

Opinion: Substantial Assurance.

Previous Review: 2014-15 Framework - Good, Compliance - Satisfactory

The purpose of this review was to provide an assurance regarding the effectiveness and fitness for purpose of the insurance arrangements at Dartford Borough Council and Sevenoaks District Council. This review assessed whether existing insurance arrangements can deliver service objectives and comply with council procedures at the respective local authorities.

To this effect, the following key risks and controls were examined:

1. Risk that the Council may not comply with relevant legislation, such as the Insurance Act 2015, policies or good practice.
2. Risk that the insurance cover may not be appropriate.
3. Risk that identification of insurable risks may be inaccurate.
4. Risk that officers may not follow the system for making claims on insurance policies.
5. Risk that effective controls may not be in place for the recharge of insurances.
6. Risk that insurance expenditure monitoring may not be effectively reported.
7. Risk that opportunities to achieve or demonstrate efficiency or value for money may not be maximised, for example current insurance cover may not provide best value.
8. Risk that fraud and corruption may be undetected, for example insurance claims are not justified.
9. Risk that Operational and Strategic risk assessments may not be undertaken in accordance with Council policy and risks not adequately managed

Audit testing results indicated that controls were fully met in six of the aspects examined, whilst three aspects were partially met in relation to compliance. (Risks 1, 3 and 7).

The following three recommendations were agreed with Management to address the areas where controls were partially met. These relate to risks 1, 3 and 7.

Appendix B

- Consideration should be given to the introduction of a log that will list all the advice given to SDC and DBC officers regarding insurance matters. This would allow patterns and trends to be identified.
- Consideration should be given to the introduction of annual face to face meetings with Sevenoaks DC service managers to discuss insurance matters but only in cases where a meeting would be beneficial.
- The issue of receiving the breakdown schedule on a timely basis will be discussed with Zurich at the next review meeting, to gain an understanding of why this report takes so long to complete and to agree how this can be resolved going forward.

Members will be advised of the progress in implementing these recommendations in due course.

Review of Safeguarding 2017/18

Issued 10 October 2017

Opinion: Substantial Assurance.

Previous Review: 2013/14 Framework - Satisfactory, Compliance - Satisfactory

The purpose of this audit was to evaluate the arrangements in place for Safeguarding Children and Vulnerable Adults, taking into account aspects of Anti-Slavery, Human Trafficking (Modern Slavery Act 2015) and the Councils duty to report potential victims and arrangements in place for this.

To this effect, the following risks were examined:-

1. Risk that that the Council may not comply with relevant legislation (Section 11 of the Children Act, Care Act 2014), policies or good practice.
2. Risk that the Council may not have an appropriate or adequate framework in place for delivering its duties under the Act's, such as the Care Act 2014, Anti-Slavery, Human Trafficking (Modern Slavery Act 2015).
3. Risk that there is no clear line of responsibility to raise concerns or raise awareness.
4. Risk that the Council may not have a rigorous recruitment process for those who come into contact with children, young people and vulnerable adults, or to continue to monitor the suitability of such persons that may be authorised to come into contact with those protected by the Act.
5. Risk that staff do not have access to a clear written code which outlines responsibilities and good practice when working with children, young people and vulnerable adults.

Appendix B

6. Risk of inadequate training including child protection and health and safety.
7. Risk that the Council does not provide an open and well publicised way for adults and young people to voice concerns about abusive or unethical behaviour, or to raise any concerns in general.
8. Risk that external suppliers, contractors etc., used to provide events and services on behalf of the Council do not comply with safeguarding policies.
9. Risk that opportunities to achieve or demonstrate efficiency or value for money may not be maximised.
10. Risk assessments may not be undertaken and risks not adequately managed.

From the audit testing we generally found that, arrangements are in place to ensure that effective and robust procedures are in place throughout the Council regarding Safeguarding. A comprehensive process is embedded to ensure that good practice is being followed together with ongoing improvements. However, there were two areas we felt could benefit from some improvement and one area where further enhancements need to be added to the current DBS checking service. These are listed below:-

The following recommendations (two low and one medium) have been agreed with Management to address the above:

- Consideration should be given to the enhancements suggested regarding the definitions (of abuse) and amendments to the Safeguarding Policy.
- Consideration needs to be given as to how Disclosure and Barring Service (DBS) checks are monitored and up to date, such as -
 - The HR log needs to be reviewed to ensure that all officers are recorded as necessary and should be agreed back to other records (such as Communities and Business).
 - An annual review of HR records could take place with reconciliation back to Safeguarding training records.
 - Officers are responsible for their own checks via the online DBS Update Service and monitored by HR.
- Consideration needs to be given as to how all future procurement (including contractors and agency staff) should be supported by a contract which incorporates Safeguarding where appropriate.

Members will be advised of the progress in implementing these recommendations in due course. It should be noted that all of the above are already being actioned as part of the Corporate Safeguarding and Procurement Working Groups.

**Review of Housing Benefits &
Council Tax Support 2017/18**

Issued 4 December 2017

Opinion: Full Assurance.

Previous Review: Substantial Assurance (2016/17)

The purpose of this audit review is to assess the processes around the use of Risk Based Verification (RBV) that was introduced in February 2017 to ensure verification checks made on new claimants or changes in claimant circumstances are in accordance with Council Policy and Government Legislation. This audit will also include a cursory review of the changes introduced from 1 April 2017 under the Council Tax Reduction Scheme (CTRS).

To this effect the following risks were examined:-

1. Risk that the Council does not comply with relevant legislation (for example Social Security Contributions and Benefits Act 1992 and the Local Government Finance Act 2012) or that officers do not comply with Council policies.
2. Risk that the processes (RBV & CTR) are not being used to their full potential.
3. Risk that effectiveness of the processes are not being monitored and reported (i.e. the volume of high risk).
4. Risk that use of the process is impacting on approval deadlines, especially benefit claims (i.e. improved customer service, speed of process).
5. Risk assessments may not be undertaken and risks not adequately managed. The systems used to undertake the necessary checks may become unavailable.

From the audit testing undertaken we confirmed that arrangements are in place to ensure that effective procedures have been introduced to enable verification checks in accordance with Government Legislation and guidance. Good practice is being followed whilst the system is being embedded. Further steps are being taken to improve the process with the introduction of higher level quality checks. The trialling of other stages and procedures are also taking place together with feedback from Assessors and the Customer. There is however, one minor area that Internal Audit felt could be improved. An enhancement regarding the monitoring of risk distribution results.

The following recommendation has been agreed with Management to address the above

- Risk distribution should continue to be monitored. This could be compared to expected data and other authorities to seek assurance that full value is

being achieved and results are as expected (no extreme fluctuations). It is appreciated by the auditor that this is only guidance and may not be the case for all authorities.

Members will be advised of the progress in implementing this recommendation in due course.

Review of Non-Domestic Rates 2017/18

Issued 5 December 2017

Opinion: Full Assurance.

Previous Review: 2015/16 Framework - Good, Compliance - Good

The purpose of this audit review is to provide an assurance regarding the accuracy and timeliness of the arrangements currently in place for the billing and collection of business rates. This review will also cover the arrangements in place for the identification of new buildings liable for business rate charges.

To this effect the following risks were examined:-

1. Risk that the Council does not comply with relevant legislation (for example Local Government Finance Act 1988 and the Non-Domestic Rating (collection and enforcement) Regulations 1989) or that officers do not comply with Council policies.
2. Risk that a system is not in place to identify qualifying and new buildings that are liable.
3. Risk that bills may not be issued correctly or in a timely manner.
4. Risk that rate relief, or exemptions maybe incorrectly applied.
5. Risk that refunds may not effectively be controlled.
6. Risk that a system for collecting income including recovery arrangements may not be effective.
7. Risk that inadequate information is available to assist bill payers (for example informing the Council of a change of address, name etc.)
8. Risk that fraud and corruption may be undetected (falsified documents to receive rate relief)
9. Risk assessments may not be undertaken and risks not adequately managed. There could be complaints from the public.

From the audit testing undertaken we confirmed that arrangements are in place to ensure that Business Rates are adequately billed and collected. Good practice was

Appendix B

observed in a number of areas, such as the sharing of available information via a number of sources (internally and externally) to provide comprehensive coverage of liable properties as well as identify possible fraudulent activity. There is also a proactive approach regarding Customer Service which should be adopted by other services within the Council. Regular meetings with experienced Officers (front line) helps to improve the Customer's experience by discussing recent events and feedback received. There is however, one minor area that Internal Audit felt could be improved. An enhancement regarding the annual billing process.

The following recommendation has been agreed with Management to address the above

- Consideration should be given to the wider use of e-billing to reduce costs to each Council as well as to provide a more efficient and effective service.

Members will be advised of the progress in implementing this recommendation in due course.

Review of Finance Systems (TASK & Agresso)

Issued 15 December 2017

Opinion: No opinion given

The purpose of the review was to highlight the main benefits and inefficiencies of running two finance systems (Agresso used by the finance team at Argyle Road and TASK which is used by Direct Services) and other issues to be considered going forward. The report was written for advice and guidance purposes only and therefore contained no audit opinion.

Review of Tree Application Decision Making

Issued 15 December 2017

Opinion: Limited Assurance

Previous Review: There has been no previous audit of this area.

This review was at the requested of management and is outside the approved audit plan. As this piece of work is outside of the approved audit plan, it was agreed by the Audit Committee Chairman and Chief Finance Officer on 12th September 2017.

The purpose of the review was to provide an assurance to senior management on the adequacy of the arrangements in place for the adherence to documented procedures and to review the decision making mechanisms in place as to how applications for proposed works to trees with preservation orders and trees in conservation areas are evaluated.

The report contains one high risk finding, one medium risk finding and one low risk finding. The findings concluded that there was a lack of documented evidence to support the decision making process.

The following recommendations were agreed with management:-

Appendix B

- Additional detail to be provided on 'site notes' and to prepare reporting to justify the decisions made by the aboricultural officers
- Consideration to be given to the management review of records held on file
- To ensure consistency when replying to applicants to include a short summary of what works have been approved.

Members will be advised of the progress in implementing the recommendations in due course.