

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

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# Internal Audit Update

Medway Council

For the period:

1 December 2024 – 31 January 2025

# 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 This report covers a short period of only two months, but work has continued with three reviews outstanding from 2023-24 finalised in the period. In addition, five planned assurance reviews for 2024-25 have had fieldwork completed, and a further eight are in progress.

- Complaints – Opinion: **Amber** (2023-24 review finalised in 2024-25)
- Mobile Homes Site Licencing – Opinion: **Amber** (2023-24 review finalised in 2024-25)
- SEND Transport – Opinion: **Green** (2023-24 review finalised in 2024-25)

As a consequence of this work, plan delivery as of 31 January was 26% complete, with a further 42% 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 January stood at 80.5%, with 66 of 82 actions due in the period having been completed (based on responses received by report deadline). 16 remained outstanding, five of which were six months or more overdue, or had 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 155 days from the projected 685 available at the start of the year. Amendments to the agreed plan aimed at addressing these losses were agreed by the Committee in January 2025.

## 3. Independence

- 3.1 The Internal Audit Charter was approved by the Audit Committee in January 2024 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 December 2024 to 31 January 2025 amounted to 72.4 days. This represents 11% of the 685 days originally estimated to be available at the start of 2024-25. Of this chargeable time, 72.4 days (100%) was spent on audit assurance 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 projecting a loss of approximately 155 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, including a long-term absence, the resignation of one internal auditor who left on 30 August (this vacancy has been filled with a long-term secondment) and the retirement of a further auditor on 28 February 2025 (vacancy currently being advertised).

## 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 since the last update, 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
15	Mobile Home Licencing	15	17.3	Final Report Issued	<p>The review considered the following risk management objective:  <b>RMO1 - Arrangements are in place to manage the licencing of mobile home sites.</b></p> <p>The review found that the Mobile Homes Act 2013 introduced a new site licencing regime for “relevant protected sites”. There are five relevant protected sites within Medway and this audit focused on the licencing process connected to these sites. Although licences are in place for all five sites, and fit and proper person tests have been undertaken for all site owners / managers, we were advised that prior to a specialist contractor being employed during 2022 to bring the information held up-to-date and put procedures in place to manage the licencing process, no work had been undertaken in this area for circa 12 years. There are now a number of template documents in place, however the specialist contractor’s contract ended prior to procedure documents to support the licencing process being finalised. In line with best practice, there is information, aimed at both site owners and residents, provided on the council’s website, including details of the license application procedure, although it was found there are elements of this information which need to be updated. There are three registers connected to mobile home site licencing that the council is required to maintain and make available to the public; these are all available on the council’s website, though several minor queries have been raised around the content. The 2013 legislation introduced new powers allowing local authorities to charge fees for their licencing functions in respect of relevant protected sites; while a draft Fee Policy has been prepared, this has yet to presented for approval.</p> <p>The 2013 legislation also gave local authorities more effective control of conditions on relevant protected sites, providing the tools required to take enforcement action to ensure residents’ health and safety is protected, though any action taken is expected to be reasonable and proportionate. Best practice guidance states that local authorities should ensure efficient and effective approaches to regulatory inspection and enforcement are provided in line with their enforcement policies. However, currently the council does not have an enforcement policy relating to mobile home sites and, while a complaint would</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>be investigated if it were received, no pro-active enforcement is undertaken, and inspections started when the specialist contractor was employed have not been completed. <b>Opinion: Amber.</b></p> <p><b>Overall Opinion: Amber. Actions: Two high and three medium priority. Actions relate to introducing procedure documents; updating the council's website (including the relevant registers); progressing the draft Fee Policy via the appropriate governance process; and, reviewing enforcement / compliance arrangements.</b></p>
16	Complaints	15	20	Final Report Issued	<p>The review considered the following risk management objective:  <b>RMO1 - There are arrangements in place to effectively record, respond to and monitor complaints.</b></p> <p>The review found that the council's website includes clear and detailed information about the council's corporate complaints procedure, as well as the separate procedures followed by specific services; the Medway Council Customer Pledge is also provided. The council does not currently have a complaints policy; however, work is underway on developing a policy, in line with a recently published Complaint Handling Code. Customer Complaints training is run on a quarterly basis for relevant staff and is well attended, though it would be beneficial for this to be made a mandatory requirement for specific roles. Guidance is available to staff within the Customer Relations Team as well as complaint handlers. The Customer Relations Team co-ordinate both the corporate and children and adult social care complaints procedures. The corporate complaints procedure has two stages, and there are arrangements in place for both stage one and two complaints to be logged, acknowledged, investigated and responded to in line with the procedure, with appropriate monitoring in place. Likewise, there are arrangements for stage one children's and adult social care complaints (both statutory and non-statutory) and adult social care 'further investigation' requests to be managed appropriately, although a query has been raised in relation to the start date recorded for complaints where further information or consent is required. Appropriate stage two and three procedures are in place for children's social care complaints, in line with legislation, although audit testing identified weaknesses in relation to achieving the statutory timescales; it was noted that there has been some</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>improvement in response times from 2023-24 to 2024-25. Arrangements exist to co-ordinate referrals from the Local Government and Social Care Ombudsman (LGSCO) and respond appropriately where complaints are upheld. There are also arrangements to monitor the number and type of complaints received, including complaints made to the LGSCO, with regular performance reporting to senior management. <b>Opinion: Amber.</b></p> <p><b>Overall Opinion: Amber. Actions: Three high, one medium and one low priority. Actions relate to development of a complaints policy; amending the status of Customer Complaints training; clarifying the start date for stage one social care complaints; and, reviewing the procedure for managing and responding to stage two children’s social care complaints, including updating timescales on the council’s website.</b></p>
19	Unregulated Placements	15		Fieldwork complete, in quality control	<p>The review considered the following risk management objectives:</p> <p><b>RMO1 - Unregulated placements are only used as a last resort and are managed in accordance with set procedures.</b></p> <p><b>RMO2 - The council is looking at ways to reduce the need for unregulated placements.</b></p>
21	SEND Transport	15	22.3	Final Report Issued	<p>The review considered the following risk management objective:</p> <p><b>RMO1 - Effective arrangements are in place for the delivery of Special Education Needs and Disabilities (SEND) Transport.</b></p> <p>The review found the council has an Education Travel Assistance Policy in place for both SEND and mainstream pupils, which was last updated in September 2023. The policy clearly defines the eligibility criteria for SEND travel assistance and provides a framework for how SEND travel assistance is delivered throughout Medway. Information is also available on the council’s website, along with a copy of the policy, and a link to an online application form. Arrangements exist for all SEND travel assistance applications to be logged and processed, ensuring that eligibility is determined, and the most appropriate type of travel assistance is identified, before parents and carers are notified of the decision. The types of travel assistance available are identified within the Policy. Arrangements exist for fuel allowances to be calculated / paid and records are maintained of all commissioned transport providers / routes, and the number of children and young people being transported, which are used to check the</p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
					<p>invoices received. Due to the level of available resources, attendance checks are not undertaken on the children and young people that are receiving SEND travel assistance, with reliance placed on schools and providers to notify the council of non-attendance. Although the Policy refers to submission of annual applications, in practice, new applications are only requested where there has been a change of circumstances, or when the child or young person is transitioning between primary, secondary or post-16 education. However, all other SEND travel assistance arrangements are reviewed annually to ensure the arrangement remains suitable. There are also arrangements for solo transport to be reviewed every six weeks.</p> <p>A monthly return is completed to track spend across the different types of SEND travel assistance and is used to inform budget monitoring. <b>Opinion: Green.</b></p> <p><b>Overall Opinion: Green. Actions: None.</b></p>
24	Assessments & Reviews of Financial Support	15		Fieldwork complete, in quality control	<p>The review considered the following risk management objective:</p> <p><b>RMO1 - Effective arrangements are in place to carry out adult social care financial assessments and reviews.</b></p>
27	Homes for Independent Living Scheme	15		Fieldwork complete, in quality control	<p>The review considered the following risk management objective:</p> <p><b>RMO1 - There are appropriate arrangements in place to manage the Homes for Independent Living Scheme.</b></p>

## 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	<p>The review will consider the following risk management objective:</p> <p><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></p>
2	Children in Care - Savings Provision	15		Fieldwork Underway	<p>The review will consider the following risk management objective:</p> <p><b>RMO1 - There are appropriate arrangements to manage Junior ISA and Child Trust Funds for Looked After Children.</b></p>

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
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 complete, in quality control	The review considered 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>
9	<i>Integrated Care Boards</i>	<i>15</i>		<i>Removed from Plan</i>	<i>Removal agreed at September 2024 committee meeting.</i>
10	<i>Pentagon Centre</i>	<i>15</i>		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>
11	<i>Medway Development Company (MDC)</i>	<i>15</i>		<i>Removed from Plan</i>	<i>Removal agreed at September 2024 committee meeting.</i>
12	Information Governance - Data Breaches	15		Fieldwork complete, in quality control	The review considered the following risk management objective: <b>RMO1 - Arrangements are in place to prevent, manage, report and monitor data breaches.</b>
13	<i>Approved Contractor Frameworks</i>	<i>15</i>		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>



Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
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		Fieldwork Underway	The review will consider the following risk management objective: <b>RMO1 - There are appropriate arrangements in place to calculate and pay Medway Council staff salaries, including uplifts, allowances and overtime.</b>
18	Children in Need - Section 17 Financial Assistance	15		Terms of Reference being prepared	
19	<i>Care Transitions</i>	15		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>
20	<i>Urgent Care Provision</i>	15		<i>Removed from Plan</i>	Removal agreed at January 2025 committee meeting
21	<i>Staff leave</i>	15		<i>Removed from Plan</i>	Removal agreed at January 2025 committee meeting
22	Housing Rent Recovery	15		Terms of Reference being prepared	
23	Purchase Ledger	10		Not yet started	
24	Street Lighting	15		Terms of Reference being prepared	

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
25	<i>Air Quality Monitoring</i>	15		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>
26	Floating Support	15		Terms of Reference being prepared	
27	<i>Treasury Management</i>	15		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>
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		Fieldwork Underway	
	St Augustine of Canterbury Catholic Primary School	20		Fieldwork Underway	
	<i>St Thomas More Roman Catholic Primary School</i>	20		<i>Removed from Plan</i>	<i>Removal agreed at January 2025 committee meeting</i>

### 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 three outstanding.

Ref	Activity	Day budget	Days used	Current status	Opinion, summary of findings & recommendations made
	Grant Validations	12.5		Underway	No activity in the reporting period.
	Supporting Families Assessment Validation	25		Underway	The team provided independent verification for funding in January and issued the appropriate assurance certificate to be included with the return.
	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 reporting 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		No activity in the reporting period.

## 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	9.8 days
IA4	Time spent on CPD/non-professional qualification training, learning & development (including corporate training)	40 days	7.8 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	11%
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%	26% 42%
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	28 66 16
IA12	Proportion of actions implemented by agreed date	N/A	80.5%
IA13	Client, Management and Member satisfaction with internal audit services	90%	Annual outturn only

## 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 155 days from the estimated. A number of amendments to the agreed plans were approved by the Audit Committee in January 2025 to account for 125 of the lost days.

## 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 position as of 31 January 2025 in relation to the follow up process and the second details actions that were 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	<b>Opinion: 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.
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.
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
Petty Cash	Opinion: <b>Amber</b> . One <b>high</b> priority action agreed.	No actions due in reporting period.
Adult Social Care Supported Living	Opinion: <b>Amber</b> . Five actions agreed: Four <b>high</b> and one <b>medium</b> priority.	Four actions due, four completed.
Staff Travel & Subsistence	Opinion: <b>Red</b> . Two actions agreed: One <b>high</b> and one <b>low</b> priority.	One action due, none completed. One <b>low</b> priority outstanding.
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.
Caldicott Guardian	Opinion: <b>Green</b> . Six actions agreed: One <b>high</b> and five <b>low</b> priority.	Six actions due, two completed. One <b>medium</b> and three <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.	All actions completed.
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, five completed. Three <b>high</b> and one <b>medium</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.

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
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
Complaints	Opinion: <b>Amber</b> . Five actions agreed: Three <b>high</b> , one <b>medium</b> and one <b>low</b> priority.	No actions due in reporting period
Mobile Home Site Licencing	Opinion: <b>Amber</b> . Five actions agreed: Two <b>high</b> and three <b>medium</b> priority.	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
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 to update the council's approved signatories list if required.	<b>High</b>	31 March 2024	Although outstanding at 31 January, this action is now complete.
BSD	Staff Travel & Subsistence	Historic reclaimable VAT reports to be reviewed to determine the value of VAT previously claimed for electric vehicles and ensure appropriate action is taken accordingly, in liaison with the Finance team.	<b>Low</b>	<del>31 December 2023</del> Revised 31 December 2024	Reports have been extracted from the system and the service will be reviewing them to determine whether any action is required but there are other pressures that have delayed this. The action will be completed as soon as possible but there is very limited risk associated with this.
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	No update received before report deadline.
BSD	IR35 Assessments	More information to be included on the Intranet regarding use of the online assessment tool.	<b>Medium</b>	30 June 2024	Although outstanding at 31 January, this action is now complete.

Directorate	Audit title	Action	Priority	Planned implementation date	Management update
BSD	IR35 Assessments	Arrangements to be made to ensure that all e-forms for setup or reactivation of an interim/temporary worker can only be accepted if accompanied by confirmation from the Temporary Recruitment Team or the Category Management team.	Medium	30 June 2024	Although outstanding at 31 January, this action is now complete.



## 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.