

# Internal Audit Update

Gravesham Borough Council

For the period:

1 April – 31 July 2023

# 1. Introduction

- 1.1 The Audit & Counter Fraud Shared Service for Medway Council & Gravesham Borough Council was established on 1 March 2016. The team provides internal audit assurance and consultancy, proactive counter fraud and reactive investigation services, and the Single Point of Contact between both authorities and the Department for Work & Pensions Fraud & Error Service for their investigation of Benefits Fraud
- 1.2 The Public Sector Internal Audit Standards (the Standards) require that: *The chief audit executive must report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board.*

## 2. Executive Summary

- 2.1 The first four months of 2023-24 have been productive with the following audit reviews finalised; *\*Items in italics had full details of the review included in the 2022-23 annual report.*

- *Communications Strategy – Opinion: **Green** (2022-23 review finalised in 2023-24)*
- *Digital Strategy - **Green** (2022-23 review finalised in 2023-24)*
- *Procurement Compliance – Opinion: **Amber** (2022-23 review finalised in 2023-24)*
- *Planned & Major Works Programme – Opinion: **Green** (2022-23 review finalised in 2023-24)*
- *Regeneration – Opinion: **Green** (2022-23 review finalised in 2023-24)*
- *Homelessness – Temporary Accommodation – Opinion: **Red** (2022-23 review finalised in 2023-24)*
- *Right to Buy – Opinion: **Amber** (2022-23 review finalised in 2023-24)*
- *Climate Change action Plan – Opinion: **Amber** (2022-23 review finalised in 2023-24)*
- *Write offs – Opinion: **Amber** (2022-23 review finalised in 2023-24)*

In addition, two reviews have had fieldwork completed and are now going through the quality control process, six further reviews are currently underway and commencement of a number of others is being arranged with clients. As a consequence of this work, plan delivery as at 31 July was 10% complete, with a further 29% underway. Full details of the individual reviews can be found in section 5 of this report.

- 2.2 Follow up of agreed actions has continued and performance as of 31 July stood at 55.6%, with 10 of 18 actions due in the period having been implemented (based on responses received by report deadline). Eight remain outstanding and are being monitored in line with the agreed follow up process. Full details of the progress made in relation to recommendation follow up can be found at section 8.
- 2.3 There has been some minor impact on projected resources as one internal auditor will be reducing working hours from 1 October 2023. We are currently projecting a loss of approximately 20 days from the projected 400 available at the start of the year.

## 3. Independence

- 3.1 The Internal Audit Charter was approved by the Finance & Audit Committee in February 2023 and sets out the purpose, authority, and responsibility of the Internal Audit team. The Charter sets out the arrangements to ensure the team's independence and objectivity through direct reporting lines to senior management and Members, and through safeguards to ensure officers remain free from operational responsibility and do not engage in any other activity that may impair their judgement. The work of the team during the period covered by this report has been free from any inappropriate restriction or influence from senior officers and/or Members.

- 3.2 Given the Head of Internal Audit & Counter Fraud's responsibilities for counter-fraud activities, the Internal Audit team cannot provide independent assurance over the counter-fraud activities of either council. Instead, independent assurance over the effectiveness of these arrangements will be sought from an external supplier of audit services on a periodic basis. The most recent of these reviews was undertaken by Tonbridge & Malling Borough Council in 2018-19.

## 4. Resources

- 4.1 The Internal Audit & Counter Fraud Shared Service reports to the Section 151 Officers of Medway Council and Gravesham Borough Council. The Internal Audit team consists of; the Head of Internal Audit & Counter Fraud (0.65FTE), one Internal Audit Manager, one Senior Internal Auditor, five Internal Auditors (4.78FTE) and one Internal Audit apprentice.
- 4.2 The Shared Service Agreement sets out the basis for splitting the available resources between the two councils, approximately 64% for Medway, with the remaining 36% for Gravesham. The establishment at the time the Internal Audit plan for 2023-24 was prepared, was forecasted to provide a total of 1,112 days available for internal audit work (net of allowances for leave, training, management, administration etc.) with the share for Gravesham being 400 days, along with a further 45 days for management of internal audit activity.
- 4.3 Net chargeable days available for Gravesham for the period 1 April to 31 July 2023 amounted to 157.6 days. This represents 39% of the 400 days originally estimated to be available at the start of 2023-24. Of this chargeable time, 136.4 days (87%) was spent on audit assurance work and 21.3 days (13%) was spent on consultancy work. The current status and results of all work carried out are detailed at section 5 of this report.
- 4.4 Based on our most recent assessment, we are currently projecting a loss of approximately 20 days from the projected internal audit resource available at the start of the year and this has been addressed as part of the planning process for Q3-Q4.

## 5. Results of planned Internal Audit work

- 5.1 The Internal Audit Plan Q1-Q2 2023-24 for Gravesham was approved by the Finance & Audit Committee in March 2023. The Plan is intended to provide a clear picture of how the council will use the Internal Audit resource, reflecting all work to be carried out by the team for Gravesham during the first six months of the financial year.
- 5.2 The tables below provide details of the work from 2022-23 that has been finalised in 2023-24 (excluding those detailed in the annual report for 2022-23) and the progress of work undertaken as part of the Q1-Q2 2023-24 plan during the period.

2022-23 Internal Audit assurance work finalised in 2023-24 (since the last Audit Committee meeting)

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
4	Right to Buy	15	18.9	Final Report Issued	<p>The review considered the following Risk Management Objective:  <b>RMO1 – There are adequate arrangements in place to allow Right to Buy (RTB) applications to be processed.</b></p> <p>The review found there are policies and procedures in place to support the RTB process, with information also available on the council’s website, including copies of the application forms; paper versions of the application forms are also available.</p> <p>Arrangements exist for all applications to be logged, and for application forms and supporting documents to be checked to determine if the application can be admitted to the scheme, with a Section 124 Notice issued to notify the applicant of the outcome. For applications that are admitted, arrangements exist for a Section 125 (offer) Notice to be prepared issued, with additional checks undertaken by the Counter Fraud Team and discount calculations verified. Audit testing on a sample of RTB cases confirmed these arrangements to be working effectively in practice and that there are procedures in place for the statutory timescales to be met. There are also arrangements in place for the relevant legal charges to be entered for each property that has been sold.</p> <p>During the audit, a need was identified for the processes relating to preparing and retaining case files to be reviewed and streamlined to ensure compliance with the Data Protection Act 2018. <b>Opinion: Amber.</b></p> <p><b>Overall Opinion: Amber. Actions: one high priority.</b></p> <p><b>Action relates to processes for retaining RTB documentation being reviewed and streamlined.</b></p>
13	Homelessness - Temporary Accommodation	20	26.4	Final Report Issued	<p>The review considered the following Risk Management Objective:  <b>RMO1 - The provision of temporary accommodation is appropriately managed.</b></p> <p>The review found a Homelessness &amp; Rough Sleeping Prevention Strategy 2019-2024 and Temporary Accommodation Policy are in place. Further information about the placement of households in temporary accommodation is provided in a comprehensive procedure manual which is available to staff, though updates are required to reflect changes in practice over time. A Homelessness section is provided on the council’s website where potential applicants can access detailed information and support regarding homelessness. There are arrangements in place for initial enquiries on homelessness to be completed and Housing Options</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>Assessments undertaken, which includes reaching a decision on whether the applicant meets the criteria for interim accommodation under S188 of the Housing Act 1996. Where officers have reason to believe that interim accommodation should be provided, arrangements exist for Temporary Accommodation Request Forms to be completed and approved by a line manager, though audit testing identified several instances in which the approved forms could not be identified. Procedures are in place for officers to identify accommodation available for approved placements, confirm placements with providers, issue Offer of Interim accommodation letters, and prepare Licence Agreements, though some omissions were identified in case records as part of testing. Similarly, nightly paid providers are required to complete booking forms and supply gas and electrical safety certificates, with inspections carried out by the Private Sector Housing Team, but these documents could not be identified for all placements reviewed. The agreement for rent to be paid and the need for a housing benefit claim to be submitted is set out in several documents prepared as part of the temporary accommodation placement process. Prior to and during the audit, significant work was being undertaken by the service to improve the processes for ensuring that applicants placed in temporary accommodation submit a housing benefit claim as quickly as possible, with a Service Level Agreement agreed between the Housing Options and Housing Benefit services, though further opportunities to enhance and improve compliance with these processes were identified through the review. At the start of the audit rent accounts were only being set up for temporary accommodation placements in the council's own stock, though work is ongoing to set up rent accounts for nightly paid placements too. There is a document arrears process, however arrears monitoring has to date been limited. Checks/visits by Gravesham staff to confirm that applicants are resident in their temporary accommodation are not routinely undertaken. Advice is offered to applicants at various points to apply for the Housing Register. It is understood that the process is currently being reviewed and it is intended that once the council has accepted a main housing duty, the applicant will automatically be registered on Kent Home Choice.</p> <p>Audit testing confirmed that the duty to provide temporary accommodation is discharged and temporary accommodation placements are ended in appropriate instances, following the correct procedure. Monthly budget monitoring is</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>undertaken with regular performance reports presented to senior management.  <b>Opinion: Red.</b>  <b>Overall Opinion: Red. Actions: Four high, five medium, and four low priority.</b>  <b>Actions relate to reviewing and updating the TA procedure manual; reviewing arrangements for evidencing authorisation of TA placements; introducing spot checks to ensure all required documents are completed and retained; reviewing the TA sign-up procedure; spot checking TA info shared with the Housing Benefits team; training being provided for TA officers on the procedures for assisting applicants with submission of housing benefit claims; introducing additional measures to increase the number of housing benefit claims that are successfully made; reviewing the arrears recovery process timeline and finalising the non-co-operation policy; ensuring the arrears recovery process is followed for all rent accounts; ensuring income is correctly allocated on the General Ledger; reviewing procedures for making introductory contact at the outset of placements and ensuring appropriate checks are undertaken after placement to verify residency; ensuring eligible applicants are registered on Kent Home Choice; and, reviewing recharges to the homelessness budget.</b></p>
14	Planned & Major Works Programme	15	14.7	Final Report Issued	<p>The review considered the following Risk Management Objective:  <b>RMO1 - There are arrangements in place to deliver planned and major works on HRA properties and monitor the expenditure.</b>  Arrangements are in place to establish the annual HRA capital programme, which includes planned &amp; major works. The HRA capital programme has an agreed budget that is regularly monitored, reviewed, and reported on. Planned and major works are adequately assessed for their need before works commence and there are arrangements in place to advise tenants of upcoming planned &amp; major works and deal with any access issues. The HRA asset register has recently been transferred to a module within the new housing system, MRI; records of all works carried out on HRA properties have been added and testing is currently being carried out by the service to ensure all data has been added correctly. Annual reconciliations are carried out of work completed against actual spend on the general ledger and this information is used to update the asset register.  Arrangements are in place to procure external contractors to undertake specific elements of the planned &amp; major works programme and evidence was available that such contracts are procured appropriately, however for smaller projects total</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					aggregated spend should be considered. There are arrangements in place to monitor the performance of external contractors that have been procured to deliver projects as part of the planned & major works programme. <b>Opinion: Green.</b> <b>Overall Opinion: Green. Actions: None.</b>
18	Climate Change Action Plan	15	4	Final Report Issued	The review considered the following Risk Management Objective: <b>RMO1 - An effective Climate Change Action Plan and associated governance arrangements are in place to support the council's commitments for addressing climate change.</b> The review found there is a Climate Change Strategy 2022-2030, that is in line with the council's objectives and has been appropriately approved; the strategy includes a Delivery plan, which is supported by a more detailed Management Delivery Plan. The Management Delivery Plan is regularly reviewed, with a corporate working group in place to manage this and reporting undertaken via the Climate Change Advisory Board. Responsible officers and timescales have been allocated for all actions in the Management Delivery Plan, with all responsible officers having attended Carbon Literacy training, though there is a need for elapsed timescales to be reviewed and risks to the delivery of the plan have not been formally identified. There is a Climate Change Reserve to support delivery of the plan alongside individual service budgets, and grant funding is identified where possible. There are arrangements in place to monitor and report on performance and progress towards delivery of the Delivery Plan via an annual report, and performance indicators included within the council's Performance Management Framework. <b>Opinion Green.</b> <b>Overall Opinion Green. Actions: One medium and three low priority. Actions relate to Terms of Reference being agreed for the corporate working groups; investigating revision and roll out of Carbon Literacy training for all staff; reviewing actions within the Management Delivery Plan where the original timescale has lapsed; and, identifying, recording and managing risks to the delivery of the Delivery Plan.</b>
19	Write-offs	15	19.6	Final Report Issued	The review considered the following Risk Management Objective: <b>RMO1 - There are appropriate procedures in place regarding debt write-off.</b> All services adhere to the corporate write off policy in regard to establishing a reason for the write off and obtaining the appropriate authorisation.

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>Most services have arrangements in place to identify and write off debts quarterly, however, some are identifying the debt but not writing off as regularly. Testing identified that the debt written off was accurate based on the system balances for accounts written off but, on occasions the supporting paperwork did not match the amounts correctly.</p> <p>The sundry debt service had arrangements in place to review all council debt before they proceeded with writing off debt however, the other services did not have any similar arrangements in place.</p> <p>All services had arrangements in place to ensure there was a segregation of duties between those writing off the debt and those authorising the write off, and testing showed that all write offs were being appropriately approved.</p> <p>There are appropriate arrangements in place to monitor and report on the level of debt being written off. <b>Opinion: Amber.</b></p> <p><b>Overall Opinion: Amber. Actions: Three medium and one low priority.</b></p> <p><b>Actions relate to ensuring service level policy is consistent with the Constitution, ensuring all services write off debt quarterly, sufficient evidence is available to support write off, the amount authorised for write off is accurate and checks are made across the services for any potential monies that may be usable to reduce the amount to be written off.</b></p>
20	Regeneration	15	11.1	Final Report Issued	<p>The review considered the following Risk Management Objective:  <b>RMO1 - Appropriate governance arrangements are in place in relation to the council's strategic regeneration activities.</b></p> <p>The review found that clear objectives for the council's strategic regeneration activity have been documented and agreed.</p> <p>An Action Plan has been developed and is used as a tool to identify who will be involved, the target date for completion, and any budgetary implications for the various projects. Appropriate documentation is maintained and held securely.</p> <p>Arrangements exist for regeneration projects to be approved and regular discussion and monitoring takes place with senior management and key Members, on both current projects and potential areas for regeneration.</p> <p>The service doesn't currently have its own budget lines, although the budget for producing the Design Code, which sits with Planning, is overseen by the Assistant Director Strategic Regeneration. It was discussed and agreed that it would be</p>



Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					beneficial to have a new budget code for each project, when necessary, to ensure accurate budget monitoring. <b>Opinion: Green.</b> <b>Overall Opinion: Green. Actions: None.</b>
21	Housing Rent Recovery	15		Draft report with client for consideration	The review considered the following Risk Management Objective: <b>RMO1 - There are appropriate arrangements to recover rent arrears, including former tenant arrears.</b>

## 2023-24 Internal Audit assurance work

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
1	Tenancy Management	15		Terms of Reference being prepared	
2	Discretionary Housing Payments	12		Fieldwork complete, in quality control	The review considered the following Risk Management Objective: <b>RMO1 - Applications for Discretionary Housing Payments are appropriately processed.</b>
3	Private Housing Enforcement	15		Fieldwork Underway	The review will consider the following Risk Management Objective: <b>RMO1 - There are arrangements in place for Private Housing Enforcement.</b>
4	Code of Conduct	15		Fieldwork complete, in quality control	The review considered the following Risk Management Objectives: <b>RMO1 - A robust policy is in place to notify all staff regarding their expected conduct.</b> <b>RMO2 - Clear and concise guidance and procedures are in place for council employees regarding gifts &amp; hospitality.</b> <b>RMO3 - Clear and concise guidance and procedures are in place for council employees, regarding declarations of personal interest.</b>
5	Staff Travel & Subsistence	15		Terms of Reference being prepared	
6	STG Building Control Partnership	15		Fieldwork Underway	The review will consider the following Risk Management Objective: <b>RMO1 - There are appropriate governance arrangements in place for the STG Building Control Partnership from the perspective of Gravesham Borough Council.</b>
7	Corporate Credit Cards	15		Fieldwork Underway	The review will consider the following Risk Management Objective:

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<b>RMO1 - Arrangements exist for corporate credit cards to be used in accordance with the relevant guidelines.</b>
8	Carbon Reduction Programmes (HRA)	15		Fieldwork Underway	The review will consider the following Risk Management Objective: <b>RMO1 - Arrangements exist to monitor and deliver carbon reduction programmes across HRA stock in accordance with the council's objectives.</b>
9	Environmental Enforcement	15		Fieldwork Underway	The review will consider the following Risk Management Objective: <b>RMO1 - There are appropriate arrangements in place for the effective prevention, detection and enforcement of offences that harm the environment.</b>
10	Trade Waste Collection	15		Fieldwork Underway	The review will consider the following Risk Management Objective: <b>RMO1 - Trade waste contracts are effectively managed.</b>

### Other assurance activity

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
	Finalisation of 2022-23 Planned Work	30		Underway	Only one review remains outstanding, but the draft report has been issued and it is anticipated that this should be finalised within the next week.
	Grant Validations	2.5	N/A	Not yet started	No grant validations required in period.

### Responsive assurance activity

Activity	Opinion, summary of findings & recommendations made
Election Spreadsheet Verification	The team carried out detailed checks to ensure the accuracy of spreadsheets used to verify the ballots issued and calculate the results of the 2023 Local elections held in May.

### Other consultancy services including advice & information

Activity	Opinion, summary of findings & recommendations made
Surveillance Camera Codes of Practice	Not yet started

Activity	Opinion, summary of findings & recommendations made
Woodville	A consultancy review is currently in progress but is not yet concluded.
Emergency Planning	A consultancy review is currently in progress but is not yet concluded.
Rent Deposit Scheme	<p>A consultancy review was undertaken, examining the arrangements in place to for the administration of the Council’s Rent Deposit Scheme with key areas of review including periodic review of the scheme, eligibility and award approvals, appropriate agreements, recovery of deposits, monitoring and reporting, and budget monitoring.</p> <p>The review identified that while there were controls in place, these were undermined by out-of-date policy and procedures and were not all working in practice. A number of suggested actions were identified to address the issues and were shared with the service.</p>

## 6. Quality Assurance & Improvement Programme

- 6.1 The Standards require that: *The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. A Quality Assurance & Improvement Programme (QAIP) has been prepared to meet this requirement.* The Internal Audit QAIP was agreed by the Finance & Audit Committee in February 2022.
- 6.2 The arrangements set out in the QAIP have been implemented with the collection and monitoring of performance data largely automated through the team's time recording and quality management processes. It should be noted that the results recorded below have not been subjected to independent data quality verification.
- 6.3 In line with the QAIP, the team monitor performance against a suite of 13 performance indicators. The table below sets out the performance targets, which are grouped into measures for the service and those that are specific to the individual authority. Targets have been set for six of the 13 indicators; however, it should be noted that these are for full year outturns; as such outturns at present are not to target levels but are provided for Members information.

Ref	Indicator	Target	Outturn for period
<b>Non LA Specific Performance Measurements</b>			
IA1	Proportion of staff with professional qualification relevant to internal audit	N/A	Annual outturn only
IA2	Proportion of non-qualified staff undertaking professional qualification training	N/A	50%
IA3	Time spent on professional qualification training:	N/A	17.8 days
IA4	Time spent on CPD/non-professional qualification training, learning & development (including corporate training)	40 days	6.1 days
IA5	Compliance with PSIAS	100%	Our January 2023 self-assessment showed full compliance with 97.5% of the standards, partial compliance with a further 2% and work required to address the remaining 0.5%. Our 2023 external quality assessment received a <b>Green</b> opinion.
<b>LA Specific Performance Measurements</b>			
IA6	Average cost per agreed assurance review	<£5,000	Annual outturn only
IA7	Proportion of estimated resources delivered	N/A	39%
IA8	Proportion of chargeable time spent on: a) Assurance work b) Consultancy work	N/A	87% 13%
IA9	Proportion of agreed assurance reviews: a) Delivered b) Underway	95%	10% 29%
IA10	Proportion of completed assurance reviews subject to a second stage (senior management) quality control check in addition to the primary quality	10%	0%

Ref	Indicator	Target	Outturn for period
	control review		
IA11	Number of agreed actions that are: a) Not yet due b) Implemented c) Outstanding	N/A	32 10 8
IA12	Proportion of actions implemented by agreed date	N/A	55.6%
IA13	Client, Management and Member satisfaction with internal audit services	90%	A satisfaction survey will be issued at the end of 2023-24.

## 7. Review of Internal Audit Plan

- 7.1 Monitoring of the delivery of planned work is built into the team's processes with individual officer time recording data feeding into an automated performance monitoring workbook; this tracks the performance of the team against the internal audit work plans and enables the Internal Audit Manager to plan and support officers to deliver their individual work plans.
- 7.2 Projection of the resources that will be available to the year-end are calculated at least quarterly and compared to the original forecasts. This determines any impacts on projected resources that would impact on delivery of the internal audit plan.
- 7.3 As noted in paragraph 4.4, we are projecting a loss of approximately 20 days from the estimated resource. However, this has been addressed as part of the planning process for Q3-Q4 and there are no changes to the Q1-Q2 plan being proposed. We will continue to monitor available resources as the year progresses and update the Committee on any changes that become necessary.

## 8. Follow up of agreed Actions

- 8.1 Where the work of the team finds opportunities to strengthen the council's risk management, governance and/or control arrangements, the team agree actions for improvement with service managers. The Standards require that a follow-up process is established: *to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action*. As with all audit work, resources should be prioritised based on risk.
- 8.2 Service managers are asked to provide an update on action taken towards implementing all actions due on a monthly basis and are also asked to supply evidence in respect of all completed High priority actions, which is verified by the Internal Audit Team.
- 8.3 The first of the two tables below details the current position in relation to the follow up process and the second details actions that are now more than six months over their planned implementation date; along with an update from the relevant Service Manager/Assistant Director/Director. Some may also contain details of revised implementation dates that have been agreed by Management Team.

## Status of agreed actions

Review title	Overall opinion and number of actions of each priority agreed with management	Proportion of actions due for implementation where a positive management response has been received
Leaseholder Management	<p>Opinion: <b>Amber</b>.</p> <p>Four actions agreed: One high and three medium priority. Actions relate to the Leaseholders' Handbook being updated, procedure notes being reviewed, the arrangements in place to calculate interim service charges being reviewed, and reviewing the arrangements in place to respond to requests to view the accounts which can be made available for the inspection of leaseholders.</p>	Two actions due, two completed.
Temporary Accommodation – Out of Area Placements	<p>Opinion <b>Red</b>.</p> <p>Eight actions agreed: Seven high and one medium priority. Actions relate to the Temporary Accommodation Out of Area Placement policy (or an equivalent policy) being agreed and reviewed/signed off regularly; up-to-date workflows/procedures for managing temporary accommodation being put in place; procedures being reviewed to ensure compliance with the Homelessness Code of Guidance for local authorities can be demonstrated relating to the standard / suitability of accommodation for out of area placements; and arrangements being in place to ensure that costs are recovered for all temporary accommodation placements outside of the council's housing stock.</p>	<p>Eight actions due, seven completed.</p> <p>One high priority outstanding relating to arrangements being in place to ensure that costs are recovered for all temporary accommodation placements outside of the council's housing stock.</p>
Council Tax Discounts, Disregards & Exemptions	<p>Opinion: <b>Amber</b>.</p> <p>Three actions agreed: One high, one medium and one low priority. Actions relate to a review of the procedure notes/guidance for the administration of Council Tax DDEs; a review of applications (including online and paper forms), ensuring that appropriate applications are accompanied by a signed application form; and, a review of the arrangements in place to review Council Tax DDEs to ensure that they remain valid, with these reviews documented.</p>	All actions completed.
GDPR	<p>Opinion: <b>Amber</b>.</p> <p>Five actions agreed: Four high and one medium priority. Actions relate to the GDPR action plan being finalised; the most up to date versions of the Information Governance policies being shared with staff; planned training to be reviewed to consider the need for specific training on data incident handling; and, a review of the forms and processes in place to capture data</p>	<p>Five actions due, four completed.</p> <p>One high priority outstanding relating to the most up to date versions of the Information Governance policies being shared with staff.</p>

	incidents, to ensure a complete record is available of the incident and action taken.	
Housing Allocations	Opinion: <b>Amber</b> . Two actions agreed: Two medium priority. Actions relate to a checklist being created to confirm all necessary documents have been obtained for each application; and regular quality assurance checks being carried out.	All actions completed.
Planning Applications	Opinion: <b>Amber</b> . Five actions agreed: Two high, two medium and one low priority. Actions relate to charging for pre-application advice being reviewed; invalid applications being monitored to ensure there are no significant delays; Timely completion of the pre-validation checklist being made a mandatory part of the validation process and monitored via the Planning Technical Support Team Leader; investigating if the recommendation approval tab on Uniform can be restricted to senior officers only; and, arrangements being made for approval arrangements for planning applications set out in the Constitution to be reviewed.	Five actions due, four completed. One high priority outstanding relating to arrangements being made for approval arrangements for planning applications set out in the Constitution to be reviewed.
Business Continuity Planning	Opinion: <b>Amber</b> . Five actions agreed: Two high, two medium and one low priority. Actions relate to the Business Continuity Management Framework and revised BCP templates being circulated to relevant staff and plan owners instructed to update their plans; an updated Corporate BCP being created; testing exercises being scheduled and carried out; and the Framework being updated in relation to arrangements for post incident reviews	All actions completed.
Planning Obligations	Opinion: <b>Amber</b> . Five actions agreed: Two high and three medium priority. Actions relate to preparing guidance notes to support the processes for arranging and amending S106 agreements, making arrangements to publish the required Infrastructure Funding Statements, preparing accurate records of S106 agreements, and allocating responsibility for maintaining and monitoring these records, and putting arrangements in place to monitor unspent contributions.	Five actions due, three completed. Two high priority outstanding relating to making arrangements to publish the required Infrastructure Funding Statements, and preparing accurate records of S106 agreements.
Void Property Management	Opinion: <b>Green</b> . Two medium priority actions agreed. Actions relate to reviewing the procedures for identifying and booking pre-termination visits and undertaking cost analysis for pursuit of rechargeable costs in eviction cases.	Two actions due, none completed. Two medium priority outstanding relating to reviewing the procedures for identifying and booking pre-termination visits and undertaking cost analysis for pursuit of rechargeable costs in eviction cases
Whistleblowing	Opinion: <b>Amber</b> . Three actions agreed: Two high and one medium priority.	One action due, none completed.

	<p>Actions relate to reviewing the Whistleblowing Policy and guidance on responding to concerns; raising awareness of the Whistleblowing Policy across the council, including ensuring it is covered in staff inductions; and reviewing whistleblowing training for employees and managers.</p>	<p>One high priority outstanding relating to reviewing the Whistleblowing Policy and guidance on responding to concerns.</p>
IT Security & Access Controls	<p>Opinion: <b>Green</b>.</p> <p>Two actions agreed: One medium and one low priority.</p> <p>Actions relate to formalising the arrangements in place for granting and removing access to network folders and for resetting passwords.</p>	<p>One action due, one completed.</p>
Communications Strategy	<p>Opinion: <b>Green</b>.</p> <p>Two medium priority actions agreed.</p> <p>Actions relate to reviewing the strategy objectives to confirm they have been met and putting a process in place to ensure that relevant council communications are placed on corporate communication channels in preference to personal accounts.</p>	<p>One action due, one completed.</p>
Procurement compliance	<p>Opinion: <b>Amber</b>.</p> <p>Five medium priority actions agreed.</p> <p>Actions relate to updating the Procurement Strategy, training and guidance for staff, effective monitoring of aggregate spend being put in place, and updating the Contracts Register.</p>	<p>One action was completed before the review was finalised.</p> <p>No other actions due in report period.</p>
Homelessness	<p>Opinion: <b>Red</b>.</p> <p>13 actions agreed: Four high, five medium, and four low priority.</p> <p>Actions relate to reviewing and updating the TA procedure manual; reviewing arrangements for evidencing authorisation of TA placements; introducing spot checks to ensure all required documents are completed and retained; reviewing the TA sign-up procedure; spot checking TA info shared with the Housing Benefits team; training being provided for TA officers on the procedures for assisting applicants with submission of housing benefit claims; introducing additional measures to increase the number of housing benefit claims that are successfully made; reviewing the arrears recovery process timeline and finalising the non-co-operation policy; ensuring the arrears recovery process is followed for all rent accounts; ensuring income is correctly allocated on the General Ledger; reviewing procedures for making introductory contact at the outset of placements and ensuring appropriate checks are undertaken after placement to verify residency; ensuring eligible applicants are registered on Kent Home Choice; and, reviewing recharges to the homelessness budget.</p>	<p>Two actions completed before the review was finalised.</p> <p>No other actions due in report period.</p>
Right to Buy	<p>Opinion: <b>Amber</b>.</p> <p>One high priority action agreed.</p> <p>Action relates to processes for retaining RTB documentation being reviewed and streamlined.</p>	<p>No actions due in report period.</p>



Climate Change Action Plan	Opinion: <b>Green</b> . Four actions agreed: One medium and three low priority. Actions relate to Terms of Reference being agreed for the corporate working groups; investigating revision and roll out of Carbon Literacy training for all staff; reviewing actions within the Management Delivery Plan where the original timescale has lapsed; and identifying, recording, and managing risks to the delivery of the Delivery Plan.	No actions due in report period.
Write Offs	Opinion: <b>Amber</b> . Four actions agreed: Three medium and one low priority. Actions relate to ensuring service level policy is consistent with the Constitution, ensuring all services write off debt quarterly, sufficient evidence is available to support write off, the amount authorised for write off is accurate and checks are made across the services for any potential monies that may be usable to reduce the amount to be written off.	No actions due in report period.

#### Actions outstanding more than six months after scheduled implementation date

Directorate	Audit title	Action	Priority	Planned implementation date	Management update
		No outstanding actions fall within this criteria			

## Definitions of audit opinions & action priorities

Opinion	Definition
<b>Green</b> – Risk management operates effectively, and objectives are being met	Expected controls are in place and effective to ensure risks are well managed and the service objectives are being met. Any errors found are minor or the occurrence of errors is considered to be isolated. Actions agreed are considered to be opportunities to enhance existing arrangements.
<b>Amber</b> – Key risks are being managed to enable the key objectives to be met	Expected key or compensating controls are in place and generally complied with ensuring significant risks are adequately managed and the service area meets its key objectives. Instances of failure to comply with controls or errors / omissions have been identified. Improvements to the control process or compliance with controls have been identified and actions have been agreed to improve this.
<b>Red</b> – Risk management arrangements require improvement to ensure objectives can be met	The overall control process is weak with one or more expected key control(s) or compensating control(s) absent or there is evidence of significant non-compliance. Risk management is not considered to be effective and the service risks failing to meet its objectives, significant loss/error, fraud/impropriety, or damage to reputation. Actions have been agreed to introduce new controls, improve compliance with existing controls or improve the efficiency of operations.

Priority	Definition
<b>High</b>	The findings indicate a fundamental weakness in control that leaves the council exposed to significant risk. The agreed action addresses the weakness identified; to mitigate the risk exposure and enable the achievement of key objectives. Management should address the action as a matter of urgency.
<b>Medium</b>	The findings indicate a weakness in control, or lack of compliance with existing controls, that leaves the system open to risk, although it is not critical to the achievement of objectives. Management should address the action within a reasonable timeframe.
<b>Low</b>	The findings have identified an opportunity to enhance the efficiency or effectiveness of the system/control environment. Management should address the action as resources allow.