



**Performance/Administration
Cabinet Committee**

Members of the **Performance/Administration Cabinet Committee** of **Gravesham Borough Council** are summoned to attend a meeting to be held at the Civic Centre, Windmill Street, Gravesend, Kent on **Thursday, 12 November 2015 at 7.30 pm** when the business specified in the following agenda is proposed to be transacted.

S Kilkie
Assistant Director (Communities)

Agenda

Part A

Items likely to be considered in Public

1. Apologies
2. Minutes (Pages 3 - 6)
3. Declarations of Interests
4. To considered whether any items in Part A of the agenda should be considered in private or those (if any) in Part B in public.
5. Corporate Plan 2015-19: Performance Management (Pages 7 - 12)
To present Members of the committee with an outline of the performance management of the Performance and Administration portfolio during the Corporate Plan 2015-19 period.
6. Internal Audit & Fraud Partnership: Performance Management Framework (Pages 13 - 28)
For both the Performance & Administration Committee and Finance & Audit Committee to consider and advise on the performance management framework to be adopted for the Internal Audit and Fraud Partnership with Medway Council, to take effect from 1 April 2016.

7. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.

8. Exclusion

To move, if required, that pursuant to Section 100A (4) of the Local Government Act 1972 that the public be excluded from any items included in Part B of the agenda because it is likely in view of the nature of business to be transacted that if members of the public are present during those items, there would be disclosure to them of exempt information as defined in Part 1 of Schedule 12A of the Act.

Part B
Items likely to be considered in Private

Members

Cllr Leslie Hills (Chair)

Cllr Julia Burgoyne (Vice-Chair)

Councillors: Colin Caller
 Brian Francis
 David Hurley
 John Knight
 Bronwen McGarrity
 Peter Scollard
 Narinder Singh Thandi

Substitutes: To be notified

Performance/Administration Cabinet Committee**Thursday, 10 September 2015****7.300pm****Present:**

Cllr Leslie Hills (Chair)
 Cllr Julia Burgoyne (Vice-Chair)

Cllrs: Colin Caller
 Brian Francis
 David Hurley
 John Knight
 Bronwen McGarrity
 Peter Scollard
 Narinder Singh Thandi

Stuart Bobby	Assistant Director (Corporate Performance)
Darren Everden	Service Manager (IT Services)
Ben Turner	Corporate Performance Manager
Christopher Wakeford	Committee Services Officer (Scrutiny)

7. Minutes

The Minutes of the meeting held on 11 June 2015 were signed by the Chair.

8. Declarations of Interest

No declarations of interest were made.

9. Corporate Plan 2015/19

The Corporate Performance Manager updated the Committee on the Corporate Plan 2015/19 which was endorsed by Cabinet on 7 September 2015 and will be presented to Full Council on 13 October 2015.

The Corporate Plan sets out the Council's vision for the borough complete with a suite of key objectives and policy commitments that will shape the Council's activities over the relevant period. Operationally, the Corporate Plan enables the Council to effectively plan and prepare the resources required to deliver set objectives and equally provides a framework for future service business plans and strategies to work to.

The Council carried out a public consultation between November 2014 and January 2015 to establish the level of importance the community associated with each of the Council's frontline services. The intelligence gathered from the exercise was integral to the new plan.

To give the work of the Council over the coming years a framework, four key Corporate Objectives have therefore been designed to reflect the results of the public consultation and importantly the election manifesto pledges of the new administration:-

1. **Safer Gravesham**
2. **Stronger Gravesham**
3. **Sustainable Gravesham**
4. **Sound & self-sufficient council**

In the plan each objective is supported by a number of key policy commitments to which the Council will work towards over the coming 2015/19 period.

The plan also presents a new performance framework aimed at scrutinising the progress of the Council in delivering its commitments.

The new framework has been deliberately streamlined so that only information relating to the determined indicators should be being reported against.

The Performance/Administration Cabinet Committee will have a key role when reviewing the progress of the Council's work in delivering the Corporate Plan. The Committee will receive quarterly reports relating to its portfolio as well as an annual update providing the complete suite of performance for the authority.

There will also be a broader role for the Committee in acting as a 'test bed' for initiatives identified by officers which have the aim of improving performance across the authority.

The Committee commended the more streamlined process and looked forward to receiving updates on the relevant policies to the Committee.

10. Internal Audit & Fraud Shared Service Arrangements

The Assistant Director (Corporate Performance) provided the Committee with an update on the future delivery of Internal Audit & Assurance services for the Council.

The Assistant Director (Corporate Performance) advised the Committee of the aim to have a fully shared Internal Audit and Fraud Services with Medway Council by 1 April 2016.

From 1 December 2015, the intention is for officers from Gravesham's Audit & Assurance Team to transfer to Medway Council, and consultation is due to commence imminently with GBC staff on this matter.

Following a request from a Member, the Assistant Director (Corporate Performance) advised that he would circulate a list of areas within Audit and Fraud Services that the Council is responsible for and the areas that the Department for Work and Pensions is responsible for, both pre and post the introduction of the Single Fraud Investigation Service.

The Assistant Director (Corporate Performance) advised the Committee that the Shared Service Arrangement should provide the Council with savings broadly equal to the reduction in Housing Benefit Administration Grant which will result from the introduction of the Single Fraud Investigation Service, currently estimated to be around £60,000.

There will be further updates on the finer details of the shared service that will be presented to the Committee at a later date.

The Committee noted the update on Internal Audit & Fraud Shared Service Arrangements.

11. IT Strategy Update

The Service Manager IT provided the Committee with an update on progress made with implementing actions arising from the IT Strategy (2015/18).

The update covered the following areas:-

- Service Modernisation;
- Communications;
- Self-Service;
- GBC Website update.

The Committee discussed security issues and data protection matters. The Service Manager IT advised that the Assistant Director Governance & Law would be best placed to provide Members with an update on data protection.

Following a question from a Member, The Service Manager IT advised the Committee that a new look GBC website is being developed and is currently being tested before going live.

Members **noted** the progress made with implementing actions arising from the IT Strategy (2015/18).

Close of meeting

The meeting ended at 8.20 pm.

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Classification:

Part 1 – Public

Key Decision:

Please specify - No

Gravesham Borough Council

Report to:	Performance and Administration Committee
Date:	12 November 2015
Reporting officer:	Corporate Performance Manager
Subject:	Corporate Plan 2015-19: Performance Management

Purpose and summary of report:

To present Members of the committee with an outline of the performance management of the Performance and Administration portfolio during the Corporate Plan 2015-19 period.

Recommendations:

That Members acknowledge the performance management portfolio of the committee and the process of future performance management reporting to the committee.

1. Background

- 1.1 The Corporate Plan sets out the council's vision for the borough complete with a suite of key objectives and policy commitments that will shape the council's activities over the relevant period. Operationally, the Corporate Plan enables the council to effectively plan and prepare the resources required to deliver set objectives and equally provides a framework for future service business plans and strategies to work to.
- 1.2 The Corporate Plan was ultimately approved by Full Council on 13 October 2015, to be adopted into the council's Corporate Policy Framework as defined by the council's Constitution.

2. Development of the Performance Management Framework

- 2.1 In order to evaluate if the council is effectively achieving against its stated policy commitments, and is ultimately delivering consistently high quality services, the council needs to have in place a sound performance management process. As such the development phase of the new Corporate Plan saw a full review of the existing performance management framework.

- 2.2 Working alongside the council's Internal Audit team, the review established that the council's existing performance management framework, whilst consistently reported and more in-depth than many peer authorities, included a number of areas of potential improvement. The key findings of the review are set out below:
- The opportunity to develop a suite of indicators was identified which would enable performance management to take place across all Corporate Plan objectives, as previously some performance management indicators were missing;
 - Indicators were often difficult to collect (particularly where external partners were involved) and on occasion methodologies had to be amended in-year preventing consistent benchmarking of performance improvement;
 - A number of indicators had targets that were not reflective of baseline performance outturns and some, due to their volatile nature, were difficult to actually establish meaningful targets;
 - Some committees received more performance management information than others in order to effectively govern services, and;
 - Some services were not involved in the performance management framework, meaning there was a lack of accountability to Members in areas and therefore limited evaluation of the outputs of certain core services preventing effective service planning.
- 2.3 Using the results of the review, the Corporate Performance team, working alongside the council's senior management team and Cabinet Portfolio holders, subsequently established a new performance management framework to support the delivery of the council's new Corporate Plan (2015-19).
- 2.4 Central to the new framework is a suite of corporate performance indicators directly linked to the policy commitments as defined by the council's new administration. Alongside revisions to the reporting process itself, including enhanced links to individual service team business plans, the suite of indicators will form the basis of the corporate performance reporting process to Members during the 2015-19 period.
- 2.5 The new performance management framework provides assurance to Members that an effective reporting system has been put in place that delivers genuine accountability in how successfully the council is administering its resources.

3. Next Steps – future monitoring of the council's performance

- 3.1 As part of the new performance management framework, the Cabinet and respective Cabinet committees will receive performance management reports on a quarterly basis. These reports will present an overview of the council's activities in relation to the four adopted corporate objectives and associated performance indicators.
- 3.2 Currently officers are developing relevant procedures and methodologies for each of the performance indicators to ensure consistency and accuracy of reporting throughout the period. Once this process has been finalised, performance reporting to the Cabinet and respective Cabinet committees will commence in January 2016.

- 3.3 The Performance and Administration Committee's portfolio has a leading role in the delivery of the Corporate Plan's Corporate Objective 4: *sound and self-sufficient council*. As such, performance reporting to the committee will be focussed on achievements against this objective. All related policy commitments and their respective performance indicators and the responsible council officers are set out below:

Policy Commitment		
1. Underpin all council activity with sound governance and internal control measures minimising the opportunities for fraud and corruption.		
PI 43	Percentage of internal audit recommendations implemented	Katey Arrowsmith (Audit and Assurance Manager)

Policy Commitment		
2. Quality frontline services delivered on time and to the right people.		
PM 13	Average time taken to process Housing Benefit / Council Tax new claims	Mike Bytheway (Service Manager - Revenues & Benefits)
PM 14	Average time taken to process Housing Benefit / Council Tax change of circumstances	Mike Bytheway (Service Manager - Revenues & Benefits)

Policy Commitment		
3. Work to maximise income collection through the robust management and recovery of debts owed to the council.		
PM 11	Percentage of council tax collected	Mike Bytheway (Service Manager - Revenues & Benefits)
PM 12	Percentage of NNDR collected	
PI 44	Housing Benefit overpayments recovered as a percentage of those raised	
PI 45	Amount of Housing benefit overpayments received as a percentage of total debt	

Policy Commitment		
4. Implement genuine channel shift through an enhanced IT infrastructure, enabling customers to access key services online, anytime, anywhere.		
PI 50	Percentage of council tax accounts signed up for e-billing	Mike Bytheway (Service Manager - Revenues & Benefits)

Policy Commitment		
5. Deliver on opportunities for the sharing and selling of council services to increase efficiencies and build business resilience.		
No performance indicator reported to P&A committee. Information to be provided as and when necessary and relevant.		Stuart Bobby (Assistant Director - Corporate Performance)

Policy Commitment		
6. Achieve financial efficiencies and improved levels of performance, by continuously reviewing and adapting how we deliver our services.		
No performance indicator reported to P&A committee. Information to be provided as and when necessary and relevant.		Stuart Bobby (Assistant Director - Corporate Performance)

NOTE: Only those performance indicators relating to the Performance and Administration Committee's portfolio are listed above i.e. the 'channel shift' agenda (#4) includes performance information relating to the council's Digital Team which is reported as part of Deputy Leader Cllr Turner's portfolio.

- 3.4 In addition to the quarterly performance reporting process, the Performance and Administration Committee will oversee the development of the council's Annual Report which will be presented to the committee in July of each year for consideration ahead of presentation to Cabinet.

IMPLICATIONS		APPENDIX 1	
Legal	The council's Corporate Plan is an integral part of the authority's policy framework as defined by the Constitution. The new Plan will ensure the council has in place an effective framework to delivery its responsibilities and delivers better results for vulnerable local residents, with the assistance of relevant partner agencies.		
Finance and Value for Money	There are no significant costs associated with the development of the council's new Corporate Plan and associate performance management framework from which future council activities should be based and which therefore should be accounted for as part of on-going financial planning processes.		
Risk Assessment	Implementation of a performance management framework allows the council to evidence how successful we are in achieving against our stated objectives, and for residents it provides genuine accountability in how successfully the council is administering its resources.		
Equality Impact Assessment	Screening for Equality Impacts		
	Question	Answer	Explanation
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	N/A
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	N/A	
<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>			
Corporate Plan	The council's adopted Corporate Plan sets the strategic vision and objectives for the authority over the 2015-19 period. All future committee reports will be presented in consideration of the new Corporate Plan.		
Crime and Disorder	Community safety is an integral theme of new Corporate Plan and work by the council in this area, alongside its key partners, will go towards delivering corporate objective 1: 'a Safer Gravesham'.		

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Classification: N/A

Key Decision: No

Gravesham Borough Council

Report to: Performance & Administration Committee
Finance & Audit Committee

Date: 12 November 2015
18 November 2015

Reporting officer: Assistant Director – Corporate Performance

Subject: Internal Audit & Fraud Partnership: Performance
Management Framework

Purpose and summary of report:

For both the Performance & Administration Committee and Finance & Audit Committee to consider and advise on the performance management framework to be adopted for the Internal Audit and Fraud Partnership with Medway Council, to take effect from 1 April 2016.

Recommendations:

That the committees;

1. Consider the existing performance management framework in place, taking into account the balanced scorecard approach used by other local authorities and relevant legislation/guidance, and make recommendations as to the performance management framework which Members would wish to be used with effect from 1 April 2016.

1. Introduction

- 1.1 As Members will be aware, Cabinet authority was granted on the 7 September 2015 for the launching of a combined Internal Audit and Fraud Service between Gravesham Borough Council and Medway Council. Consequently, officers from both organisations have been working towards a transfer date of 1 December 2015 for those staff currently employed by Gravesham Borough Council to be transferred to Medway Council and begin working within the combined service under a partnership arrangement.
- 1.2 In practice, whilst staff currently employed by Gravesham Borough Council will transfer to Medway Council on 1 December 2015, due to the introduction of the Single Fraud Investigation Service in early 2016 (which will see the Department for Work and Pensions take responsibility for Housing Benefit Fraud investigations), the formal partnership working arrangements between Gravesham and Medway will not commence until 1 April 2016.

- 1.3 As the effective date of transfer draws near, consideration needs to be given to the performance management framework which will be used to assess the outputs from the new partnership arrangement. It is considered that both the Performance & Administration Committee and Finance & Audit Committee should be consulted on these new arrangements for the following reasons;
- The Performance & Administration Committee has responsibility for performance management framework considerations affecting the authority, ensuring that the performance management frameworks are sufficient to assess value for money outcomes;
 - The Finance & Audit Committee has overall responsibility for ensuring that effective governance arrangements are in place for the organisation and an effective Internal Audit and Fraud service is a key component of an effective governance framework.
- 1.4 As the formal partnership working arrangements between Gravesham and Medway will not commence until 1 April 2016, it is therefore proposed that any recommended changes to the performance management framework be adopted from that date, and included within the formal partnership agreement. This will also enable annual comparisons covering 2015-16, and 2016-17, to be drawn in due course. There are no plans to change the frequency of reporting of performance data, with the current annual and half-yearly updates continuing for the foreseeable future.

2. Current Performance Management Framework

- 2.1 Local authority Internal Audit teams in the UK are required to work to The Public Sector Internal Audit Standards (PSIAS). The PSIAS require Internal Audit to *“develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity”*. To comply with this requirement, the performance of the Gravesham Internal Audit team is currently measured against a set of seven performance indicators:
- Percentage of the agreed audit plan delivered.
 - Percentage of available resources spent productively, i.e. contributing to the delivery of the agreed audit plan.
 - Client satisfaction based on surveys issued following the completion of every audit.
 - Client satisfaction based on a bi-annual survey issued to council management.
 - Percentage of recommendations made that are agreed by client management.
 - Percentage of recommendations that have been implemented by client management by the agreed date.
 - Opinion of the council’s external auditors on Internal Audit.

2.2 While there are no formal/standard performance measures for local authority fraud teams, Gravesham's performance has historically been assessed against the following indicators on an annual and half-yearly basis:

- Number of Investigations Concluded
- Weekly reduction in housing benefit entitlement (per year)
- Total Housing Benefit & Council Tax Benefit/Reduction overpayments
- Weekly reduction in Council Tax Reduction awards (per year)
- Excess Council Tax Reduction payments prevented
- Value of Single Persons Discount removals
- Increase to Council Tax base for future years through Council Tax Reduction changes & Single Persons Discount removal
- Number of Civil penalties issued and total value
- Number of Cautions issued
- Number of Administration Penalties issued and total value
- Number of successful prosecutions
- Number of people removed from the Housing Register
- Number of Right To Buy sales stopped and total saving
- Number of Housing Properties recovered and total estimated saving
- Number of Internal Investigations concluded
- Results of Internal Investigations
- Number of disciplinary cases with investigation team assistance
- Disciplinary results

2.3 Medway Council Internal Audit & Fraud services currently measure and report performance in different ways and with differing frequencies to the Gravesham Team. The implementation of a partnership service requires the introduction of arrangements to measure and report on a consistent suite of performance indicators. This will enable both authorities to receive consistent, reliable and comparable information to assure themselves they are receiving an effective service.

3. The Legislative/Guidance Requirements

- 3.1 There are various pieces of legislation and guidance which help to inform what an effective performance management framework might look like for Internal Audit and Fraud services, with the relevant extracts set out below;

Accounts & Audit Regulations 2015

- 3.2 Part 2, Section 5: Internal audit. *“5.—(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.*

Public Sector Internal Audit Standards

- 3.3 As the Relevant Internal Audit Standards setter for local government, the Chartered Institute of Public Finance and Accountancy (CIPFA) has stated that, from 1 April 2013, the Public Sector Internal Audit Standards (PSIAS) are mandatory for all principal local authorities and other relevant bodies subject to the Accounts and Audit (England) Regulations 2011 (as amended in 2015).
- 3.4 PSIAS 1300: Quality Assurance and Improvement Programme: *“The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.”*
- 3.5 Interpretation: *“A quality assurance and improvement programme is designed to enable an evaluation of the internal audit activity’s conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.”*

The Local Government Application Note (LGAN) for the UK Public Sector Internal Audit Standards

- 3.6 CIPFA has published guidance on the PSIAS for local authorities; the Local Government Application Note (LGAN) for the UK Public Sector Internal Audit Standards. The relevant extracts of this guidance note are reproduced below;
- 3.7 Paragraph 2.40 *“Ongoing performance monitoring may also incorporate the following:*
- *a comprehensive set of targets to measure performance, developed in consultation with appropriate parties. Performance measures should be included in any service level agreement. The Chief Audit Executive should measure, monitor and report appropriately on the progress against these targets*
 - *stakeholder feedback, and*

- *an action plan to implement improvements (as the interpretation to PSIAS 1300 states that the Quality Assurance Improvement Plan is also for assessing the efficiency and effectiveness of the internal audit activity and identifying areas for improvement)."*

4. Future Performance Management Framework

- 4.1 Is it the intention of the Assistant Director – Corporate Performance (as Chief Audit Executive under the regulations) and the Head of Internal Audit & Counter Fraud to develop and agree (with the Finance & Audit Committee at Gravesham and Medway’s Audit Committee) a new Quality Assurance & Improvement Programme for the partnership service, to cover both audit and fraud services. This would be introduced in line with the formal launch of the new partnership service from April 2016.
- 4.2 At this stage, Members are asked to consider the measures they would wish to receive performance information on to satisfy themselves that Gravesham continues to receive an effective internal audit and fraud service from the partnership. The performance measures in place at other Kent Local Authority audit partnerships are provided for Members information at Appendix Two. Many follow the ‘balanced scorecard’ approach which is intended to provide a holistic view of performance, considering financial stewardship, internal business process (efficiency), capacity (knowledge & information) and customer satisfaction. For ease of comparison, Gravesham’s current suite of performance indicators are reproduced at Appendices Three and Four.
- 4.3 Members could give consideration to the following areas. It will be necessary to ensure a balance is struck between collecting and monitoring enough information to enable Members to be satisfied with the information and service they receive, while not being overly burdensome that the collation reduces effectiveness:
- 4.4 Financial indicators:
- Total cost of service
 - Cost per audit day
 - Average cost per audit
 - Value of overpayment identified
- 4.5 Efficiency indicators:
- Percentage of time spent productively
 - Percentage of time spent on assurance
 - Percentage of time spent on consultancy
 - Number of live cases per investigator
- 4.6 Capacity indicators:
- Percentage of staff professionally qualified or undertaking professional qualification training
 - Staff turnover

- Percentage of available time spent on CPD/non-professional qualification training

4.7 Customer satisfaction indicators:

- Customer satisfaction with the auditor conduct
- Customer satisfaction with the overall audit service
- Member satisfaction
- Opinion of external audit

4.8 Local Authorities are now required to have an external assessment of their compliance with the PSIAS/LGAN at least once every five years, with Gravesham's assessment being indicatively scheduled for 2017. Both Kent County Council and Mid Kent Audit Group have recently had their external assessments carried out with both delivering favourable outcomes. It is worth noting that as per Appendix Two, both Kent County Council and Mid Kent Audit Group use a balanced scorecard model for performance data relating to their Internal Audit and Fraud partnerships.

5. BACKGROUND PAPERS

9.1 There are no background papers in relation to this report.

IMPLICATIONS		APPENDIX 1	
Legal	<p><u>Accounts & Audit Regulations 2015</u> Part 2, Section 5: Internal audit</p> <p>5.—(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.</p> <p><u>PSIAS 1300: Quality Assurance and Improvement Programme:</u> The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.</p> <p>Section 151 of the Local Government Act 1972 requires the council to “make arrangements for the proper administration of their financial affairs”. Funding received via a Central Government Administration Grant requires Local Authorities to maintain arrangements to prevent fraud and error in the welfare benefits that they administer.</p>		
Finance and Value for Money	There are no direct financial considerations resulting from this report, however, the development of a comprehensive and relevant suite of performance management indicators for the Internal Audit and Fraud service should ensure that the authority continues to deliver value for money from any future arrangements.		
Risk Assessment	Direct risks associated with this report are considered to be low, as at this stage Members are being consulted only on the performance management framework to be adopted with effect from 1 April 2016. Should an effective performance management framework not be adopted, there is the risk that should the service not perform as expected, this will not be identified in a timely and efficient manner, enabling corrective action to be taken where necessary.		
Equality Impact Assessment	Screening for Equality Impacts		
	Question	Answer	Explanation

	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		
<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>			
Corporate Business Plan	The work of Internal Audit, Fraud and Investigations contributes to the delivery of the fourth Corporate Plan objective; <i>A Sound and Self-Sufficient Council</i> .		
Crime and Disorder	<p>Internal Audit provides an independent and objective opinion to the organisation on the control environment, by evaluating its effectiveness in achieving the organisations' objectives. The work of Internal Audit combined with a sound internal control environment has a positive contribution to community safety in its broadest sense.</p> <p>The counter fraud arrangements of the council acknowledge that the council can be exposed to fraud and are intended to, as far as possible, prevent fraud occurring and pursue criminal action if needed when fraud is detected. Working with partners to combat crime and disorder has a positive contribution to community safety in its broadest sense.</p>		

Measure	Target	2014/15 Actual
East Kent Partnership (Quarter 4)		
Chargeable as % of available days	80%	87%
Chargeable days as % of planned days:		
CCC	100%	91%
DDC	100%	99%
SDC	100%	100%
TDC	100%	99%
EKS	100%	105%
EKH	100%	100%
Overall	100%	99%
Follow Up/ Progress reviews:		
1) Issued	-	59
2) Not yet due	-	24
3) Now due for Follow Up	-	38
Compliance with the Public Sector Internal Audit Standards (PSIAS)	Full	Partial
Reported Annually		
1) Cost per Audit Day	£312.86	£286.65
2) Direct Costs (Under EKAP management)	£393,980	£366,677
3) Indirect Costs (Recharges from Host)	£19,990	£11,700
4) 'Unplanned Income'	Zero	£22,477
5) Total EKAP Cost	£412,970	£378,377
Number of Satisfaction Questionnaires issued	-	87
Number of completed questionnaires received back	-	30
Percentage of Customers who felt that;		
1) Interviews were conducted in a professional manner	100%	100%
2) The audit report was 'Good' or better	100%	100%
3) That the audit was worthwhile	100%	100%
Percentage of staff qualified to relevant technician level	75%	88%
Percentage of staff holding a relevant higher level qualification	32%	43%
Percentage of staff studying for a relevant professional qualification	13%	25%
Number of days technical training per FTE	3.5	4.75
Percentage of staff meeting formal CPD requirements	32%	43%
Mid Kent Partnership		
% projects completed within budgeted number of days	60%	47%
% of chargeable days	70%	75%
Full PSIAS conformance	As confirmed by IIA assessment	56/56
Audit projects completed within agreed deadlines	60%	41%

% draft reports presented within ten days of fieldwork concluding	70%.	56%
Satisfaction with assurance	-	100%
Final reports presented within 5 days of closing meeting	90%	89%
Respondents satisfied with auditor conduct	-	100%
Recommendations implemented as agreed	As reported elsewhere in this review.	95%
Exam success	75%	100%
Respondents satisfied with auditor skill	-	100%
Sevenoaks & Dartford Partnership		
Percentage of Internal Audit time spent on direct activity	80%	89.45%
Efficiency of the audit service	95%	75% (due to impact of vacancies)
Efficiency of the audit service	95%	67%
Client satisfaction with audits carried out	92%	96%
Completion of the Internal Audit Plan	95%	95%
Kent County Council		
% of recommendations / issues accepted	98%	98%
% of plan delivered	90% by year end	96%
% of available time spent on direct audit work	85%	85%
% of draft reports completed within 10 days of finishing fieldwork	90%	83%
Preparation of annual plan	By April 14	Met
Periodic reports on progress	G&A Cttee meetings	Met
Preparation of annual report	Prior to AGS 2014	Met
Average Client satisfaction score	90%	93%
Counter fraud transparency measures		
Total number of employees undertaking fraud investigations	-	3
Total number of professionally accredited counter fraud specialists	-	2
Amount spent on investigation and prosecution of fraud	-	£128,781
No of fraud cases investigated	-	53
No of irregularity cases investigated	-	82

Total No of occasions on which (a) fraud and (b) irregularity was identified	-	(a) 53 (b) 20
Total monetary value of (a) and (b) detected	-	(a) £84,908 (b) £90,735
Total monetary value of (a) and (b) recovered	-	(a) £73,946 (b) £84,433
In March the unit was subject to a full independent external quality assessment by the Institute of Internal Auditors (IIA). The outcome from this assessment was that the unit had full compliance with 52 of the 56 internal standards (and partial compliance with the remainder) and as a result received the highest level of grading from the IIA. Backing up this assessment are the periodic self-assessments and quality assurance and improvement programmes that the unit undertakes.		

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Performance Measure		Actual Performance 2014-15	Opinion	2013-14 performance
1	At least 65% of staff time (excluding holidays, sickness etc.) to be spent on productive audit activity providing client services. (Target of 65%)	95.3% productive time achieved.	Target achieved	84.8% Target achieved
2	Delivery of the Annual Audit Plan. (Target of 95%)	87.5% of 2014-15 planned fieldwork completed.	Target not achieved	100% Target achieved
3	Effectiveness of Internal Audit gaining commitment based on the number of recommendations made against the number of recommendations accepted by Management. (Target of 90%)	97% of recommendations accepted.	Target achieved	99.3% Target achieved
4	Effectiveness of Internal Audit gaining commitment based on the number of recommendations revisited in the period where Management have confirmed implementation. (Target of 90%)	Positive management response received to 98.3 of recommendations agreed.	Target achieved	98.7% Target achieved
5	Client Satisfaction with Internal Audit based on results of biannual client satisfaction consultation. (Target of above 2.5)	Responses to the April 2013 client survey returned a rating of the Internal Audit Service of 3.64 against a maximum rating of 4.0	Target achieved	3.64 Target achieved
6	Client Satisfaction with Internal Audit based on post audit client satisfaction surveys. (Target of 80%)	Responses received to post audit client surveys returned a 97% satisfaction rating.	Target achieved	93% Target achieved
7	Positive statement by the External Auditor regarding satisfaction with the work of Internal Audit.	In their Audit Findings for Gravesham Borough Council Audit Findings for the year ended 31 st March 2014, Grant Thornton UK LLP reported that: <i>“Internal Audit continues to provide an independent and satisfactory service to the Council.”</i>	Target achieved	Target achieved

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Appendix Four – Counter Fraud Performance Indicators

Year	2010-11	2011-12	2012-13	2013-14	2014-15
No. of Investigations Concluded	186	170	138	322	636
Weekly reduction in benefit entitlement (per year)	Not recorded	Not recorded	Not recorded	£6,826.25 (£354,965.00)	£8,944.70 (£465,124.40)
Total HB & CTB overpayments	£387,396.36	£293,555.48	£278,216.00	£540,778.63	£535,156.85
Weekly reduction in CTR awards (per year)	N/A	N/A	N/A	£1,176.72 (£61,189.44)	£1,258.81 (65,458.12)
Excess CTR	N/A	N/A	N/A	£21,680.23	£44,296.66
Value of SPD removals	Not recorded	Not recorded	£146,223.89*	£29,116.26	£129,093.75
*An internal data matching exercise occurred during 2012-13 to identify potential SPD fraud as well as the investigation of matches from the National Fraud Initiative exercise.					
Increase to CTAX base for future years through CTR changes & SPD removal	Not recorded	Not recorded	Not recorded	£61,189.44	£147,218.50
No. of Civil penalties (Total Value)	Not recorded	Not recorded	Not recorded	7 (£490)	38 (£2,660)
No. of Cautions	11	29	18	9	9
No. of Administration Penalties (Total Value)	28 (Not recorded)	10 (Not recorded)	7 (Not recorded)	6 (£5,219.01)	7 (£7,858.02)
No. of successful	10	5	9	14	13

prosecutions					
No. of people removed from the Housing Register	Not Recorded	Not recorded	Not recorded	0	1
No. of Right To Buy stopped (Total saving)	Not recorded	Not recorded	Not recorded	0	1 (£75,000)
No. of Properties recovered (Total estimated Saving)	Not recorded	Not recorded	8** (£144,000)	9 (£162,000)	10 (£180,000)
** Gravesham were a pilot site for a data matching exercise carried out by Fujitsu aimed at identifying possible tenancy fraud. 6 of the 8 properties recovered during 2012-13 were as a result of the exercise.					
No. of Internal Investigations concluded	5	6	2	2	6
Results of Internal Investigations	No Criminal action but evidence passed to HR for disciplinary action in all 5 cases	Not recorded	No fraud in either case	No Criminal action but evidence passed to HR for disciplinary action	3 closed with no evidence of misconduct or fraud 3 closed with no criminal action but passed to HR for disciplinary action
No. of disciplinary cases with investigation team assistance	Not recorded	Not recorded	Not recorded	1	10
Disciplinary results	Not recorded	Not recorded	Not recorded	1 employee dismissed	3 employees dismissed 6 resignations prior to disciplinary hearings 1 Written warning