

- Whilst the Council has worked to rectify the licensee change issues following the suspension of the lottery in September 2021, the Council needs to have put in place delegated authority from the licensing authority in accordance with 6.3 of the 'Promoting Society and Local Authorities advice published September 2014;
- Information is not currently stored or saved in a consistent, deliberate, coordinated or accessible way which makes it difficult for officers to take responsibility for certain actions which weakens governance more generally;
- There is not a formal training programme in place in accordance with licence condition 14.1; and
- The Thanet Community Fund (over £50k) has not yet been distributed and needs to be distributed transparently in order to protect the reputation of the Council.

Effective control was however evidenced in the following areas:

- The lottery has generated £54,928 made payable to 65 good causes within the Thanet area since the lottery began;
- The Finance Manager has received training and is the main point of contact with the External Lottery Provider;
- The accountancy and controls in place are working effectively; and
- The lottery submission process is working effectively.

<p><b>2.5 EKS Housing Benefits Quarterly Testing 2021/22 Quarters 3 &amp; 4 - Not Applicable</b></p>
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#### 2.5.1 Audit Scope

Over the course of 2021/22 financial year the East Kent Audit Partnership completed a sample check of Council Tax, Rent Allowance and Rent Rebate and Local Housing Allowance benefit claims.

#### 2.5.2 Summary of Findings

For the third and fourth quarters of 2021/22 financial year (October 2021 to March 2022) forty-five claims including new and change of circumstances of each benefit type were selected by randomly selecting the various claims for verification.

A fail is now categorised as an error that impacts on the benefit calculation. However data quality errors are still to be shown but if they do not impact on the benefit calculation then for reporting purposes the claim will be recorded as a pass.

For this period forty-five benefit claims were checked none of the claims had a financial error or data quality error. For 2021/22 a total of seventy-five claims have been checked of which none had a financial error that impacted on the benefit calculation and none had a data quality error.

### 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. The review completed during the period under review is shown in the following table.

Service/ Topic		Original Assurance level	Revised Assurance level	Original Number of Recs		No of Recs. Outstanding after follow-up	
a)	Equality & Diversity	Limited	Limited	C	0	C	0
				H	4	H	4
				M	3	M	1
				L	0	L	0
b)	Playgrounds	Reasonable	Reasonable	C	0	C	0
				H	6	H	4
				M	4	M	4
				L	3	L	3
c)	Street Cleansing	No	No	C	6	C	4
				H	2	H	1
				M	0	M	0
				L	0	L	0

3.2 Details of any individual Critical and High priority recommendations still to be implemented at the time of follow-up are included at Appendix 3 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 high-priority recommendations which have not been implemented is to try to gain support for any additional resources (if required) to resolve the risk, or to ensure that risk acceptance or tolerance is approved at an appropriate level.

a) Equality and Diversity - The recommendations outstanding within this Audit Progress Report demonstrate that the Council is not fully compliant with the Public Sector Equality Duty or the Equality Act 2010. The Council must approve a new Equality Policy and its equality objectives this year in accordance with the four year rule and in doing so the focus of the Council should be on improving governance over equality related policies, procedure and processes. Training forms an essential part of the compliance equation and this can only be improved through effective leadership and oversight.

c) Street Cleansing - The initial audit concluded that Management could have No Assurance in this area. Following completion of this follow-up review the opinion remains the same. The direction of travel is however positive with progress being evident around the key issue of the development of service standards. Once those standards have been approved, officers will be able to fully implement those standards which will also result in a number of the currently outstanding recommendations being implemented.

The development of new Service Standards is seen as significant progress and while those standards are yet to receive Cabinet Approval, this is anticipated to have been completed by the Autumn. That will then enable officers to ensure that standards expected of the Council are delivered to residents across the whole of the District.

At the time of the original audit, the Council had one mechanical sweeper in service and at the time of this follow-up audit, the Council still has only one mechanical sweeper in service to work alongside the 8 manual operatives and zonal crews working in high footfall areas. Steps are being taken to ensure that the Council has 2 mechanical sweepers in service so that it has sufficient mechanical sweeping capacity to ensure that all areas across the whole of the district are subject to periodic mechanical sweeping.

A further follow-up review in this area will be undertaken in January 2023 by which time it is hoped that inspections will have resumed which can then result in the resumption of the reporting of performance indicators for street cleansing to Members.

#### **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: Absence Management, HMO Licensing, Complaints Monitoring, VAT, and Operational Services Vehicle Fleet Management.

#### **5.0 CHANGES TO THE AGREED AUDIT PLAN:**

5.1 The 2022-23 internal audit plan was agreed by Members at the meeting of this Committee on 9th March 2022.

5.2 The Head of the Audit Partnership meets on a quarterly 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 are made to the plan during the course of the year as some high profile projects or high-risk areas may be requested to be prioritised at the expense of putting back or deferring to a future year some lower risk planned reviews. The detailed position regarding when resources have been applied and or changed are shown as Appendix 1.

#### **6.0 FRAUD AND CORRUPTION:**

There are no known instances of fraud or corruption being investigated by the EKAP to bring to Members' attention at the present time.

#### **7.0 UNPLANNED WORK:**

All responsive assurance / unplanned work is summarised in the table contained at Appendix 1.

#### **8.0 INTERNAL AUDIT PERFORMANCE**

8.1 For the three months to 30th June 2022, 72.93 chargeable days were delivered against the target for the year of 330 days which equates to 22.09% 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.



- 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.

**Attachments**

- Appendix 1 Progress to 30th June 2022 against the agreed 2022-23 Audit Plan.
- Appendix 2 Definition of Audit Assurance Statements & Recommendation Priorities
- Appendix 3 Summary of Critical and High priority recommendations not implemented at the time of follow-up.
- Appendix 4 Summary of services with Limited / No Assurances yet to be followed up.
- Appendix 5 Balanced Scorecard of Performance Indicators

**PROGRESS TO DATE AGAINST THE AGREED THANET DISTRICT COUNCIL  
2022-23 AUDIT PLAN – APPENDIX 1**

Area	Original Planned Days	Revised Budgeted Days	Actual days to 30-06-2022	Status and Assurance Level
<b>FINANCIAL GOVERNANCE:</b>				
Car Parking & Enforcement	10	10	0	Quarter 3
VAT	10	10	0	Quarter 3
<b>HOUSING SYSTEMS:</b>				
Housing Allocations	10	10	0	Quarter 4
HMO Licensing	10	10	0.38	Work-in-Progress
Tenant Health & Safety	10	10	0	Quarter 4
Leasehold Services	12	12	0	Quarter 2
Capital Programme/ Planned Maintenance	12	12	0	Quarter 4
Contract Letting Procurement Process	10	10	0	Quarter 3
<b>GOVERNANCE RELATED:</b>				
Digital/Cloud Computing	10	10	0.57	Work-in-Progress
Officers' Code of Conduct	10	10	0	Quarter 2
Complaints Monitoring	10	10	0.21	Work-in-Progress
Project Management	10	10	0	Quarter 4
Corporate Advice/CMT	2	2	1.36	Work-in-Progress
s.151 Officer Meetings and Support	9	9	3.10	Work-in-Progress
Governance & Audit Committee Meetings and Report Preparation	12	12	3.19	Work-in-Progress
2023-24 Audit Plan and Preparation Meetings	9	9	0	Quarter 4
<b>HR RELATED:</b>				
Absence Management - Sickness, Annual and Flexi Leave	12	12	0.22	Work-in-Progress
<b>COUNTER FRAUD:</b>				
Counter Fraud & Corruption	10	10	0	Quarter 3
<b>SERVICE LEVEL:</b>				
Safeguarding	10	10	0	Quarter 3

Community Safety	10	10	0	Quarter 3
CCTV	10	10	10.42	Finalised - No
Dog Warden & Environmental Crime	10	10	0	Quarter 3
Food Safety	10	10	10.08	Finalised - Substantial/No
Pollution/Contaminated Land	10	10	0.22	Work-in-Progress
Business Continuity/Emergency Planning	10	10	0	Quarter 4
Licensing	10	10	0.18	Quarter 2
Museums	10	10	0	Work-in-Progress
Ramsgate Harbour Accounts	5	5	0	Quarter 2
East Kent Opportunities	10	10	0	Quarter 3
Waste Vehicle Fleet Management	13	13	2.12	Work-in-Progress
Climate Change	5	5	0	Quarter 3
Employee Health and Safety	10	10	0	Quarter 4
<b>OTHER:</b>				
Liaison With External Auditors	1	1	0.22	Work-in-Progress
Follow-up Reviews	15	15	5.81	Work-in-Progress
<b>FINALISATION OF 2020-21 AUDITS:</b>				
Repairs & Maintenance	5	5	0.84	Finalised - Limited
Income, Bank Rec. & Cash Collection			9.18	Finalised - Substantial, Substantial & Limited
Maritime			1.29	Finalised - Reasonable
Recruitment			10.74	Finalised - Reasonable
Risk Management			1.90	Finalised - Reasonable
Thanet Community Lotto			9.75	Finalised - Limited
<b>RESPONSIVE ASSURANCE:</b>				
Corporate Leak Investigation	0	0	1.15	Finalised
<b>TOTAL</b>	<b>330</b>	<b>330</b>	<b>72.93</b>	<b>22.09%</b>

**PROGRESS TO DATE AGAINST THE AGREED EKS & CIVICA  
AUDIT PLAN 2022-23**

<b>Review</b>	<b>Original Planned Days</b>	<b>Revised Planned Days</b>	<b>Actual days to 30/06/2022</b>	<b>Status and Assurance Level</b>
<b>EKS Reviews;</b>				
Business Rates	15	15	0.17	Quarter 2
Housing Benefit DHPs	15	15	0	Quarter 3
Housing Benefit Testing	15	15	16.44	Finalised - N/A
Debtors	15	15	0	Quarter 4
ICT – Data Management	15	15	0	Quarter 4
ICT – Network Security	15	15	0	Quarter 3
KPIs	5	5	7.04	Finalised - Substantial
Payroll	18	18	1.22	Work in progress
<b>Other;</b>				
Corporate/Committee	8	8	1.98	Ongoing
Follow Up	6	6	0.43	Ongoing
<b>Finalisation of 2021/22 Audits:</b>				
ICT Procurement & Disposal	1	1	1.22	Finalised - Substantial
<b>Total</b>	<b>128</b>	<b>128</b>	<b>28.50</b>	<b>22.27%</b>

## Definition of Audit Assurance Statements & Recommendation Priorities

### Cipfa Recommended Assurance Statement Definitions:

**Substantial assurance** - A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

**Reasonable assurance** - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

**Limited assurance** - Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

**No assurance** - Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

### EKAP Priority of Recommendations Definitions:

**Critical** – A finding which significantly impacts upon a corporate risk or seriously impairs the organisation's ability to achieve a corporate priority. Critical recommendations also relate to non-compliance with significant pieces of legislation which the organisation is required to adhere to and which could result in a financial penalty or prosecution. Such recommendations are likely to require immediate remedial action and are actions the Council must take without delay.

**High** – A finding which significantly impacts upon the operational service objective of the area under review. This would also normally be the priority assigned to recommendations relating to the (actual or potential) breach of a less prominent legal responsibility or significant internal policies; unless the consequences of non-compliance are severe. High priority recommendations are likely to require remedial action at the next available opportunity or as soon as is practical and are recommendations that the Council must take.

**Medium** – A finding where the Council is in (actual or potential) breach of - or where there is a weakness within - its own policies, procedures or internal control measures, but which does not directly impact upon a strategic risk, key priority, or the operational service objective of the area under review. Medium priority recommendations are likely to require remedial action within three to six months and are actions which the Council should take.

**Low** – A finding where there is little if any risk to the Council or the recommendation is of a business efficiency nature and is therefore advisory in nature. Low priority recommendations are suggested for implementation within six to nine months and generally describe actions the Council could take.

SUMMARY OF CRITICAL & HIGH PRIORITY RECOMMENDATIONS NOT IMPLEMENTED AT THE TIME OF FOLLOW-UP – APPENDIX 3		
Original Recommendation	Agreed Management Action , Responsibility and Target Date	Manager’s Comment on Progress Towards Implementation.
<i>Equality &amp; Diversity - July 2022</i>		
<p>The Council should revisit and review its Equality Strategy and the Cabinet should approve a new Equality Policy during the course of 2022 in accordance with the Equality Act 2010. The new Equality Policy should: -</p> <ul style="list-style-type: none"> <li>- renew the Council’s commitment to improving equality and diversity outcomes for staff and service users in Thanet;</li> <li>- include all its strategic equality related objectives (usually between three and four objectives</li> <li>- include the performance metrics linked to equality related objectives;</li> <li>- include how these objectives and performance will be monitored through the performance management process;</li> <li>- include roles and responsibilities for delivery and monitoring; and</li> <li>- include processes for meeting its reporting requirements annually.</li> </ul>	<p>Recommendation accepted.</p> <p><u>Proposed Completion Date &amp; Responsibility</u></p> <p>Director of Law &amp; Democracy (EC) - June 2022</p>	<p>Management Comment: Management has confirmed that <i>‘the policy has not been updated for some time. However, as there has not been any legislative changes, the view is that the policy does not need tweaking at this time. It was originally signed off some 3-4 years ago.’</i></p> <p>Auditor Comment: The initial audit was unable to verify that the policy had been approved by CMT or the Cabinet. In the interest of good governance and transparency, a new or reviewed policy needs to be approved by senior management and elected members. The policy published on the intranet does not include any of its appendices which include a copy of the template Equality Impact Assessment Form. This should also be produced online for management to view and use. Whether or not the original policy was approved or not, the Council must adopt a new policy this year as equality related objectives must be approved every four years in accordance with the Public Sector Equality Duty.</p>

		<b>Recommendation Outstanding.</b>
<p>Staff should receive some form of training on how and when to complete EIAs.</p>	<p>Recommendation accepted.</p> <p><u>Proposed Completion Date &amp; Responsibility</u></p> <p>Director of Law &amp; Democracy (EC) - March 2022</p>	<p>Management Comment:  Management have confirmed that <i>'3-4 years ago EIA training was delivered- initially in house and later an external came in for select people. There has not been an EIA training programme for some years.'</i></p> <p>Auditor Comment:  It is positive that EIA training was initially delivered when the policy was introduced in 2018, however looking at this from an outcomes perspective, it was clear that refresher training is required.</p> <p>During the initial audit, three completed EIAs were examined when the Council introduced a major policy or strategy. One was not dated, one was completed correctly but one was completed but not documented at all. It is therefore advised that refresher training is a valid recommendation that could be used to help improve the quality of the EIA competition process.</p> <p><b>Recommendation Outstanding.</b></p>

<p>1. As a control, departments should be sent quarterly / annual reports on outstanding e-learning to ensure higher completion figures.</p>	<p>This is already in place. The organisation will promote e-learning modules and this will be discussed with senior management at CMT on 16th November 2021.</p> <p><u>Proposed Completion Date &amp; Responsibility</u></p> <p>Director of Law &amp; Democracy (EC) - June 2022</p>	<p>Management Comment: The Cloud and Data Developer (NF) confirmed that he receives updates from HR each day with the latest e-learning compliance figures. The current whole council completion rate is 53%.</p> <p>The report from HR automatically updates the individual team sheets where staff and managers can see their progress on a daily basis. This can be found on the intranet.</p> <p>It was confirmed that the Council has a program focusing on equality e-learning and this is a focus for December each year.</p> <p><i>In terms of governance, management take a summary of e-learning compliance to CMT quarterly, Comms have also pushed this forward by having a monthly campaign to remind staff of dedicated time for learning (incl e-learning), and there is training that has taken place for equality &amp; diversity that is not captured within e-learning that has been a requirement as well.</i></p> <p>Auditor Comment: The recommendation has technically been implemented but the control over e-learning remains corporately weak which is demonstrated by the e-learning compliance rates which remain low. Heads of Service must be tasked with driving higher e-learning compliance and be held to account when e-</p>
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		<p>learning compliance rates are below an acceptable level as set and overseen by CMT.</p> <p>Compliance rate at 11/07/2022: 52%</p> <p><b>Recommendation Outstanding.</b></p>
<p>The Council should publish its Equality and Diversity Annual Report for 2019/20 and prepare to publish the annual report for 2020/21 by 31st January 2022. CMT should work with the new HR team and service directors to set clear roles and responsibilities for equality and diversity annual reporting for staff and for service users who share a protected characteristic and this should result in the publication of an annual report. The Council must publish information annually (by 31st January each year).</p>	<p>Recommendation accepted.</p> <p><u>Proposed Completion Date &amp; Responsibility</u></p> <p>Director of Law &amp; Democracy (EC) - June 2022</p>	<p>Auditor Comment:</p> <p>The Equality and Human Rights Commission published guidance that states that public authorities must:</p> <ul style="list-style-type: none"> <li>- Publish gender pay gap information;</li> <li>- Publish information in relation to protected characteristics; and</li> <li>- Publish objectives at least once every four years.</li> </ul> <p>This information must be published in a manner accessible to the public in accordance with the Public Sector Equality Duty.</p> <p>When searching the Thanet website the auditor was able to find: -</p> <ul style="list-style-type: none"> <li>- <a href="#">Gender pay gap information</a>; and</li> <li>- <a href="#">Equality objectives</a> within the Equality Policy under 4.1 General Duties.</li> </ul> <p>Information in relation to statistics relating to protected characteristics was not found, nor was the Equality and Diversity information above easy to find using the website and was</p>

		not in one place. <b>Partially Implemented but marked as Outstanding for the purpose of audit reporting as it remains non-compliant with the Public Sector Equality Duty.</b>
<i>Playgrounds - July 2022:</i>		
Produce a Policy which should be agreed and approved by members.	<p>This will be covered under our service standards - Review service standards within Open Spaces to incorporate playgrounds.</p> <p>Proposed Completion Date 01 May 2022</p> <p>Responsibility Open Spaces Manager (EP) and Interim Environmental Services Manager (PH)</p>	<p>Manager Comment: We have a Service Plan : Operational services which covers open spaces. Period April 2019 - Mar 2023</p> <p>Auditor Comment: Strategies, policies and procedures need to be put in place regarding the provision and maintenance of playgrounds to ensure that the Council is in compliance with legislative requirements and to document the decision processes for day to day operations. Service Plans do not provide all the information.</p> <p><b>Outstanding.</b></p>
Establish a monitoring report to summarise those findings from the Annual Inspection process and consequently any management decisions taken to rectify risks identified.	<p>A monitoring report is already supplied to us by ROSPA as part of the yearly inspections which summarise any issues that need to be rectified in a priority order.</p> <p>No Further action</p> <p>Auditor comments - the recommendation is seeking evidence of the process that occurs after these tier 3 reports are received. How are</p>	<p>This is yet to be actioned.</p> <p><b>Outstanding</b></p>

	<p>they being actioned, managed and monitored? If evidence of the process exists then please provide so it can be tested as part of the follow-up process.</p> <p>Proposed Completion Date 01 June 2022</p> <p>Responsibility Open spaces Manager (EP) and Interim Environmental Manager (PH)</p>	
<p>Review and modify the inspection sheet to ensure records are maintained of all inspectors on site, time spent on site and if photographic evidence was taken and sent to Supervisor.</p>	<p>These items could be incorporated within the digital form.</p> <p>To liaise with the Cloud and Data Developer (NF) in digital to ask if this can be achieved with the digital form.</p> <p>Proposed Completion Date 30 June 2022</p> <p>Responsibility Open Spaces manager (EP) and Interim environmental Manager (PH)</p>	<p>This is yet to be actioned.</p> <p><b>Outstanding</b></p>
<p>Ensure all photographic evidence of site visits is downloaded from Whatsapp; stored and linked to relevant inspection records</p>	<p>These items could be incorporated within the digital form.</p> <p>To liaise with the Cloud and Data Developer (NF) in digital to ask if this can be achieved with the digital form.</p> <p>Proposed Completion Date 01 May 2022</p> <p>Responsibility Open Spaces Manager (EP) and Interim Environmental Manager (PH)</p>	<p>This is yet to be actioned.</p> <p><b>Outstanding</b></p>

*Street Cleansing - September 2022:*

The Council should develop and (have approved by Elected Members) a Service Plan for the Street Cleansing function which ensures that the Council meets its obligations under section 89(1) and (2) of the Environmental Protection Act 1990.

It is thought that this action should refer to a service standard not service plan. A service standard exists in draft form but completing and publishing this is low priority for the service against the backdrop of managing other service critical activities throughout the pandemic, Brexit transition and the current national shortage of HGV drivers.

The absence of a published service standard does not stop the service from meeting its obligations. It is not accepted that there is evidence to show failures in compliance with section 89(1) and (2) of LPA1990

**Proposed completion date and responsibility:**

The service standard will be published in April 2022. - Environmental Services Manager

Draft Service Standards have been developed, but have not yet received Cabinet approval.

**Outstanding with a revised implementation date of 30/11/22**

Reinstate inspections or areas across the District and report the outcome of inspections to Senior Management.

A plan has been developed with the digital team so that a google app can be used by non Operational Services TDC staff to score levels of cleanliness.

**Proposed completion date and responsibility:**

New system programmed to be implemented in June 2022 subject to approval - Environmental Services Manager

Testing established that inspections are not yet implemented. Work is currently underway to develop an independent inspection process involving officers from outside of the Street Cleansing function to give a more independent appraisal.

**Outstanding with a revised implementation date of 31/12/22**

<p>Develop suitable and relevant performance indicators for the Street Cleansing Function and ensure that performance is reported in line with Corporate reporting requirements.</p>	<p>A new indicator has been drafted based on the percentage of randomly inspected sites which are mainly free from litter or refuse. This links with the plan mentioned in action 4 above.</p> <p><b>Proposed completion date and responsibility:</b> April 2022 - Environmental Services Manager</p>	<p>Testing established that relevant performance indicators are included in the Service Standards and will be implemented when the Service Standards are approved.</p> <p><b>Outstanding with a revised implementation date of 30/11/22</b></p>
<p>Review and update all manual and mechanical sweeping rounds so that all streets are included for periodic sweeping by either a manual or mechanical sweeper .</p>	<p>It is agreed that the current road cleansing list should be reviewed and updated in readiness for the deployment of the replacement sweepers.</p> <p><b>Proposed completion date and responsibility:</b> September 2022. - Environmental Services Manager</p>	<p>Testing established that mechanical sweeper rounds are currently being developed based on 2 mechanical sweepers. Once both are delivered, the new rounds will be implemented.</p> <p><b>Outstanding with a revised implementation date of 31/03/23</b></p>
<p>The Cleansing Supervisor should introduce random checks on mechanical sweepers to ensure that the operators have completed all the necessary checks, maintenance and cleaning of the mechanical sweeper they are operating.</p>	<p>All supervisors will be trained on the new sweepers and random checks will be done. A check sheet is in the first stages of being implemented.</p> <p>We have arranged for further driver training for the sweepers so that all operators are aware of the cleaning regime.</p> <p><b>Proposed completion date and responsibility:</b> Feb 2022 - Environmental Services Manager</p>	<p>No additional checks have been implemented as only 1 sweeper continues to be in use. Recommendation will be implemented when the new mechanical sweepers go into service.</p> <p><b>Outstanding with a revised implementation date of 31/03/23</b></p>

**SERVICES GIVEN LIMITED / NO ASSURANCE LEVEL STILL TO BE REVIEWED – APPENDIX 4**

<b>Service</b>	<b>Reported to Committee</b>	<b>Level of Assurance</b>	<b>Follow-up Action Due</b>
CCTV	July 2022	No	Work-in-Progress
Tenancy & Estate Management	July 2022	Reasonable/Limited	Work-in-Progress
Repairs & Maintenance	July 2022	Limited	Work-in-Progress
Thanet Community Lotto	September 2022	Limited	Work-in-Progress

**Balanced Scorecard**

**Appendix 5**

<u>INTERNAL PROCESSES PERSPECTIVE :</u>	<u>2022-23 Actual</u>	<u>Target</u>	<u>FINANCIAL PERSPECTIVE:</u>	<u>2022-23 Actual</u>	<u>Original Budget</u>
	<b>Quarter 1</b>		<b>Reported Annually</b>		
Chargeable as % of available days	88%	90%	<ul style="list-style-type: none"> <li>• Cost per Audit Day</li> </ul>	£	£
Chargeable days as % of planned days			<ul style="list-style-type: none"> <li>• Direct Costs</li> </ul>	£	£
CCC	25.59%	25%	<ul style="list-style-type: none"> <li>• + Indirect Costs (Recharges from Host)</li> </ul>	£	£
DDC	25.43%	25%	<ul style="list-style-type: none"> <li>• - 'Unplanned Income'</li> </ul>	£	Zero
TDC	22.09%	25%			
FHDC	24.66%	25%			
EKS	22.26%	25%			
Overall	24.11%	25%	<ul style="list-style-type: none"> <li>• = Net EKAP cost (all Partners)</li> </ul>		£
Follow up/ Progress Reviews;					
• Issued					
• Not yet due	12	-			
• Now due for Follow Up	12	-			
	19	-			
Compliance with the Public Sector Internal Audit Standards (PSIAS) (see Annual Report for more details)	Partial	Partial			

<b><u>CUSTOMER PERSPECTIVE:</u></b>	<b><u>2022-23 Actual</u></b>	<b><u>Target</u></b>	<b><u>INNOVATION &amp; LEARNING PERSPECTIVE:</u></b>	<b><u>2022-23 Actual</u></b>	<b><u>Target</u></b>
	<b>Quarter 1</b>		<b>Quarter 1</b>		
<b>Number of Satisfaction Questionnaires Issued;</b>	<b>11</b>		<b>Percentage of staff qualified to relevant technician level</b>	<b>61%</b>	<b>60%</b>
<b>Number of completed questionnaires received back;</b>	<b>11</b>		<b>Percentage of staff holding a relevant higher-level qualification</b>	<b>36%</b>	<b>36%</b>
	<b>= 100 %</b>		<b>Percentage of staff studying for a relevant professional qualification</b>	<b>14%</b>	<b>N/A</b>
<b>Percentage of Customers who felt that;</b>			<b>Number of days technical training per FTE</b>	<b>1.21</b>	<b>3.5</b>
• Interviews were conducted in a professional manner	<b>100%</b>	<b>100%</b>	<b>Percentage of staff meeting formal CPD requirements (post qualification)</b>	<b>50%</b>	<b>50%</b>
• The audit report was 'Good' or better	<b>100%</b>	<b>90%</b>			
• That the audit was worthwhile.	<b>100%</b>	<b>100%</b>			