

Internal Audit & Counter Fraud Shared Service  
Medway Council & Gravesham Borough Council

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# Internal Audit Satisfaction Survey 2023

Gravesham Borough Council

## 1 Introduction

- 1.1 The Internal Audit & Counter Fraud Shared Service (IA&CF) was established on 1 March 2016 to provide internal audit assurance and consultancy, proactive counter fraud and reactive investigation services to Medway Council & Gravesham Borough Council.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the service to develop and maintain a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity, which is designed to enable an evaluation of the internal audit activity's conformance with the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The QAIP also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.
- 1.3 A wider satisfaction survey was recently issued to all Service Managers, Senior Management, and elected Members for each council to seek views on their overall satisfaction with the service provided by the Internal Audit Team. The option was also given to cascade the invite to supervisors and team leaders where appropriate.

## 2 Executive Summary

- 2.1 The level of response to the survey was down slightly with 11 responses received, compared to 14 in 2022. The results are largely positive and indicate that clients are satisfied with the services available from the Internal Audit Team, with an average score of 8.82 out of ten, compared to 8.21 out of ten in 2022. Clients are also satisfied with the overall service received, with 90% of those confirming receipt of services from the Internal Audit team within the last twelve months, providing a positive score.
- 2.2 Most respondents seem to have a good understanding of the role of internal audit and the services available, however, two respondents who were in managerial positions stated that they had not seen/read the Internal Audit Charter. While this is a low number, given that the charter sets out the responsibility, purpose and authority of internal audit, a wider knowledge across the organisation would be beneficial and methods of distributing it to relevant staff will be investigated.
- 2.3 100% of respondents confirmed that they were sufficiently involved in the preparation of the Internal Audit Plans and felt that the plans were focused on the right areas. They also confirmed that there was sufficient communication about the plans and notification of the planned reviews to be undertaken.
- 2.4 Perceived compliance with the Chartered Institute of Internal Auditors (IIA) Core Principles has shown differing results to 2022 when there were responses of 'disagree' to three of the ten statements from four different respondents. There are again responses of 'disagree' in relation to three statements, although only 'The team communicates effectively about their role in supporting the council' remains from 2022.
- 2.5 There continues to be room for improvement in some areas, particularly communication about the role of the team and we will continue to work on more clearly demonstrating how we comply with all the core principles.

## 3 Survey Results

- 3.1 The survey was designed to focus on four keys areas:
  - Awareness of the Internal Audit Services
  - The Internal Audit Workplan
  - Compliance with the Chartered Institute of Internal Auditors (IIA) Core Principles
  - Overall Satisfaction with Internal Audit services
- 3.2 There were 11 responses on behalf of Gravesham, compared to 14 in 2022, and a breakdown of the respondent's roles and the area of the council they work in are shown in the tables below.

Role	Number of respondents	Number of respondents
	2022	2023
Chief Executive / Director / Assistant Director	4	5
Service Manager	4	3
Other Manager / Supervisor / Team Leader	1	2
Elected Member	5	1
<b>Total</b>	<b>14</b>	<b>11</b>

Division	Number of respondents	Number of respondents
	2022	2023
Chief Executives Office	0	2
Communities	3	2
Corporate Services	5	3
Environment	0	1
Housing	2	2
N/A - Elected Member	4	1
<b>Total</b>	<b>14</b>	<b>11</b>

3.3 It should be noted that not all respondents answered all questions, so the detailed results that follow are not all based upon 11 responses.

#### **Awareness of the Internal Audit Services**

3.4 Several questions were asked aimed at identifying whether respondents had a good understanding of the role of internal audit and the services available from the team, with the following responses received.

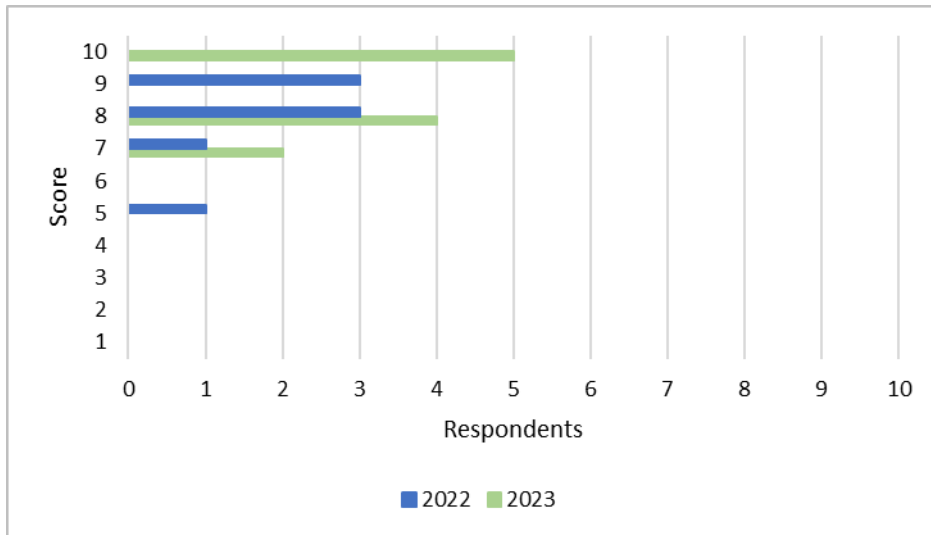
3.5 The work undertaken by the Internal Audit team is supported by the Internal Audit Charter, which is approved by the Corporate Management Team and the Finance & Audit Committee.

Question: Have you seen / read the Internal Audit Charter?	Number of respondents
Yes	9
No	2

3.6 While most respondents have seen/read the charter, there were still two managers who indicated that they had not. As the Charter sets out the responsibility, purpose, and authority of Internal Audit, it is a key document that managers should be aware of. The service will need to investigate the best means of sharing this document to increase awareness amongst key staff, who will act as clients for the service.

3.7 Respondents were asked: *On a scale of 1-10 (1 = strongly disagree – 10 = strongly agree), how much do you agree or disagree that you have a good understanding of the role of Internal Audit?*

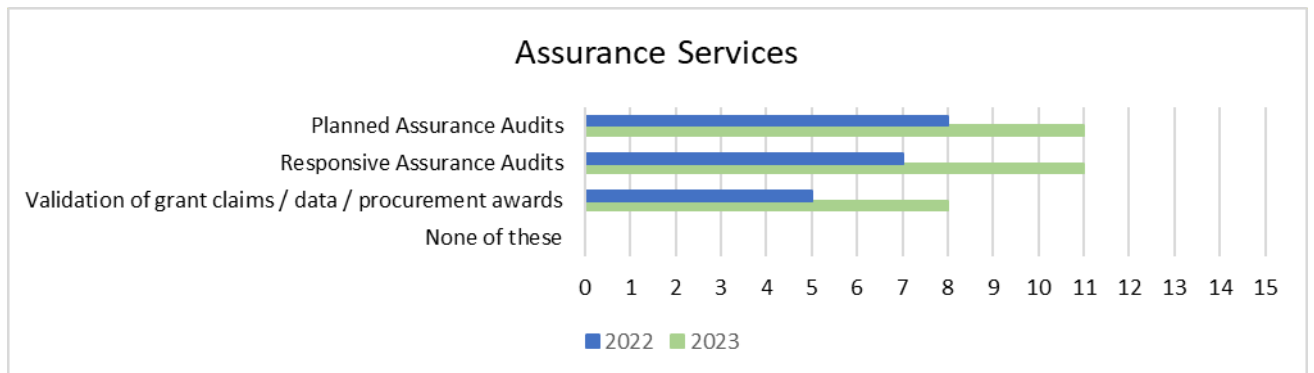
3.8 The scores received ranged from 7 to 10, with an average of 8.73 across the 11 responses. This in comparison to an average of 8.36 across 14 responses in 2022, suggesting that some of the work undertaken has led to a slight improvement in awareness of the team.



3.9 Respondents were provided with lists of both assurance and consultancy services and were asked to indicate which of the services they were aware that the Internal Audit team provides.

#### Assurance Services

- Planned assurance audits (Intended to help evaluate and improve the effectiveness of risk management, control and governance processes within a particular service or function – Identified by IA&CF as part of a periodic risk assessment).
- Responsive assurance audits (As above but identified by IA&CF in response to a new or emerging risk).
- Validation of grant claims / data / procurement awards.



#### Consultancy Services

- Consultancy audits (Intended to provide suggestions to improve the effectiveness of risk management, control and governance processes within a particular service or function – Requested by management).
- Attendance at corporate working / project groups to provide advice relating to risk management, control, and governance matters.
- Ad-hoc advice / information / training relating to risk management, control, and governance matters.
- Acting as an independent ‘critical friend’ when requested in relation to service changes.



3.10 In both cases, the responses show an improvement in comparison to 2022, indicating that some of the work to raise awareness of the services available from the team appears to be having the desired effect.

### The Internal Audit Workplan

3.11 The work of the Internal Audit team is largely directed by the Internal Audit Plans, which are prepared on a six-monthly basis. Planned audits make up the bulk of the plans and their selection is based on a periodic assessment of the council's current priorities and risks, which also includes consultation with Directorate Management Teams.

3.12 The first questions asked were designed to identify whether respondents feel that they are adequately consulted as part of that assessment and whether they feel the plan focuses on the right areas. These same questions were asked in 2022 and the responses for both years are provided for comparison purposes.

Question: Do you feel that you are sufficiently involved in the preparation of the Internal Audit Plans?	Number of respondents	Number of respondents
	2022	2023
Yes	13	11
No	1	0

Question: Do you feel that the Internal Audit Plans are focused on the right areas?	Number of respondents	Number of respondents
	2022	2023
Yes	12	11
No	2	0

3.13 Additional questions were asked in relation to communication about the agreed plans and notifications of individual audits. As with the previous questions, those answering no were offered the opportunity to provide comments for suggested improvements, which are included along with a response from the HIACF.

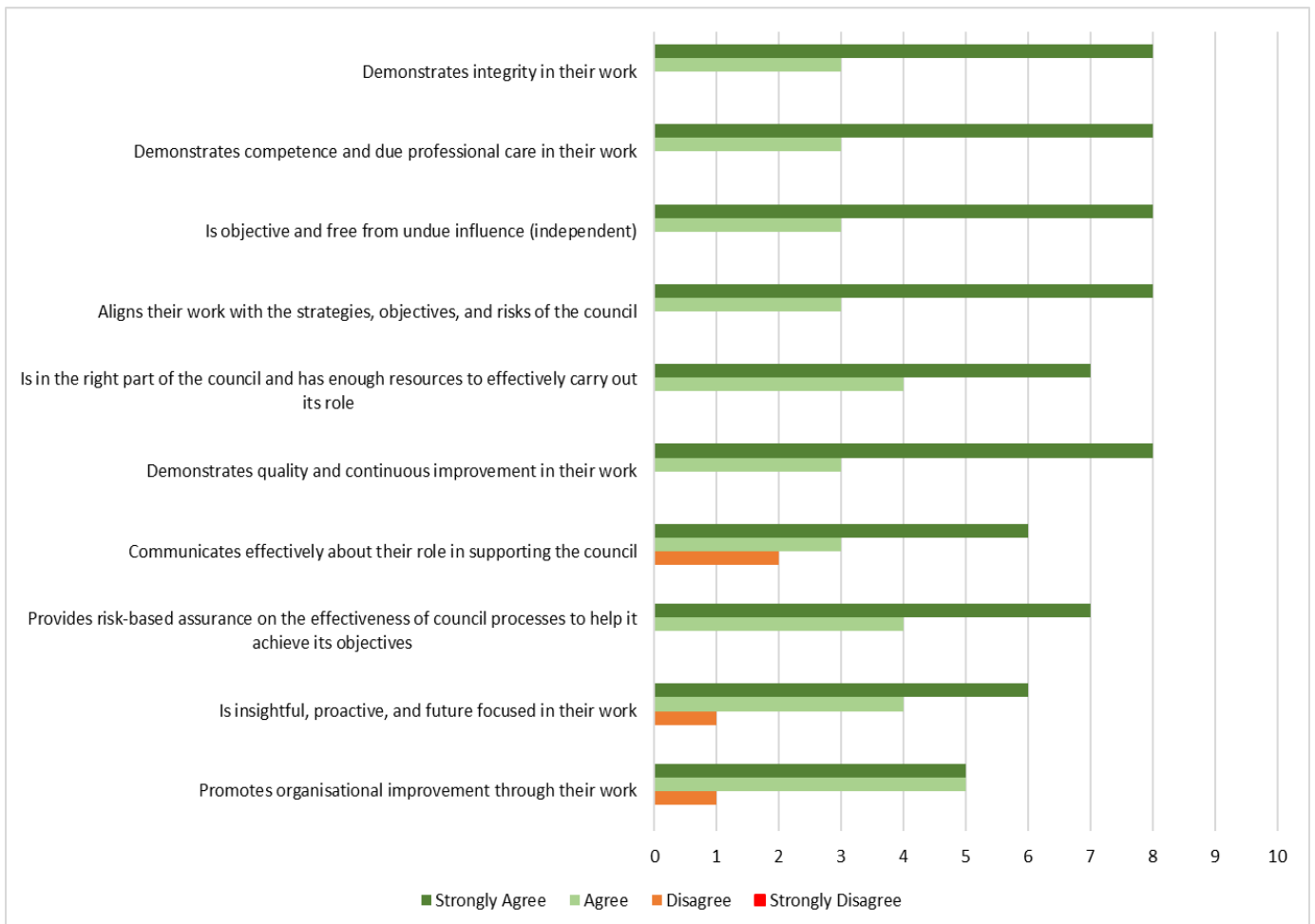
Question: Do you feel that you receive sufficient communication about the agreed Internal Audit Plans?	Number of respondents
Yes	11
No	0

Question: Do you feel that you receive sufficient notification of the planned audits to be undertaken?	Number of respondents
Yes	11
No	0

3.14 All respondents seem to be happy with the level of engagement, both in terms of involvement in preparation of the internal audit plans and communication about the agreed plans and reviews to be undertaken.

## Compliance with the IIA Core Principles

- 3.15 The Chartered Institute of Internal Auditors (IIA) Core Principles articulate internal audit effectiveness and should be present and operating effectively at all times. While the service feels it complies with these principles, views were sought to identify the extent to which those independent of the service agree.
- 3.16 As part of the 2022 survey, the ten IIA Core Principles were expressed as statements and respondents were asked to confirm to what extent they agreed or disagreed with each statement and 11 of the 14 respondents either strongly agreed, agreed, or provided a neutral response for all ten statements. Three respondents disagreed with the following statements:
- The team is objective and free from undue influence.
  - The team aligns their work with the strategies, objectives, and risks of the council.
  - The team communicates effectively about their role in supporting the council.
- 3.17 For the 2023 survey, the same statements were provided, and respondents were again asked to confirm to what extent they agreed or disagreed with each statement. However, the option for the neutral response of neither agree nor disagree was removed in an attempt to get a clear picture of views.

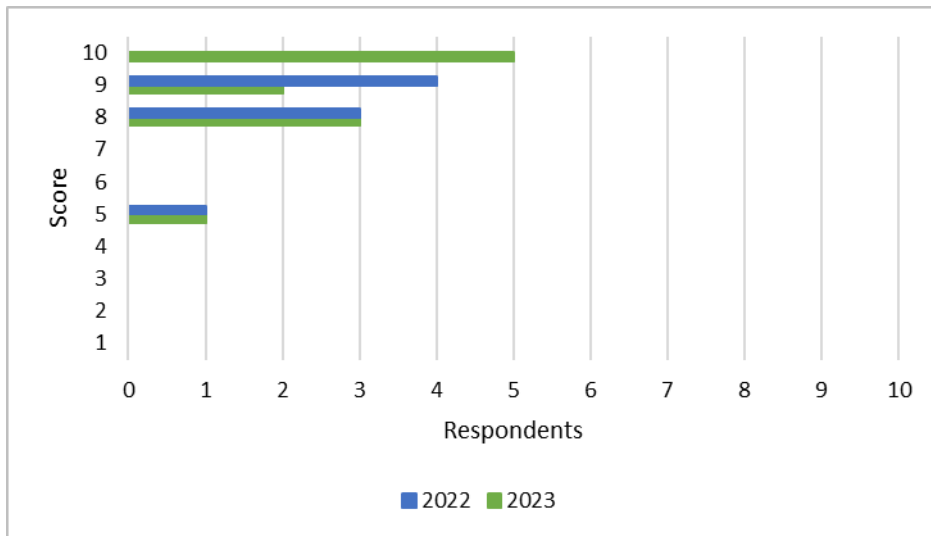


- 3.18 Nine respondents either agreed or strongly agreed with seven of the ten statements. Two responses of 'disagree' were received in relation to the statement 'The team communicates effectively about their role in supporting the council', while one response of disagree was received in relation to the statements 'is insightful, proactive and future focused in their work', and 'promotes organisational improvement in their work'.
- 3.19 While we are unable to confirm whether these responses are from the same respondents as in 2022, it suggests that the work give services greater involvement in the creation of the Internal Audit Plans has been

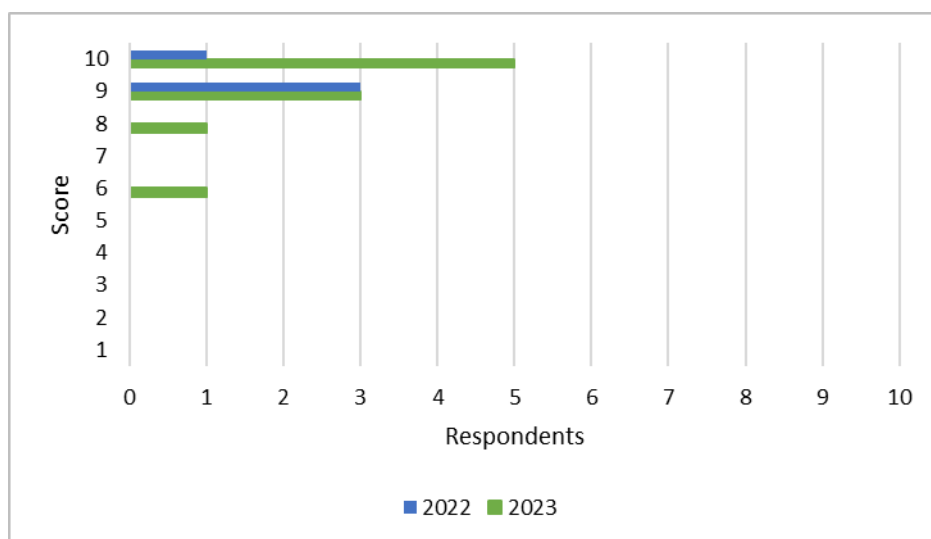
beneficial in terms of demonstrating freedom from undue influence and aligning work to the organisations risks and priorities. However, it is acknowledged that there is still room for further improvement in relation to communication about the role in supporting the council and some other areas.

**Overall Satisfaction with Internal Audit Services**

- 3.20 Questions relating to overall satisfaction asked respondents to score from one (completely dissatisfied) to ten (completely satisfied). Any scores of eight or above are considered to be positive satisfaction.
- 3.21 As it was possible that not all respondents would have interacted with the Internal Audit team during the previous year, respondents were first asked to provide a satisfaction score in relation to the support and services that are available from the Internal Audit team. The scores from both 2022 and 2023 have been provided for comparison.



- 3.22 The average score across the 11 respondents was 8.82 and represents positive satisfaction from 90.9% of the responses received. This is in comparison to an average score of 8.21 and positive satisfaction of 71.4% from the 14 responses received in 2022.
- 3.23 The ten respondents who confirmed having received services from the Internal Audit team in the last year were asked to score their overall satisfaction with the service received.



- 3.24 Scores ranged from six to ten, giving an average score of 9.10 and representing positive satisfaction from 90% of the responses received. This is compared to an average score of 8.7 and positive satisfaction of 90% from the ten responses received in 2022.

## Other Feedback

- 3.25 At the conclusion of the survey respondents were asked: *Do you have any other comments that may help us improve / develop the service?*
- 3.26 The comments received are detailed below, along with responses from the HIACF on behalf of the service.

**Comment received:** Improve communication. As a client I should not be asking for updates. Improve audit delivery times, an internal audit is a snapshot in time and loses its relevance if the report is delivered late.

**HIACF response:** We have been working hard to improve communication, although based on this comment and another received, we still have more to do to get consistency across the whole team and will continue to work on this to ensure clients are kept up to date.

I understand completely that the audit presents a snapshot in time, and we work hard to turnaround reports as quickly as possible. Unfortunately, resourcing issues and other circumstances beyond our control during 2022-23 created a backlog of quality control work leading to delays in reports being issued. We have been working hard to clear this backlog and ensure that turnaround times improve.

**Comment received:** Further Comm's at GBC to celebrate success stories and work completed by the team (ensuring confidentiality and data protection of course)

**HIACF response:** This comment reads more like it is aimed at the fraud team and success stories in relation to cases investigated. All I can say is that we do release press statements on any successful prosecutions and also work with comms to promote the work being undertaken in all areas.

**Comment received:** Really happy that my concerns were listened to about a certain order, and we changed it to a consultancy audit. Really helpful.

**HIACF response:** Thank you for the positive feedback. We understand that needs and priorities may change after the internal audit plans are agreed and we have to be flexible to meet the needs of the organisation, which includes adapting the work to be undertaken where necessary to make the most effective use of resources.

**Comment received:** Whilst communication from the team to audit clients has improved, I think there are still some opportunities to enhance consistency across the team in this area.

**HIACF response:** It's good to know that there is a recognised improvement, but I take on board the comment about consistency, which we will continue to work on and seek further improvement.

**Comment received:** Elected members on committees should be aware that audits are being undertaken and the results of those audits in a timely manner. I am not aware if this is always the case. Perhaps F&A has a role to play in having oversight that reporting to other committees has taken place.

**HIACF response:** Internal Audit discharges its responsibility to those charged with governance by reporting the outcomes of audit reviews and any consequences of this on the internal control environment to the Finance & Audit Committee. The reports are in the public domain and are discussed in public meetings, so all Members have the opportunity be aware of the outcomes.