

# **Internal Audit Annual Report and Opinion 2023/24**

**July 2024**



# DARTFORD & SEVENOAKS AUDIT PARTNERSHIP

## Introduction

1. The IIA gives the mission of internal audit: to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.
2. The mission and its associated [code of ethics](#) and [Standards](#) govern over 200,000 professionals in businesses and organisations around the world. Within UK Local Government, authority for internal audit stems from the [Accounts and Audit Regulations 2015](#). The Regulations state services must follow the [Public Sector Internal Audit Standards](#) – an adapted and more demanding version of the global standards. Those Standards set demands for our annual reporting.
3. Standard 2450 states that when an overall opinion is issued, it must take into account the strategies, objectives and risks of the organisation and the expectations of senior management, the board and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant and useful information. Meaning that the communication must include:
  - The scope including the time period to which the opinion pertains
  - Scope limitations
  - Consideration of all related projects including the reliance on other assurance providers
  - A summary of the information that supports the opinion
  - The risk or control framework or other criteria used as a basis for the overall opinion
  - The overall opinion, judgement or conclusion reached
  - The reasons for an unfavourable opinion must be stated.

## Independence of Internal Audit

4. During 2023/24 we have had free access to officers and records to complete our work. On no occasion have officers or Members sought or gained undue influence over our scope or findings.
5. Our independence is maintained through functional reporting, including summaries of the work undertaken, to Audit Committee. We meet with individual members of Strategic Management Team to discuss any issues arising from our work where necessary and I also meet periodically with the Chief Executive. We have been given access to all information and systems requested to complete our work in 2023/24 and there are no issues that we have been prevented from reporting.
6. I confirm we have worked with full independence as set out in our Audit Charter and Standard 1100.

## Scope and time period of Audit Manager Opinion

7. The opinion takes into account all audits that have been finalised since the last annual opinion in July 2023.
8. The Standards demand that any limitations be advised. While limitations on audit resources mean it is not possible to address all risks facing the Council, there have been significant impacts on the service during 2023/24, which have meant delivery of the in-year audit plan has suffered and the number of projects is considerable reduced from the anticipated coverage when the plan was originally set in March 2023.
9. Specifically, the team has carried a key vacancy for the past year despite numerous attempts to fill the post. This meant that the service was significantly under-resourced for the 12 month period covered by this report. We have tried several times to recruit to the vacancy and have been unsuccessful each time. There are similar difficulties reported elsewhere within local government around trying to attract experienced candidates and so we are not isolated in this issue.
10. This has meant there are 5 projects which should have been completed in time to support this opinion are still underway. The work is being completed by a combination of our in-house team and South West Audit Partnership.
11. However, there were 7 audits which were carried over from the previous year's audit plan whose findings remain relevant and are therefore able to inform the Annual Audit Opinion. I have also been able to base the opinion on other non-project consultancy related work which has been completed in-year.

## Consideration of work completed and reliance on others

12. I have drawn my opinion from the outcomes of the 2023/24 Plan agreed by Members in March 2023 but also 7 pieces of work from 2022/23 that were not finalised until after the last opinion. My opinion also considers the results of follow up work, ad hoc advisory work and our own informal observations of the organisation through, for example, attendance at management meetings.
13. In completing my work I have placed no specific reliance on external sources.

## Risk and control framework

14. The Council is responsible for ensuring it undertakes its business within the law and proper practices. The Council must also ensure it safeguards and properly accounts for its resources, using them economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to seek continuous improvement in exercising its roles.
15. The Council has described key parts of its internal control and risk management within the Local Code of Governance and Risk Management Framework.
16. Organisations design internal controls to manage to an acceptable level rather than remove the risk of failing to achieve objectives. So, internal controls can only provide reasonable and not complete assurance of effectiveness. Designing internal controls is a continuing exercise designed to identify and set priorities around the risks to the Council achieving its objectives. The work of designing internal controls also evaluates the likelihood of those risks coming about and managing the impact should they do so.
17. In completing our work we have considered the control environment and objectives in place at the Council.

## Conformance with standards

18. Internal Audit has conducted its work following the Standards and good practice as represented in our internal quality assurance. This includes working to an agreed audit manual with satisfactory supervision and review.
19. This report also contains the outcomes of our Quality Assurance and Improvement Programme (QAIP), together with the resultant action plan. This action plan will be reported periodically to Audit Committee until the actions are closed. This will enable Members to discharge their responsibility to oversee the quality and effectiveness of Internal Audit.

## Overall conclusion

20. I am satisfied that during the year ended 31 March 2024, the Council's systems of governance, risk management and control are managed effectively with **REASONABLE** assurance. This means the control framework is adequate and controls to mitigate key risks are generally operating effectively, although a number of controls need to improve to ensure business objectives are met.

**Jennifer Warrillow, QIAL, CMIIA, CIA**

**Audit Manager (Chief Audit Executive)**

## Internal Control

21. Internal control is how the Council ensures achievement of its objectives with effectiveness and efficiency; achieving reliable financial reporting and compliance with laws, regulations and policies. It covers financial and non-financial controls.
22. We gain audit evidence to support the Head of Audit opinion on internal control principally through completing the reviews set out within our agreed audit plan.

## Audit Plan Work 2023/24

23. As agreed by the then Audit Committee, the agreed 2023/24 Internal Audit Plan was divided into two, with audits assigned high priority being the priorities for completion and approximately half of those with medium priority based on their risk profile at the time of starting the audit. There were 10 high priority audits put forward as part of the plan and 3 of these have been completed, with a further 3 still underway. The other 4 high priority projects were cancelled or deferred in year with approval from the Audit Committee.
24. Due to our capacity issues with the aforementioned vacancy, we have not been able to achieve the proposed 9 medium priority audits and instead have only been able to accommodate 4.

## Internal Audit Outcomes

25. Of the 15 audit reviews that are considered as part of this annual opinion, 11 are assurance rated. Definitions of the assurance ratings that have been applied to these audits are provided in **Annex D**. The chart below shows a breakdown of these audit assurance opinions.
26. Of the 11 assurance rated audits, 3 audits completed have received **Substantial** and a further 6 have received **Reasonable** assurance which indicates that the control framework is generally operating well. In particular, audits which have organisation-wide relevance and therefore are integral to the core control environment, such as IT Service Desk and Continuous Staff Performance Monitoring, all received Reasonable assurance.
27. Two audits this year received **Limited** assurance, while the findings from these audits are concerning, work is being completed to address the control weaknesses and we do not believe they speak to wider issues within the Council's control environment.
28. In addition to our planned audits, we have also verified 2 grant claims, confirming the Council has spent grant funding in accordance with the prescribed conditions for each scheme.
29. The table on the next page summarises engagement progress and findings up to the date of this report. These are the audits that form part of my Annual Opinion. Where there are material matters finished before the committee meeting we will provide a verbal update. Summaries of

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all of these audits are in **Annex A**, with the ones that have not previously been reported to Audit Committee on pp 10 – 15.

Audit Title (including priority level)	No. of actions	Status (including assurance rating)
<b>2022/23 projects</b>		
Procurement	15	Complete - <b>Limited</b>
Service Planning	9	Complete - <b>Reasonable</b>
Landlord “Help to Let” Scheme	3	Complete - <b>Reasonable</b>
Contract Management	7	Complete – <b>Limited</b>
Net Zero Action Plan	3	Complete – <b>Reasonable</b>
Revenues & Benefits – Discretionary Powers	2	Complete - <b>Substantial</b>
Taxi Licensing	9	Complete – <b>Reasonable</b>
<b>2023/24 projects</b>		
Community Mobilisation	4	Complete - <b>Substantial</b>
Sencio Contract Management	3	Complete – Not assurance rated
Continuous Staff Performance Management	3	Complete - <b>Substantial</b>
Subject Access Requests	5	Complete – <b>Reasonable</b>
IT Service Desk	8	Complete – <b>Reasonable</b>
Home Upgrade grant: phase 2 verification	N/A	Complete - Verified
Home Upgrade grant: phase 1 verification	N/A	Complete - Verified
Annual Governance Statement Review	N/A	Complete
<b>Ongoing work from 2023/24 plan</b>		
Capital Programme Management (high)	N/A	Draft report
Disabled Facilities Grants (medium)	N/A	Underway
Health & Safety (high)	N/A	Underway
Markets (medium)	N/A	Underway
Accounts Payable Continuous Assurance (high)	N/A	Underway

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## Follow Up

30. We follow up each month, examining those actions that fell due since the previous exercise. We take due dates from the action plan agreed with management when we finish our reporting. We report progress on implementation to Senior Management Team each quarter and include matters of continuing concern.
31. When a service is unable to implement actions by the agreed date, they request a deferral. Deferrals are agreed for valid reasons though the original risks do of course remain until implementation is complete. We are working with Strategic Management to reduce the numbers of deferrals, including timely reminders to responsible managers from Internal Audit and the introduction of a more stringent process to request deferrals.
32. The following table provides a summary of the results of our follow-up process for the financial year 2023/24.

Priority	Brought forward from 2022/23	Raised in year	Implemented in year	Carried forward to 2024/25
High	1	16	13	4
Med	4	22	15	11
Low	3	18	14	7

33. Overall we are content with officers' progress on acting to address findings we raise in our reviews.

## Risk Management

34. The Annual Opinion also considers risk management arrangements within the organisation.
35. This Committee approved the new Risk Management Strategy in January 2024 and implementation has commenced, with operational risk registers now developed and being reviewed quarterly. The Strategic Risk Register has continued to be reviewed quarterly as well with updates coming to this Committee every six months.

## Consultancy and Advice Work

36. We also continue to undertake a broad range of special and scheduled consultancy and advice work for the Council and we remain engaged and flexible in seeking to meet the assurance needs of the Council. We are happy to discuss opportunities large and small where the Council can usefully employ the experience and expertise of the Internal Audit team.

## Counter Fraud

37. We consider fraud and corruption risks as part of all our audit engagements as part of our assessment of the adequacy and effectiveness of controls. We additionally plan to continue our work on the fraud risk assessment in conjunction with the Revenues & Benefits Counter Fraud Manager.
38. We remain available to the Council to conduct any investigations regarding alleged fraud, corruption or upon receipt of whistleblowing complaints.
39. During 2023/24 we received two allegations and investigations are ongoing so findings are unable to inform this report.

## Quality Assurance

40. Audit Committee has an important oversight role in the quality and effectiveness of Internal Audit. Members of the Committee must assure themselves that Internal Audit makes a valuable contribution to the organisation's governance and that stakeholders can place reliance on its conclusions.
41. To facilitate this quality oversight role, Internal Audit has a Quality Assurance and Improvement Programme (QAIP), which includes Key Performance Indicators (KPIs), customer satisfaction questionnaires, annual self-assessments against professional standards and five yearly External Quality Assessments (EQA). Members will be aware that the most recent EQA took place in January 2021 and the full report was subsequently presented to Audit Committee in March 2021. The external assessment concluded that the function was 'Partially Conformant' with professional standards and provided a 35 actions that needed to be implemented to bring the service up to "Generally Conforms". To date, 31 of these actions have been implemented. The actions completed in this year and the ones that remain outstanding can be found at **Annex C**.
42. The Key Performance Indicators for the year (April 2023 to March 2024) are provided in **Annex B**. The KPIs illustrate that we have made improvements in relation to the amount of time we spend on audits compared to what was budgeted and that responsible managers have accepted audit recommendations. We have also reduced the average time between issuing draft and final reports, which is positive. However, they do also show that we are still not delivering draft reports on time and despite a revised focus on data analytics, we are not yet using it as much as we had hoped.
43. The results of the various strands of Quality Assurance activity combine into a single, overarching Quality Improvement Plan which is presented in **Annex C**. The Plan is divided into different themes encompassing internal audit activity but the fundamental objectives of the Plan are to



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move us into a position of being 'Generally Conformant' with the standards, improve service efficiency and to ensure that all audit work adds value to the Council. The Plan, including progress updates, will be presented periodically to Audit Committee (minimum six monthly) to enable monitoring and oversight.

## **Acknowledgements**

44. The results we have achieved this year has been due to the hard work of our team who have come through a particularly challenging year with less than half the team being in post and present for a significant portion of the year. I would therefore like to give my thanks to them for the work they have done so far.
45. I would also like to thank Officers, the Strategic Management Team and Audit Committee Members. Without your support we would struggle to work effectively.

## Annex A - Summaries of Audit Reports issued

### Taxi Licensing – Issued July 2023

#### Reasonable

The objective of this audit was to provide assurance on administration of applications and compliance with relevant legislation.

Sevenoaks District Council has responsibility for receiving and processing applications for both hackney carriage and private hire licenses and undertaking relevant checks to ensure compliance with the Hackney Carriage and Private Hire License Policy, Taxi and Private Hire Licensing: best practice guidance March 2010 & Statutory Taxi & Private Hire Vehicle Standards 2020 as well as other relevant legislation.

#### Key Strengths:

- There is an approved Hackney Carriage and Private Hire License Policy in place which is currently being reviewed and will be subject to public consultation and follow a formal approval process in preparation for March 2024.
- There is a robust training programme in place for new starters.
- There are sufficient controls in place to ensure applications are only progressed once the knowledge test has been passed.
- Controls are in place to ensure all fees and charges are collected before applications are progressed. A daily reconciliation takes place to match up payments received against applications made.

#### Areas for Development:

- Testing of new and renewed licence applications found that some applications had been approved when information was missing. Missing information included: practical taxi test certificate, certificate of good conduct, right to work in the UK, and vehicle inspection report.
- Testing of DBS checks found that while DBS checks are being submitted on time, they are not always followed up timely and in one case the 6 monthly check had not taken place.

The table on the next page provides a summary of the number of actions resulting from this audit.

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Priority Ranking	Number of audit actions	Actions agreed
High	2	2
Medium	2	2
Low	5	5
Total	9	9

## Service Planning – Issued August 2023

### Reasonable

The objective of the audit was to consider the effectiveness of the Council’s service planning process. We found the arrangements in place to complete and monitor service plans are generally sound. However, we identified improvements in control to strengthen the process to engage staff and to report progress against objectives.

#### *Key strengths*

- The Council Planning Framework sufficiently sets out the thread between the Council Plan, Corporate Strategy and service planning.
- There is sufficient coverage of all five of the Council’s themes and Corporate Strategy pillars across service plan objectives.
- The progress update template provides sufficient guidance on the elements requiring an update.

#### *Areas for development*

- The service plan template does not ask managers to consider and document the risks to achievement of their objectives and how these will be mitigated. Nor does it cover the resources required, including input from other teams across the Council.
- There is no defined or documented timeline in place for the service planning process.
- The approach to reporting progress against service objectives needs reviewing to ensure management receive an accurate picture of progress, including those who do not return an update.

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Priority Ranking	Number of audit actions	Actions agreed
High	1	1
Medium	3	3
Low	4	4
Advisory	1	1
<b>Total</b>	<b>9</b>	<b>9</b>

## Procurement – Issued August 2023

### Limited

The objective of this audit was to review the Council's compliance with legislation and Contract Procedure Rules when undertaking procurement.

Procurement is embedded across all Council services and a key function to deliver best value and help the Council achieve their vision. The Council does not have dedicated procurement resources. Overall responsibility for Council procurement activity is devolved to the respective Chief Officers and by delegation to their respective Service Managers. The experience, knowledge and advice of the Head of Legal and Democratic Services, Procurement Assurance Group (PAG), and Service Managers are relied upon to ensure that procurements are implemented and aligned with the Council's Procurement Manual (PM), Contract Procurement Rules (CPR) and the relevant regulations.

#### Key Strengths:

- There is an up to date and approved PM and CPR in place which are aligned to regulations. These were developed by an external consultant.
- There is a Scheme of Delegation (SoD) in place which is built into the Council's financial system, Agresso.

#### Areas for Development:

- There are inconsistencies between the requirements of the Council's procurement guidance, PM and CPR.
- Guidance does not detail the procurement process for each of the different spending thresholds.
- There is a lack of resources and structure in place to provide monitoring and oversight and therefore Officers do not have assurance that procurement is being effectively implemented.
- There is no process in place to analyse Council spend to ensure aggregation of spend.

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- The Head of Legal and Democratic Services is not supported in the procurement process, leading to overstretched resources, bottlenecks and continuity issues.
- The process to complete waivers/ exemptions is not always followed.
- The Council does not have a formal approach to procurement training for officers and members of the PAG to ensure that the rules are acknowledged and understood. Nor is there a process in place to ensure that relevant officer's awareness is refreshed periodically.

A summary of the number of actions we have raised is shown in the table below:

Priority Ranking	Number of audit actions	Actions agreed
High	7	7
Medium	7	7
Advisory	1	1
<b>Total</b>	<b>15</b>	<b>15</b>

## Landlord “Help to Let” Scheme – Issued August 2023

### Reasonable

The objective of the audit was to seek assurance on the adequacy and effectiveness of the Landlord Help to Let Scheme in line with requirements, as well as on the accuracy of performance and financial information. Overall, we found that arrangements in place for managing the Help to Let Scheme are adequate and effective. We have identified the following strengths and areas for development which have contributed to the Reasonable audit opinion provided.

#### *Key strengths:*

- The Help to Let Scheme is aligned to the Council's and Housing Directorate's priorities.
- There is a scheme of delegation to approve financial incentive payment requests.
- Sample testing confirmed Help to Let applications have been processed in accordance with the Scheme requirements and approved in accordance with the Council's Scheme of Delegation.
- There is Help to Let KPI “*Number of Customers housing in PSL property*” and target included in the Housing 2022/23 Service Plan that was approved by Chief Officer of People and Places.
- The Help to Let KPIs performance was monitored and reported monthly to Senior Management Team and quarterly exception reports submitted to Scrutiny Committee.

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- There are a variety of communication channels used to raise awareness of the Help to Let Scheme. These include advertising on Twitter, the Landlord Forum, and the Inshape Magazine distributed across the district.
- Sample testing confirmed landlords' compliance certificates meet the Help to Let Scheme requirements.

## *Areas for development:*

- The criteria/basis for determining and calculating the Scheme's financial incentive payments is not clearly defined in the Help to Let Brochure.
- The Help to Let Private Sector Letting (PSL) Procedures which guide staff on the processing of Help to Let applications and payments are not consistent with the current working practices. In addition, there is no evidence to demonstrate the PSL Procedures have been reviewed and approved.
- The General Home Pot budget is overspent by £18,077 and there is no record on the Department's Finance Budget Summary to explain the reason why and the corrective action taken.

The below table provides a summary of the actions we have raised:

Priority Ranking	Number of audit actions	Actions agreed
Medium	3	3
<b>Total</b>	<b>3</b>	<b>3</b>

## **Contract Management – Issued October 2023**

### **Limited**

The objective of the audit was to seek assurance over the management of contracts and to ensure the Council is meeting its obligations under the Local Government Transparency Code 2015.

The Council does not have a dedicated contract management resource and relies on the experience and knowledge of officers when it comes to the management of contracts. There is no contract management framework, guidance or training, which has led to an inconsistent approach across the authority, including officers not maintaining records of performance and not having a copy of a contract.

The Council is also failing to meet the Local Government Transparency Code 2015 to publicise active contractual agreements. The contract register available from the website is dated June 2018. A contracts register is held that is not published, however, this is not a complete record of the contracts held by the Council.

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Priority Ranking	Number of audit actions	Actions agreed
High	6	6
Medium	1	1
<b>Total</b>	<b>7</b>	<b>7</b>

## Net Zero Action Plan – Issued November 2023

### Reasonable

The objective of this audit was to review the governance arrangements for the 2022/23 Net Zero Action Plan. The scope of this audit did not include providing on assurance on whether the Council will achieve net zero by 2030.

We found sufficient progress is being made towards the action plan, with governance mechanisms in place to scrutinise progress made and suitable monitoring controls. The action plan is aligned with the Council's Net Zero 2030 Actions 2022/23 document, Council Plan, and the Kent and Medway Climate Strategy Implementation Plan. Although the Net Zero Project Officer role is currently vacant, there is an appropriate mix of officers responsible for delivering the net zero plan, and relevant training has been provided, with more being provided where necessary.

A longer-term strategy setting out how net zero will be achieved is not in place, however the Carbon Reduction Plan will determine the pathway when agreed.

The table below provides a summary of the number of priority rated actions we have raised.

Priority Ranking	Number of audit actions	Actions agreed
Medium	2	2
Advisory	1	1
<b>Total</b>	<b>3</b>	<b>3</b>

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## Community Mobilisation – Issued March 2024

### Substantial

The objective of the audit was to review the effectiveness of controls over the governance and administration of the Better Together community hub. We found the controls in place are generally sound. The functionalities of the platform meet the requirements of the Council, as specified in their website specification document, and the tools and resources available from the site to assist residents and organisations are up to date. Our testing found all current content is in line with the terms of service, and there are controls in place to ensure the provider of the platform approves all content before publishing.

Priority Ranking	Number of audit actions	Actions agreed
Low	3	3
Advisory	1	1
<b>Total</b>	<b>4</b>	<b>4</b>

## Revenues & Benefits – Discretionary Powers – Issued March 2024

### Substantial

The objective of the audit was to seek assurance on the delegation and use of discretionary powers within Revenues & Benefits, particularly in relation to discretionary Housing payments, exceptional hardship payments, discretionary local business rates relief and Council Tax discretionary reduction scheme. We found the processes in place for the Council to exercise its powers and administer discretionary payments is sound. There are well documented policies and procedures in place for managing and handling discretionary payment applications. There is also a robust system of controls in place for processing the applications, which includes verifying claimant income and expenditure, and supplying additional supporting information in order to ensure the applicant meets the qualifying criteria.

Our sample testing of 80 cases from across both Councils showed compliance with the documented procedures.

Priority Ranking	Number of audit actions
Advisory	2
<b>Total</b>	<b>2</b>



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## Sencio Contract Management – Issued May 2024

### Not Assurance Rated

The objective of this audit was to review the effectiveness of controls over the Council’s lease and contractual relationship with Sencio Community Leisure (Sencio) and establish what lessons can be learned to inform the Council’s management of similar external contracts in future.

Most significantly, the contractual relationship was based on lease agreements signed in 2004 for a period of 25 years. These agreements would not be considered fit for purpose by current standards and were missing significant clauses, particularly in relation to exiting the agreement and provisions for poor performance.

We found the Council have communicated with Sencio and managed the contract in line with the expectations set out in the lease agreements, associated schedules and the annual contract letter. Monthly meetings were held to discuss day-to-day issues with running the leisure provisions as well as quarterly meetings to discuss maintenance of assets, performance and financial information.

Reporting to Strategic Management Team and relevant committees was ad hoc though there was sufficient information provided timeously to support decision-making. However, there was no regular reporting to support management assurance of performance of the contract. Additionally, there was no risk register maintained for the contractual relationship between the Council and Sencio.

We found that these issues have already been addressed in the contract and associated management and governance arrangements for the new White Oak Leisure Centre. The Council plans to take the same approach with the longer-term contract for Sevenoaks and Edenbridge Leisure Centres and Lullingstone Golf Course.

A summary of our actions and management responses can be seen in the below table:

Priority Ranking	Number of audit actions	Actions agreed
Medium	2	2
Low	1	1
<b>Total</b>	<b>3</b>	<b>3</b>

## Continuous Staff Performance Monitoring – Issued June 2024

### Substantial

The objective of this review was to seek assurance on the implementation of Clear Review and use of the system for the continuous staff performance monitoring process.

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We found the adequacy of controls in place to facilitate staff usage and engagement with the new approach to be generally sound. The system features align with the Council’s corporate objectives as set out in the performance management framework and system administration rights are appropriately restricted. We found the different types of conversation prompts for each type of conversation (e.g. check-in, wellbeing, etc.) are detailed and thorough to facilitate varied dialogue. Additionally, we noted in our preparation for the audit and throughout testing that the system is easy to navigate, intuitive, and integrated with Microsoft Office, enabling users to interact easily with the performance management system.

We also found the system collects a vast amount of data in easy to understand reports, which aid monitoring. Human Resources use this data to report to Strategic Management Team quarterly.

Priority Ranking	Number of audit actions	Actions agreed
Low	1	1
Advisory	2	2
<b>Total</b>	<b>3</b>	<b>3</b>

## Subject Access Requests – Issued June 2024

### Reasonable

The objective of this audit was to review the adequacy and effectiveness of controls over receiving and responding to subject access requests to ensure individuals are given the right to access information about them held by the council.

The process in place for receiving and responding to requests is generally sound. We found procedure notes are sufficient to support the process; personal data is provided in line with legislation; and the service appropriately use a monitoring spreadsheet to log and track all requests.

However, testing found that officers across the Council are not always aware of what constitutes a subject access request or what to do if they receive one, sometimes leading to delays in responding to subject access requests. Additionally, the process for handling and responding to requests is manual, allowing increased opportunities for human error to cause minor, administrative errors with responses.

*A summary of our actions and management responses in table form:*

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Priority Ranking	Number of audit actions	Actions agreed
Medium	3	3
Low	1	1
Advisory	1	1
<b>Total</b>	<b>5</b>	<b>5</b>

## IT Service Desk – Issued June 2024

### Reasonable

The objective of the audit was to seek assurance on the effectiveness of the IT Service Desk, which included reviewing the recording, administration and management of service desk requests. Overall, the service provides users with a timely and efficient service, facilitated by the system, Hornbill, which assists in the processing of service desk requests. We found the controls in place are generally sound and the process of raising a request is straightforward and effective.

We identified some improvements to strengthen the controls in place that will help ensure the service desk runs as effectively as possible and enhances the user experience. In particular, the service monitor the progress of cases raised in an adhoc manner and a more systematic and proactive approach could reduce the number of cases that exceed their service level agreement completion times.

Priority Ranking	Number of audit actions	Actions agreed
Medium	2	2
Low	5	5
Advisory	1	1
<b>Total</b>	<b>8</b>	<b>8</b>

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## Annex B – Key Performance Indicators for 2023/24

Finance: Associated performance indicators	23/24	Internal processes: Associated performance indicators	23/24
<p><b>F1: Percentage of budgeted days taken to complete projects – Target 110% Reported on a cumulative basis</b></p> <p>Indicator measures any variance between the days agreed on the final brief vs. the actual time coded</p>	158%	<p><b>I1: Percentage of draft audit reports issued by the date given on the final audit brief - Target 70%</b></p> <p>Reported quarterly</p> <p>Indicator measures the efficiency of our audit work and effective engagement between auditors and clients</p>	0/20%
<p><b>F2: Chargeable days – Target 65% Reported on a quarterly basis</b></p> <p>Indicator measures the actual chargeable activities against the assumptions made in the audit plan</p>	57%	<p><b>I2: Time taken between issue of the DRAFT report and FINAL report – Target 15 working days</b></p> <p>Reported quarterly</p> <p>Indicator measures the effectiveness of our process to finalise audit reports and currency of reporting</p>	Average 21 days
Client satisfaction: Associated performance indicators	23/24	Learning & Development: Associated performance indicators	23/24
<p><b>C1: Percentage of audits with real time service improvements – Information only. Reported quarterly</b></p> <p>Indicator measures percentage of audits which result in service improvements identified and actioned during the audit process and not included in management action plans</p>	<p>3/18</p> <p>17%</p>	<p><b>L1: Audit actions fully implemented within agreed timescales – Target 80%</b></p> <p>Reported quarterly</p> <p>Indicator measures the successful implementation of audit actions and the effectiveness of our follow-up process</p>	<p>40/56</p> <p>71%</p>
<p><b>C2: Respondents agreement with the audit actions – Target 90% Reported on a project by project basis</b></p> <p>Indicator measures Client agreement to the audit findings and resulting actions from our audit work</p>	<p>135/144</p> <p>94%</p>	<p><b>L2: Number of audits using data analytics tools – Target 60%</b></p> <p>Reported quarterly</p> <p>Indicator measures our development of the use of data analytics to enable greater assurance to be provided.</p>	<p>6/18</p> <p>33%</p>

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## Annex C – Quality Action Plan

Theme	Action	Status Update
Reporting	Review action priority levels.	Due to be completed 2024/25
Co-ordination of Assurance	Develop assurance maps for both organisations a) Discuss other forms of assurance as part of 2021/22 Audit Planning b) Add assurance maps to both Plans for 2021/22.	Partially complete – other forms of assurance are discussed as part of planning, however, specific assurance maps have not yet been developed.
Co-ordination of Assurance	Develop relationships with EA 1) Set up regular liaison meetings (every 4 months?).	In progress
Planning	Develop Audit Strategy for the partnership.	Due to the re-profiling of the team, increasing the proportion of trainees, as well as the upcoming implementation of a new audit management system and introduction of the new Global Internal Audit Standards, this work has been delayed until 2024/25.
Planning	Undertake Culture / Ethics / IT Governance Audits.	Complete
Data Analysis	'Continual' assurance using analysis of data will be trialled as part of the 2021/22 Plans.	Complete
Data Analysis	Draft data analysis strategy will be prepared by September 2021 (including identification of potential costs) and shared with the s151 officers for agreement of any additional funds required, specifically for training or software.	Complete
Follow Ups	Review the follow up process and consider whether quarterly would be more efficient than monthly.	Complete

# DARTFORD & SEVENOAKS AUDIT PARTNERSHIP

## Annex D - Definitions of Assurance ratings:

OPINION	DEFINITIONS
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	<p>There is a generally sound system of governance, risk management and control in place.</p> <p>Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.</p>
<b>Limited Assurance</b>	<p>Significant gaps, weaknesses or non-compliance were identified.</p> <p>Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.</p>
<b>No Assurance</b>	<p>Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified.</p> <p>The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.</p>