

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

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# Internal Audit Update

Medway Council

For the period:

1 September – 30 November 2024

# 1. Introduction

- 1.1 The Internal Audit & Counter Fraud Shared Service for Medway Council & Gravesham Borough Council was established on 1 March 2016. The service 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 Work has continued at pace since the last update, with fieldwork having now been completed on the last two reviews ongoing from 2023-24, two having progressed to draft report stage and a further three finalised. In addition, three planned assurance reviews for 2024-25 have had fieldwork completed, and a further seven are in progress.
  - Health & Safety – Opinion: **Red** (2023-24 review finalised in 2024-25)
  - High Needs Block Recovery Plan – Opinion: **Green** (2023-24 review finalised in 2024-25)
  - St William of Perth Roman Catholic primary School – Opinion: **Red** (2023-24 review finalised in 2024-25)

As a consequence of this work, plan delivery as of 30 November was 9% complete, with a further 20% 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 30 November stood at 72%, with 54 of 75 actions due in the period having been completed (based on responses received by report deadline). 21 remain outstanding, two of which are six months or more overdue, or have failed to be implemented by their revised implementation dates. All outstanding actions 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 significant impact on projected resources with the most recent revisions suggesting a loss of approximately 177 days from the projected 685 available at the start of the year. Due to these impacts, amendments to the agreed plans are necessary.

## 3. Independence

- 3.1 The Internal Audit Charter was approved by the Audit Committee in January 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 Principal Internal Auditor, five Internal Auditors (4.59FTE) and one Trainee Internal Auditor.
- 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 2024-25 was prepared, was forecasted to provide a total of 1,070 days available for internal audit work (net of allowances for leave, training, management, administration etc.) with the share for Medway being 685 days, along with a further 73 days for management of internal audit activity.
- 4.3 Net chargeable days available for Medway for the period 1 September to 30 November 2024 amounted to 137.7 days. This represents 20% of the 685 days originally estimated to be available at the start of 2024-25. Of this chargeable time, 137.5 days (>99%) was spent on audit assurance work and 0.3 days (<1%) 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 177 days from the projected internal audit resource available at the start of the year. These losses have been driven by a number of sickness absences and the resignation of one internal auditor who left on 30 August. The vacancy has been filled with a long-term secondment, but ongoing long-term sickness is having an impact.

## 5. Results of planned Internal Audit work

- 5.1 The Internal Audit Plans Q1-Q2 and Q3-Q4 for 2024-25 for Medway were approved by the Audit Committee in March 2024 and September 2024, respectively. The Plans are 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 Medway during the financial year.
- 5.2 The tables below provide details of the work from 2023-24 that has been finalised in 2024-25 (excluding those detailed in the annual report for 2023-24), and the progress of work undertaken as part of the 2024-25 plans.

## 2023-24 Internal Audit assurance work finalised in 2024-25 (since the last Audit Committee meeting)

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
14	Health & Safety	15	16.3	Final Report Issued	<p>The review considered the following risk management objective:  <b>RMO1 - There are arrangements in place to ensure the council remains compliant with Health and Safety legislation.</b></p> <p>The review found that the council has a number of policies in place and Terms of Reference for the Corporate Health and Safety Committee and for Business Support Department, although a number require review and formal agreement. Emergency evacuation procedures, including temporary procedures to account for the situation at Gun Wharf, are in place and training was delivered to service managers, although no records were maintained.</p> <p>The Health and Safety pages on Medspace require updating and a number of posters require distribution around Gun Wharf once the building fully re-opens. There are procedures in place relating to First Aiders, Fire Wardens, and Evac Chair Operators to comply with legislative requirements, along with requirements for them to sign in/out. However, there were discrepancies identified in these records, meaning it is not always possible to determine whether trained employees are available.</p> <p>First aid kits are located at each stairwell and reception, although there are currently no checks on the contents.</p> <p>There are a number of training platforms available to staff and managers, however records suggest that this training is not being completed by staff as required.</p> <p>Building Risk Assessments for each site are held by the Emergency Planning Manager. However, there is currently no central record of service area risk assessments or their completion.</p> <p>Staff are able to report H&amp;S incidents via the service desk portal and other communication avenues, and H&amp;S reports are reviewed at the Corporate Health and Safety Working Group. <b>Opinion: Red.</b></p> <p><b>Overall Opinion: Red. Actions: Two high and seven medium priority. Actions relate reviewing and updating H&amp;S policies; building managers reviewing emergency procedures; updating the Terms of Reference for Corporate Health and Safety Committee and Business Support Department; updating the Health and Safety information available on Medspace; building managers reviewing responsibilities for staff that hold a Health and Safety role;</b></p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					reviewing procedures for allocating senior fire warden responsibility; completion and centralised records of PEEPs; completion of mandatory training relating to Health & Safety; and completion and recording of Service risk assessments.
15	Mobile Home Licencing	15		Draft report with client for consideration	The review considered the following risk management objective: <b>RMO1 - Arrangements are in place to manage the licencing of mobile home sites.</b>
16	Complaints	15		Draft report with client for consideration	The review considered the following risk management objective: <b>RMO1 - There are arrangements in place to effectively record, respond to and monitor complaints.</b>
18	High Needs Block Recovery Plan	15	12.8	Final Report Issued	The review considered the following risk management objective: <b>RMO1 - The council has an effective plan in place to fulfil the Department for Education's requirements as set out in the Dedicated Schools Grant 'Safety Valve' Agreement which covers the financial period from 2022-23 to 2026-27.</b> The review found that an approved plan is in place, which focuses on five overarching priorities, with a nominated lead assigned to each of these. Appropriate governance structures are in place to monitor delivery of the plan, with oversight from a number of groups and boards. There are arrangements in place for budget and performance monitoring to be undertaken and for progress against plan delivery and the required financial savings to be reported to the Department for Education, in line with the DSG 'Safety Valve' Agreement, in order for the agreed funding to be released. <b>Opinion: Green.</b> <b>Overall Opinion: Green. Actions: None.</b>
19	Unregulated Placements	15		Fieldwork complete, in quality control	The review considered the following risk management objectives: <b>RMO1 - Unregulated placements are only used as a last resort and are managed in accordance with set procedures.</b> <b>RMO2 - The council is looking at ways to reduce the need for unregulated placements.</b>
21	SEND Transport	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - Effective arrangements are in place for the delivery of Special Education Needs and Disabilities (SEND) Transport.</b>
24	Assessments & Reviews of Financial Support	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - Effective arrangements are in place to carry out adult social care financial assessments and reviews.</b>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
27	Homes for Independent Living Scheme	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - There are appropriate arrangements in place to manage the Homes for Independent Living Scheme.</b>
28	St William of Perth Roman Catholic primary School	20	24	Final Report Issued	<p>The review considered the following risk management objective: <b>RMO1 – The school has appropriate mechanisms in place to ensure it is in a sound financial position and that there are no material probity issues.</b></p> <p>The review found that the school’s governing body was not in line with the School Governance (Constitution) (England) Regulations 2012. Although all governors sign declarations of interest annually staff at the school do not routinely complete declarations of interest.</p> <p>While there are appropriate arrangements in place for payroll reports to be reviewed and signed off by the Head Teacher, and for overtime to be approved in advance by the Head teacher, a number of anomalies and inconsistencies were identified.</p> <p>The school has a Finance Policy, which is reviewed annually, although a number of changes were suggested. Bank accounts were found to have been appropriately reconciled and approved but the Chair of Governors was a signatory to the school cheque book, which is not permitted. The school has a voluntary (school) fund, and inconsistencies in records were noted.</p> <p>While goods and services listed on the transaction reports all appeared to be for the benefit of the school, very few had associated purchase orders.</p> <p>There were a number of staff reimbursement linked to breakfast club expenditure and a loyalty card linked to these transactions that could not be identified as belonging to the school.</p> <p>The school’s software company maintains the asset register; however, this does not list all the school’s assets and checks are currently not completed. <b>Opinion: Red.</b></p> <p><b>Overall Opinion: Red. Actions: Five high, six medium and three low priority. Actions relate to the constitution of the Governing Body and updating information relating its membership; staff Declarations of interest; accuracy of information relating to staff, reviewing and updating the School Finance Policy; reviewing the bank signatories; reviewing the process for purchasing goods/services; investigating the option of a school credit card; ensuring loyalty points are used for the benefit of the school; ensuring that cash is kept</b></p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					securely; and, reviewing and updating the asset register and making arrangements for an annual, independent check of the register.

## 2024-25 Internal Audit assurance work

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
1	Out Of Hours Service	15		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - There are arrangements in place to ensure that the Out of Hours service is being delivered in accordance with the contract and is giving the council value for money.</b>
2	Children in Care - Savings Provision	15		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - There are appropriate arrangements to manage Junior ISA and Child Trust Funds for Looked After Children.</b>
3	Adult Social Care Debt Recovery	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - There are arrangements in place to manage the recovery of adult social care debt.</b>
4	Homelessness	20		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - There are arrangements in place to manage approaches for homelessness assistance, including assessment of duty.</b>
5	Planning Obligations	15		Fieldwork Underway	The review will consider the following risk management objectives: <b>RMO1 - There are appropriate arrangements in place to administer planning obligations.</b> <b>RMO2 - There are appropriate arrangements in place to monitor planning obligations.</b>
6	Virtual School	15		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - There are arrangements in place to manage the pupil premium funding provided to the council for children in their care.</b>
7	Establishment Management	15		Terms of Reference being prepared	
8	<i>Medway Norse</i>	<i>15</i>		<i>Removed from Plan</i>	<i>Removal agreed at September 2024 committee meeting.</i>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
9	Integrated Care Boards	15		Removed from Plan	Removal agreed at September 2024 committee meeting.
10	Pentagon Centre	15		Terms of Reference being prepared	At the request of the service, this review has been delayed until Q4.
11	Medway Development Company (MDC)	15		Removed from Plan	Removal agreed at September 2024 committee meeting.
12	Information Governance - Data Breaches	15		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - Arrangements are in place to prevent, manage, report and monitor data breaches.</b>
13	Approved Contractor Frameworks	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
14	Private Housing Enforcement	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - There are appropriate arrangements in place to enforce private housing standards.</b>
15	Housing Benefit & CTR Administration	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - Arrangements are in place to process and ensure the accuracy of Housing Benefit &amp; Council Tax Reduction claims.</b>
16	Special Guardianship Orders	15		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - Arrangements are in place to manage financial support relating to special guardianship orders (SGOs) in accordance with the Special Guardianship Regulations 2005 (as amended by the Special Guardianship (Amendment) Regulations 2016).</b>
17	Payroll	15		Terms of Reference being prepared	
18	Children in Need - Section 17 Financial Assistance	15		Terms of Reference being prepared	
19	Care Transitions	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
20	Urgent Care Provision	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
21	Staff leave	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
22	Housing Rent Recovery	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
23	Purchase Ledger	10		Terms of Reference being prepared	
24	Street Lighting	15		Terms of Reference being prepared	
25	Air Quality Monitoring	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
26	Floating Support	15		Terms of Reference being prepared	
27	Treasury Management	15		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.
28	Remote Sites Financial Management - Including Schools				<p>Three schools were selected as part of a risk assessment looking at budgets and the date of the last internal audit review. The objective of each review is to provide assurance that the school has appropriate mechanisms in place to ensure it is in a sound financial position and that there are no material probity issues. Key areas for review include:</p> <ul style="list-style-type: none"> <li>• Governance</li> <li>• Payroll</li> <li>• Purchasing and payments</li> <li>• Income &amp; Cash Handling</li> <li>• Asset Management</li> </ul>
	St Marys Island CofE (Aided) Primary School	20		Terms of Reference being prepared	
	St Augustine of Canterbury Catholic Primary School	20		Terms of Reference being prepared	

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
	St Thomas More Roman Catholic Primary School	20		Proposal to remove	Removal of this review is proposed to address the resource losses within the internal audit team.

### Other assurance activity

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
	Finalisation of 2023-24 Planned Work	50		Underway	Work to finalise the last of the reviews from 2023-24 is ongoing with six outstanding.
	Grant Validations	12.5		Underway	<p>Validation work has been completed in relation to the following grant funding streams to enable sign off by appropriate officers:</p> <ul style="list-style-type: none"> <li>• The Disabled Facilities Capital Grant (Dfg) Determination and Disabled Facilities Capital Grant Determination Additional Funding (2023-24).</li> <li>• Local Transport Capital Block Funding (Integrated Transport And Highway Maintenance Blocks) Specific Grant Determination (2023/24).</li> <li>• Local Transport Capital Block Funding (Pothole Fund) Specific Grant Determination (2023/24).</li> <li>• Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance Blocks) Specific Grant Determination (2023/24): Traffic Signal Obsolescence Grant (TSOG) and Green Light Fund (GLF)</li> <li>• Local Authority Bus Subsidy (Revenue) Grant 2023-24.</li> <li>• High Street HAZ Grant.</li> <li>• Family Hubs &amp; Start for Life Programme - Interim Statement of Grant Usage 2024-25.</li> </ul>
	Supporting Families Assessment Validation	25		Underway	The team have provided independent verification of for funding in September and November and issued the appropriate assurance certificates to be included with the returns.
	Responsive Assurance Work	12.5		Underway	No activity in the reporting period.

### Responsive assurance activity

Activity	Day budget	Days used	Opinion, summary of findings & recommendations made
No activity in period			

### Other consultancy services including advice & information.

Activity	Day budget	Days used	Opinion, summary of findings & recommendations made
Attendance at Corporate Working Groups	2.5		<p>The Head of Internal Audit &amp; Counter Fraud has attended meetings for the following:</p> <ul style="list-style-type: none"> <li>• DWP Audit Working Group</li> <li>• Climate Oversight and Implementation Board</li> <li>• Security &amp; Information Governance Group (Strategic)</li> </ul>

## 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 Audit Committee in March 2023.
- 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	Annual outturn only
IA3	Time spent on professional qualification training:	N/A	19.4 days
IA4	Time spent on CPD/non-professional qualification training, learning & development (including corporate training)	40 days	13.7 days
IA5	Compliance with PSIAS	100%	Annual outturn only
<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	20%
IA8	Proportion of chargeable time spent on: a) Assurance work b) Consultancy work	N/A	100% 0%
IA9	Proportion of agreed assurance reviews: a) Delivered b) Underway	95%	9% 20%
IA10	Proportion of completed assurance reviews subject to a second stage (senior management) quality control check in addition to the primary quality control review	10%	Annual outturn only
IA11	Number of agreed actions that are: a) Not yet due b) Implemented c) Outstanding	N/A	30 54 21
IA12	Proportion of actions implemented by agreed date	N/A	72.0%
IA13	Client, Management and Member satisfaction with	90%	Annual outturn only

Ref	Indicator	Target	Outturn for period
	internal audit services		

## 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 currently projecting a loss of approximately 177 days from the estimated resource meaning that changes to the agreed plans are unavoidable. We are therefore proposing the removal of the following reviews from the Q1-Q2 and Q3-Q4 plans for 2024-25.
- Approved Contractor Frameworks
  - Care Transitions
  - Urgent Care provision
  - Staff Leave
  - Housing Rent recovery
  - Air Quality monitoring
  - Treasury Management
  - St Thomas More Roman Catholic Primary School
- 7.4 These changes to the agreed plans will account for 125 days of the lost resource, and the selection of these reviews has been based on what work has already commenced and what is felt to represent the lowest level of risk, while also taking into account pressures within the services they relate to and their ability to work with internal audit.
- 7.5 These changes should not prevent delivery of an annual opinion for 2024-25 but it is likely that any opinion delivered will be based upon a limited scope due to the volume of work likely to be completed.

## 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 request for revised implementation dates.

## Status of agreed actions

Audit & Counter Fraud 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
Tree Service	Opinion: <b>Red</b> Eight actions agreed: Seven <b>high</b> and one <b>medium</b> priority.	One <b>high</b> priority action cancelled. Six actions due, six completed.
VAT	Opinion: <b>Amber</b> . Four actions agreed: Two <b>high</b> and two <b>low</b> priority.	All actions completed.
Emergency Planning	Opinion: <b>Green</b> . Four actions agreed: One <b>medium</b> and three <b>low</b> priority.	All actions completed.
IT Security & Access Controls	Opinion: <b>Green</b> . Three <b>medium</b> priority actions agreed.	Three actions due, two completed. One <b>medium</b> priority outstanding.
Climate Change Action Plan	Opinion: <b>Green</b> . One <b>low</b> priority action agreed.	All actions completed.
Business Continuity – IT Recovery	Opinion: <b>Amber</b> . Six actions agreed: Two <b>high</b> , two <b>medium</b> and two <b>low</b> priority.	Six actions due, five completed. One <b>high</b> priority outstanding
Legal Case Management	Opinion: <b>Amber</b> . Five actions agreed: Two <b>medium</b> and three <b>low</b> priority.	All actions completed.
Petty Cash	Opinion: <b>Amber</b> . One <b>high</b> priority action agreed.	One action due, none completed. One <b>high</b> priority outstanding.
Adult Social Care Supported Living	Opinion: <b>Amber</b> . Five actions agreed: Four <b>high</b> and one <b>medium</b> priority.	Five actions due, four completed. One <b>high</b> priority outstanding
Staff Travel & Subsistence	Opinion: <b>Red</b> . Two actions agreed: One <b>high</b> and one <b>low</b> priority.	No actions due in report period.
Deprivation of Liberty Safeguards in the Community	Opinion: <b>Red</b> . Six actions agreed: Two <b>high</b> and four <b>medium</b> priority.	All actions completed.
Children’s Imprest Account	Opinion: <b>Red</b> . Four actions agreed: Three <b>high</b> and one <b>medium</b> priority.	Four actions due, three completed. One <b>high</b> priority outstanding.
Information Requests	Opinion: <b>Amber</b> . Nine actions agreed: One <b>high</b> , two <b>medium</b> and six <b>low</b> priority.	All actions completed.
Surveillance (RIPA)	Opinion: <b>Amber</b> . Three actions agreed: One <b>high</b> and two <b>low</b> priority.	All actions completed.

Audit & Counter Fraud 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
Caldicott Guardian	Opinion: <b>Green</b> . Six actions agreed: One <b>high</b> and five <b>low</b> priority.	Six actions due, none completed. One <b>high</b> and five <b>low</b> priority outstanding.
IR35 Assessments	Opinion: <b>Amber</b> . Five <b>medium</b> priority actions agreed.	Five actions due, two completed. Three <b>medium</b> priority outstanding.
Brokerage Services	Opinion: <b>Green</b> . One <b>high</b> priority action agreed.	One action due, none completed. One <b>high</b> priority outstanding.
Fostering Payments	Opinion: <b>Amber</b> . Five actions agreed: One <b>high</b> , three <b>medium</b> and one <b>low</b> priority.	One action due, one completed.
Balfour Infant School	Opinion: <b>Amber</b> . Five actions agreed: Two <b>high</b> and three <b>medium</b> priority.	Five actions due, four completed. One <b>medium</b> priority outstanding.
St Marys Catholic Primary School	Opinion: <b>Amber</b> . Nine actions agreed: Six <b>high</b> , two <b>medium</b> and one <b>low</b> priority.	Nine actions due, one completed. Five <b>high</b> , two <b>medium</b> and one <b>low</b> priority outstanding
St William of Perth Catholic Primary School	Opinion: <b>Red</b> . 14 actions agreed: Five <b>high</b> , six <b>medium</b> and three <b>low</b> priority.	Two <b>medium</b> and one <b>low</b> priority completed before report finalised. No other actions due in reporting period.
Health & Safety	Opinion: <b>Red</b> . Nine actions agreed: Two <b>high</b> and seven <b>medium</b> priority.	Three <b>medium</b> priority completed before report finalised. No actions due in reporting period

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

Directorate	Audit title	Action	Priority	Planned implementation date	Management update
BSD	IT Security & Access Controls	Arrangements to be made to review the ICT Security Policy and relevant appendices, ensuring all information is consistent, and consideration to be given to publishing policies/procedures on one platform only.	<b>Medium</b>	<del>30 September 2023</del> Revised 30 November 2024	Awaiting Update from service
C&A	Children's Imprest Accounts	All designated officers in the C&A scheme of delegation to be matched to the councils list of approved signatories, with arrangements made	<b>High</b>	31 March 2024	All delegations have been updated within the finance system, but the service is unable to view this, so evidence has been

Directorate	Audit title	Action	Priority	Planned implementation date	Management update
		to update the council's approved signatories list if required.			requested from finance in order to have this action signed off.

## 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.