

This Report will be made public on
23 July 2024



Report Number **AuG/24/09**

To: Audit and Governance Committee
Date: 31 July 2024
Status: Non-Executive Decision
Corporate Director: Lydia Morrison – Interim Director – Corporate Services (S151)

SUBJECT: INTERNAL AUDIT ANNUAL REPORT 2023-24

SUMMARY:

This report provides a summary of the work undertaken by the East Kent Audit Partnership to support the annual opinion. The report includes the Head of Audit Partnership's opinion on the overall adequacy and effectiveness of the system of internal control in operation and informs the Annual Governance Statement for 2023-24, together with details of the performance of the EKAP against its targets for the year ending 31st March 2024.

REASONS FOR RECOMMENDATION:

The Committee is asked to agree the recommendations set out below because:
In order to comply with best practice, the Audit & Governance Committee should independently contribute to the overall process for ensuring that an effective internal control environment is maintained.

RECOMMENDATIONS:

- 1. To receive and note the Opinion of the Head of Audit Partnership in Report AuG/24/09**
- 2. To receive and note the Annual Report detailing the work of the EKAP and its performance to underpin the 2023-24 opinion.**

1.0 INTRODUCTION

1.1 The primary objective of Internal Audit is to provide independent assurance to Members, the Head of Paid Service, Directors and the Section 151 Officer on the adequacy and effectiveness of those systems on which the Authority relies for its internal control. The purpose of bringing forward an annual report to members is to:

- Provide an opinion on the overall adequacy and effectiveness of the Council's internal control environment.
- Present a summary of the internal audit work undertaken to formulate the opinion, including reliance placed on work by other assurance bodies,
- Draw attention to any issues the Head of the Audit Partnership judges particularly relevant to the preparation of the Annual Governance Statement.
- Compare actual audit activity with that planned, and summarise the performance of Internal Audit against its performance criteria.
- Comment on compliance with the Public Sector Internal Audit Standards (PSIAS) and report the results of the Internal Audit quality assurance programme.
- Confirm annually that EKAP is organisationally independent, whether there have been any resource limitations or instances of restricted access.

1.2 The report attached as Annex A therefore summarises the performance of the East Kent Audit Partnership (EKAP) and the work it has performed over the financial year 2023-24 for Folkestone & Hythe District Council, and provides an opinion on the system for governance, risk management and internal control based on the audit work undertaken throughout the year, in accordance with best practice. In providing this opinion, this report supports the Annual Governance Statement.

1.3 The EKAP delivered 94.14% of the agreed audit plan days to F&HDC. The performance figures for the East Kent Audit Partnership as a whole for the year show good performance against the targets. It is the opinion of the Head of Audit that sufficient work has been undertaken to be able to support an opinion for 2023-24.

1.4 No system of control can provide absolute assurance, nor can Internal Audit give that assurance. This opinion is intended to provide assurance that there is an ongoing process for identifying, evaluating and managing the key risks.

2.0 RISK MANAGEMENT ISSUES

2.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Non completion of the audit plan	Medium	Low	Review of the audit plan on a regular basis
Non implementation of	Medium	Low	Review of recommendations by Audit & Governance Committee

agreed audit recommendations			and Audit escalation policy.
Non completion of the key financial system reviews	Medium	Medium	Review of the audit plan on a regular basis. A change in the External Audit requirements reduces the impact of non-completion on the Authority.

3.0 LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

3.1 Legal Officer's comments –

There are no legal issues arising out of this report.

3.2 Finance Officer's Comments –

Responsibility for the arrangements of the proper administration of the Council's financial affairs lies with the Chief Finance Officer. The internal audit service helps provide assurance as to the adequacy of the arrangements in place. It is very reassuring that EKAP have given positive feedback on their overall assessment of the Council's system of internal controls for 2023-24, stating that there were "no major areas of concern".

3.3 Head of the East Kent Audit Partnership comments –

This report has been produced by the Head of the East Kent Audit Partnership and the findings / comments detailed in the report are the Partnership's own, except where shown as being management responses.

3.4 Diversities and Equalities Implications

This report does not directly have any specific diversity and equality implications however it does include reviews of services which may have implications.

4.0 CONTACT OFFICERS AND BACKGROUND DOCUMENTS

4.1 Councillors with any questions arising out of this report should contact either of the following officers prior to the meeting.

Christine Parker, Head of the Audit Partnership

Telephone: 01304 872160 Email: christine.parker@folkestone-hythe.gov.uk

Lydia Morrison – Interim Corporate Services (S151)

Telephone: 01303 853420 Email: Lydia.morrison@folkestone-hythe.gov.uk

4.2 The following background documents have been relied upon in the preparation of this report:

Internal Audit Annual Plan 2023-24 - Previously presented to and approved by the Audit & Governance Committee.

Internal Audit working papers - Held by the East Kent Audit Partnership.

Previous Audit Charter –presented and approved by the Audit & Governance Committee.

Attachments

Annex A – East Kent Audit Partnership Annual Report 2023-24

Internal Audit Annual Report for Folkestone & Hythe District Council 2023-24

1. Introduction

The Public Sector Internal Audit Standard (PSIAS) defines internal audit as:

“Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

A more detailed explanation, of the role and responsibilities of internal audit, is set out in the approved Audit Charter. The East Kent Audit Partnership (EKAP) aims to comply with the PSIAS, and to this end has produced evidence to the s.151 and Monitoring Officers to assist the Council’s review of the system of internal control in operation throughout the year.

This report is a summary of the year, a snapshot of the areas at the time they were reviewed and the results of follow up reviews to reflect the actions taken by management to address the control issues identified. The process that the EKAP adopts regarding following up the agreed recommendations will bring any outstanding high-risk areas to the attention of members via the quarterly reports, and through this annual report if there are any issues outstanding at the year-end.

2. Objectives

The majority of reviews undertaken by Internal Audit are designed to provide assurance on the operation of the Council’s internal control environment. At the end of an audit we provide recommendations and agree actions with management that will, if implemented, further enhance the environment of the controls in practice. Other work undertaken, includes the provision of specific advice and support to management to enhance the economy, efficiency and effectiveness of the services for which they are responsible. The annual audit plan is informed by special investigations and anti-fraud work carried out as well as the governance processes and risk management framework of the Council.

A key aim of the EKAP is to deliver a professional, cost effective, efficient, internal audit function to the partner organisations. The EKAP aims to have an enabling role in raising the standards of services across the partners though its unique position in assessing the relative standards of services across the partners. The EKAP is also a key element of each councils’ anti-fraud and corruption system by considering fraud risk throughout its work, and by acting as a deterrent to would be internal perpetrators.

The four partners are all committed to the principles and benefits of a shared internal audit service and have agreed a formal legal document setting out detailed arrangements. The statutory officers from each partner site (the s.151 Officer) together form the Client Officer Group and govern the partnership through annual meetings. The shared arrangement for EKAP also secures organisational independence, which in turn assists EKAP in making conclusions about any resource limitations or ensuring there are no instances of restricted access.

3. Internal Audit Performance Against Targets

3.1 EKAP Resources

The EKAP has provided the service to the partners based on a FTE of 7.23.

3.2 Performance against Targets

The EKAP is committed to continuous improvement and has various measures to ensure the service can strive to improve. The performance measures and indicators for the year are shown in the balanced scorecard of performance measures at Appendix 4. The measures themselves were reviewed by the Client Officer Group at their annual meeting and no changes were made.

3.3 Internal Quality Assurance and Performance Management.

All internal audit reports are subject to review, either by the relevant EKAP Deputy Head of Audit or the Head of the Audit Partnership; all of whom are Chartered Internal Auditors. In each case this includes a detailed examination of the working papers, action and review points, at each stage of report. The review process is recorded and evidenced within the working paper index and in a table at the end of each audit report. Detailed work instructions are documented within the Audit Manual. The Head of Audit Partnership collates performance data monthly and, together with the monitoring of the delivery of the agreed audit plan carried out by the relevant Deputy Head of Audit, regular meetings are held with each s.151 Officer. The minutes to these meetings provide additional evidence to the strategic management of the EKAP performance.

3.4 External Quality Assurance

The external quality assessment (EQA) for the EKAP was conducted in March 2024. The results of the EQA are being presented to the same committee meeting as this annual report. See also 3.6.1 below. The EKAP Team is assessed as “Generally Conforms” (with the Public Sector Internal Audit Standards) see 3.6.1.

3.5 Liaison between Internal Audit and External Audit

Liaison with the audit managers from Grant Thornton for the partner authorities and the EKAP is undertaken largely via email to ensure adequate audit coverage, to agree any complementary work and to avoid any duplication of effort. The EKAP has not met with any other review body during the year in its role as the Internal Auditor to Folkestone & Hythe District Council. Consequently, the assurance, which follows is based on EKAP reviews of Folkestone & Hythe District Council’s services.

3.6 Compliance with Professional Standards

3.6.1 The EKAP “Generally Conforms” with the Public Sector Internal Audit Standards (PSIAS). This is the highest rating available under the External Quality Assessment. From 2025 new Global Internal Audit Standards (GIAS) will be introduced, the EQA provided an action plan to both grow the current level of compliance with the PSIAS and assist the team to prepare for the new GIAS. Further updates regarding this progress will be presented in subsequent annual reports.

3.6.2 The internal audit activity adds value to the organisation (and its stakeholders) when it provides objective and relevant assurance, and contributes to the effectiveness and efficiency of governance, risk management and control processes.

3.6.3 The EKAP as required by the standards has demonstrated that it achieved the Core Principles in three keyways. Firstly, by fulfilling the definition of Internal Auditing which is the statement of fundamental purpose, nature and scope of internal auditing. The definition is authoritative guidance for the internal audit profession (and is shown at paragraph 1 above). Secondly, by demonstrating that it has been effective in achieving its mission showing that it; -

- Demonstrates integrity.
- Demonstrates competence and due professional care.
- Is objective and free from undue influence (independent).
- Aligns with the strategies, objectives, and risks of the organisation.
- Is appropriately positioned and adequately resourced.
- Demonstrates quality and continuous improvement.
- Communicates effectively.
- Provides risk-based assurance.
- Is insightful, proactive, and future-focused.
- Promotes organisational improvement.

And thirdly, by complying with The Code of Ethics, which is a statement of principles and expectations governing behaviour of individuals and organisations in the conduct of internal auditing. The Rules of Conduct describe behaviour norms expected of internal auditors. These rules are an aid to interpreting the Core Principles into practical applications and are intended to guide the ethical conduct of internal auditors. Throughout 2023-24 the EKAP has been able to operate with strong independence, free from any undue influence of either officers or Members.

3.7 Financial Performance

Expenditure and recharges for the year are in line with the Internal Audit cost centre hosted by Dover District Council. Some unplanned income has created a minor saving in year, which has been rolled over to be refunded in 2024-25. The EKAP was formed to provide a resilient, professional service and therefore achieving financial savings was not the main driver, despite this, efficiencies have been gained through forming the partnership. The partnership councils will each receive a refund of a share of £18,166 net of the cost of the EQA, based on the number of days per partner in the overall plan. This has also reduced the cost per audit day. The credit was rolled over to 2024-25 as part of the year end process. (See Appendix 4 for full details).

4. Overview of Work Done

The original audit plan for 2023-24 included a total of 30 projects. EKAP has communicated closely with the s.151 Officer, CMT and this Committee to ensure the projects undertaken continued to represent the best use of resources. As a result of this liaison some changes to the plan were agreed during the year. A few projects (12) have therefore been pushed back in the overall strategic plan. The total number of projects completed was 15, with an additional 3 projects finalised from the 2022-23 plan and with nine as work in progress at the year-end carried over.

Review of the Internal Control Environment

4.1 Risks

During 2023-24, 139 recommendations were made in the agreed final audit reports to Folkestone & Hythe District Council. These are analysed as being Critical, High, Medium or Low risk in the following table:

Risk Criticality	No. of Recommendations	Percentage
Critical	11	8%
High	66	47%
Medium	39	28%
Low	23	17%
TOTAL	139	100%

Naturally, more emphasis is placed on recommendations for improvement regarding critical and high risks. Any high priority recommendations where management has not made progress in implementing the agreed system improvement are brought to management and members' attention through Internal Audit's quarterly update reports. During 2023-24 the EKAP has raised and escalated six recommendations to the quarterly Audit & Governance Committee meetings (see table at paragraph 5.2). Across the year a total of 139 recommendations were agreed, and whilst 55% were in the Critical or High-Risk categories, and where appropriate these have been escalated throughout the year via the Quarterly Internal Audit Update Reports none require further escalation at this time.

4.2 Assurances

Internal Audit applies one of four 'assurance opinions' to each review, please see Appendix 1 for the definitions. This provides a level of reliance that management can place on the system of internal control to deliver the goals and objectives covered in that particular review. The conclusions drawn are described as being "a snapshot in time" and the purpose of allocating an assurance level is so that risk is managed effectively, and control improvements can be planned. Consequently, where the assurance level is either 'no' or 'limited', or where high priority recommendations have been identified, a follow up progress review is undertaken and, where appropriate, the assurance level is revised.

The summary of Assurance Levels issued on the twenty pieces of completed work for Folkestone & Hythe District Council, together with the finalisation of the three 2022-23 audits is as follows:

NB: the percentages shown are calculated on finalised reports with an assurance level

Assurance	No.	Percentage of Completed Reviews
Substantial	3	18%
Reasonable	9	53%
Limited	4	24%
No	1	5%
Not Applicable	3	-
Work in Progress at Year-End	9	-

NB: 'Not Applicable' is shown against special investigations or work commissioned by management that did not result in an assurance level.

Taken together 71% of the seventeen reviews (with an assurance level) account for substantial or reasonable assurance, and 29% of reviews received a (partially) low level of assurance to management on the system of internal control in operation at the time of the review. (Please see Section 4.3 on Progress Reports).

For each recommendation, an implementation date is agreed with the Manager responsible for implementing it. Understandably, the follow up review is then timed to allow the service manager sufficient time to make progress in implementing the agreed actions against the agreed timescales. The results of any follow up reviews yet to be undertaken will be reported to the Committee at the appropriate time.

4.3 Progress Reports

In agreeing the final Internal Audit Report, management accepts responsibility to take action to resolve all the risks highlighted in that final report. The EKAP carries out one follow up/progress review at an appropriate time after finalising an agreed report to test whether agreed action has in fact taken place and (for critical or high risks) to test whether it has been effective in reducing risk.

As part of the follow up action, the recommendations under review are either:

- “closed” as they have been successfully implemented, or
- “closed” as the recommendation is yet to be implemented but is on target with a revised implementation date, or
- (for medium or low risks only) “closed” as management has decided to tolerate the risk, or the circumstances have since changed, or
- (for critical or high risks only) “closed” on the EKAP System with a revised implementation date and escalated to management for further tracking and reporting to the audit committee.

At the conclusion of the follow up review the overall assurance level is re-assessed.

The results for the follow up activity for 2023-24 are set out below. The shift to the right in the table from the original opinion to the revised opinion also measures the positive impact that the EKAP has made on the system of governance, risk and internal control in operation throughout the year.

Total Follow Ups undertaken 16	N/A	No Assurance	Limited Assurance	Reasonable Assurance	Substantial Assurance
Original Opinion	1	1	6	7	1
Revised Opinion	1	0	1	11	3

The reviews with low levels of assurance followed up during the year were;

Area Under Review	Original Assurance (Date to G&A Cttee)	Follow Up Result (Date to G&A Cttee)
Garden Waste & Recycling	Limited December 2022	Limited September 2023
Officers' Interests	Reasonable / Limited July 2022	Reasonable September 2023
Employee Benefits in Kind	Reasonable / Limited July 2023	Reasonable March 2024
Housing Planned Maintenance	No July 2022	Reasonable December 2023

Car Parking Income	Substantial / Limited December 2022	Substantial / Reasonable December 2023
Contract Management Governance & Controls	Limited December 2022	Reasonable December 2023
Housing Tenancy Fraud	Limited July 2023	Reasonable July 2024

There was one review with a limited opinion after follow up that required escalation to the Audit & Governance Committee during the year (Garden Waste & Recycling).

Consequently, the areas with fundamental issues of note arising from the audits and follow up undertaken in the year have been resolved, or escalated to the Audit & Governance Committee, during the year.

4.4 Special Investigations and Fraud Related Work

The prevention and detection of fraud and corruption is the responsibility of management however, the EKAP is aware of its own responsibility in this area and is alert to the risk of fraud and corruption. Consequently, the EKAP structures its work in such a way as to maximise the probability of detecting any instances of fraud. The EKAP will immediately report to the relevant officer any detected fraud or corruption identified during the course of its work; or any areas where such risks exist.

The EKAP is, from time to time, required to carry out special investigations, including suspected fraud and irregularity investigations and other special projects. Whilst some responsive assurance work was carried out during the year at the request of management, there were no fraud investigations conducted by the EKAP on behalf of Folkestone & Hythe District Council.

The internal audit team will build on its data analytical skills and will continue to develop, exploring the opportunity to discover fraud and error by comparing different data sets and matching data via the use of specialist auditing software.

The EKAP is named in the Council's whistleblowing policy as a route to safely raise concerns regarding irregularities, for which EKAP manages the Hotline (24-hour answer machine service) 01304 872198.

4.5 Completion of Audit Plan

Appendix 2 shows the planned time for reviews undertaken, against actual time taken, follow up reviews, responsive assurance work and reviews resulting from any special investigations or management requests. 317.59 audit days were completed for Folkestone & Hythe District Council which represents 91.26% plan completion. Plan completion was slightly impacted this year by a staff vacancy of approximately 6 weeks, however the EKAP is now back to full staffing levels.

The EKAP was formed in October 2007; it completes a rolling programme of work to cover a defined number of days each year. As at the 31st March each year there is undoubtedly some "work in progress" at each of the partner sites; some naturally being slightly ahead and some being slightly behind in any given year. The Balanced Scorecard at Appendix 4 provides the overview of plan completion across the partnership.

5. Overall Opinion 2023-24

It is a requirement of s.151 of the Local Government Act 1974 for the Council to maintain an 'effective' internal audit function, when forming my opinion on the Council's overall system of control, I need to have regard to the amount of work which we have undertaken upon which I am basing my opinion. Having completed 94.14% of the planned days, there is sufficient underpinning evidence to provide my opinion, as follows;

5.1 Corporate Governance

Corporate Governance is defined as being the structure of rules, practices and processes that direct and control the Council. To support the Head of Audit's Opinion the EKAP undertakes specific reviews (on a rotational basis) aligned to these processes as a part of the Audit Plan. The Financial Procedure Rules was one specific Governance review undertaken in the year assessed with Reasonable Assurance, also with Reasonable Assurance was RIPA. A planned review of the Local Code of Corporate Governance was work in progress at the year end, but the review of Freedom of Information was deferred at client request. Additionally, risks against the governance arrangements are considered as part of agreeing the scope of work for each review within the plan.

Please see paragraph 5.2 for individual areas of Council activity that have been reviewed that have identified Internal Control System weaknesses. This of course also directly impacts the Corporate Governance Opinion overall.

For 2023-24 the Head of Audit Partnership is satisfied the Council largely complies with Corporate Governance guidance. The AGS should sufficiently reflect concerns raised in reports identifying any examples where statutory guidance, codes of practice or regulations are not complied with and what steps are planned / being taken to mitigate any gaps.

5.2 Internal Control

The EKAP has been commissioned to perform only one follow up. During 2023-24 there was one review with a Limited Assurance after follow up (see table in 4.3), and there were six recommendations originally assessed as critical or high risk, which remained a high priority and outstanding after follow up escalated to the Audit & Governance Committee during the year (see following table). Progress against implementing these will be managed through the Corporate Governance Board.

Review	Number of Critical / High-Risk Recommendations Previously Escalated	Date Escalated to Committee
Homelessness	Two	December 2023
Contract Management	One	December 2023
Fraud Assurance	Three	March 2024

The three reviews assessed as providing a (partially) Limited Assurance that are yet to be followed up are shown in the table below. The progress reports for these will be reported to the Committee at the meeting following completion of the follow up. Management has agreed an action plan of internal control improvements for each review.

Area Under Review	Original Assurance Date to A&G Cttee	Progress Report Reported / Due
Independent Living	Reasonable / Limited June 2023	Reasonable July 2024
Waste Management & Street Cleansing Contract	Reasonable / No December 2023	Reasonable July 2024
Employee Health and Safety	Limited July 2024	Quarter 4 2024-25

Older recommendations that were rated at Critical or High risk priority that were previously “Outstanding at the Time of Follow Up” have been reviewed and raised via the Corporate Governance Board. The list which contained 29 recommendations has been worked through and responses regarding an update for each agreed action have been received. The good progress has been discussed at CLT, all are implemented or are in progress, for one area (GDPR) a new review is proposed for later in 2024-25.

To the 31st March 2024, there are no reviews attracting No or Limited Assurance that are awaiting follow up. The Head of Audit Partnership is therefore satisfied the Council can place assurance on the aspects of the systems of control tested and in operation during 2023-24.

5.3 Risk Management

Each review undertaken by EKAP contains an element of operational risk management in the agreed scope. The Audit & Governance Committee is responsible for overseeing the risk management framework. The Corporate Risk register was presented quarterly to the Audit & Governance Committee during the 2023-24 year, which evidences the effectiveness of processes in place.

The independent audit of the Council’s arrangements for Risk Management undertaken very recently concluded with a split assurance (see the executive summary in the Quarterly Update report also on this meeting Agenda). The Corporate Risk Register and process attracted Substantial Assurance for the sound practices that area adopted. Whilst a lack of evidence for the ongoing management of operational risk at service level, attracted a Limited Assurance. This will be followed up in due course and progress against the agreed management actions will be tested and reported to this committee.

Definition of Audit Assurance Statements & Recommendation Priorities

CiPFA Recommended Assurance Statement Definitions:

Substantial assurance - 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.

Reasonable assurance - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Limited assurance - Significant gaps, weaknesses or non-compliance were identified. 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.

No assurance - Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

EKAP Priority of Recommendations Definitions:

Critical – A finding which significantly impacts upon a corporate risk or seriously impairs the organisation's ability to achieve a corporate priority. Critical recommendations also relate to non-compliance with significant pieces of legislation which the organisation is required to adhere to and which could result in a financial penalty or prosecution. Such recommendations are likely to require immediate remedial action and are actions the Council must take without delay.

High – A finding which significantly impacts upon the operational service objective of the area under review. This would also normally be the priority assigned to recommendations relating to the (actual or potential) breach of a less prominent legal responsibility or significant internal policies; unless the consequences of non-compliance are severe. High priority recommendations are likely to require remedial action at the next available opportunity or as soon as is practical and are recommendations that the Council must take.

Medium – A finding where the Council is in (actual or potential) breach of - or where there is a weakness within - its own policies, procedures or internal control measures, but which does not directly impact upon a strategic risk, key priority, or the operational service objective of the area under review. Medium priority recommendations are likely to require remedial action within three to six months and are actions which the Council should take.

Low – A finding where there is little if any risk to the Council or the recommendation is of a business efficiency nature and is therefore advisory in nature. Low priority recommendations are suggested for implementation within six to nine months and generally describe actions the Council could take.

**Performance against the Agreed 2023-24
Folkestone & Hythe District Council Audit Plan**

Review	Original Planned Days	Revised Planned Days	Actual To 31/03/2024	Status and Assurance level
FINANCIAL SYSTEMS:				
Budgetary Control	10	13	12.49	Finalised - Reasonable
Business Rates	10	10	9.61	Finalised - Reasonable
Capital – General Fund	10	10	9.97	Work-in-Progress
Creditors Duplicates Testing	2	1	0.84	Deferred
Housing Benefit Subsidy	10	0	0.15	Deferred
Miscellaneous Grants incl. LUF	10	1	0.42	Deferred
HOUSING SYSTEMS:				
Anti-Social Behaviour	10	10	9.47	Finalised - Reasonable
Housing Capital	10	11	10.99	Finalised - Reasonable
Housing Contract Letting	10	13	13.40	Finalised - Substantial
Housing Allocations	10	3	3.01	Deferred
New Build Capital	10	0	0.03	Deferred
Rechargeable Works	10	0	0.19	Deferred
Rent Setting	10	0	0	Deferred
Independent Living	10	11	11.33	Finalised – Reasonable / Limited
Tenancy & Estate Management	10	11	10.73	Finalised - Reasonable
GENERAL FUND HOUSING				
Leaseholders' Services	10	0	0.16	Deferred
HMO's	10	0	0.29	Deferred
INFORMATION GOVERNANCE				
Freedom of Information	10	0	0.07	Deferred
TECHNOLOGY / CYBER:				
ICT Review	10	0	0.80	Deferred
CORPORATE GOVERNANCE:				
Otterpool Park Governance	10	10	5.46	Work-in-Progress
Financial Procedure Rules	5	7	6.84	Finalised - Reasonable
RIPA	4	10	9.57	Finalised - Reasonable
SERVICE LEVEL				
Climate Change Update	4	7	7.42	Finalised - Substantial
Employee Health & Safety	10	16	15.91	Finalised - Limited
Environmental Protection	10	16	16.31	Finalised - Reasonable
Folkestone Community Works	10	8	7.69	Finalised - Substantial
CILs	10	10	9.61	Work-in-Progress
Waste Collection & Street Cleansing	15	12	12.44	Finalised – Reasonable / No
HUMAN RESOURCES:				

Review	Original Planned Days	Revised Planned Days	Actual To 31/03/2024	Status and Assurance level
Recruitment & Leavers	10	10	10.06	Work-in-Progress
Payroll	10	0	0.07	Deferred
OTHER:				
Committee Reports & Meetings	10	13	13.92	Finalised
S.151 Meetings & Support	10	11	11.48	Finalised
Corporate Advice / CMT	5	9	9.09	Finalised
Liaison with External Audit	1	1	0.37	Finalised
Audit Plan Prep & Meetings	10	12	12.39	Finalised
Follow Up Reviews	14	28	28.33	Finalised
RESPONSIVE ASSURANCE:				
Complaints Sampling	0	6	6.31	Finalised – N/A
Staffing Elections	0	1	1.41	Finalised
Risk Management	0	10	9.12	Work-in-Progress
Oportunitas Limited Governance	0	10	9.41	Work-in-Progress
Local Code of Corporate Governance	0	5	4.70	Work-in-Progress
Scheme of Delegations	0	8	2.97	Work-in-Progress
Public Health Burials	0	6	0.17	Work-in-Progress
Housing Voids	0	8	2.80	Work-in-Progress
FINALISATION OF 2022-23 AUDITS:				
Employee Benefits in Kind	1	1	0.27	Finalised – Reasonable / Limited
Tenancy Counter Fraud	4	5	5.52	Finalised - Limited
Tenancy Health & Safety	7	7	7.46	Finalised - Reasonable
Procurement Secondment	7	8	7.50	Finalised – N/A
Procurement Matters	1	1	0.93	Finalised – N/A
Total	350	350	329.48	94.14%

EKAP Balanced Scorecard – 2023-24

<u>INTERNAL PROCESSES PERSPECTIVE :</u>	<u>2023-24 Actual</u>	<u>Target</u>	FINANCIAL PERSPECTIVE:	<u>2023-24 Actual</u>	<u>Original Budget</u>
	Quarter 4		Reported Annually		
Chargeable as % of available days	86%	90%	<ul style="list-style-type: none"> • Cost per Audit Day 	£389.61	£403.37
Chargeable days as % of planned days			<ul style="list-style-type: none"> • Direct Costs 	£514,382	£521,918
CCC	88.84%	100%	<ul style="list-style-type: none"> • + Indirect Costs (Recharges from Host) 	£10,530	£10,530
DDC	100.12%	100%	<ul style="list-style-type: none"> • - ‘Unplanned Income’ 	-£10,630	Zero
TDC	91.26%	100%	<ul style="list-style-type: none"> • = Net EKAP cost (as billed all Partners) 	£514,282	£532,448
FHDC	94.13%	100%			
EKS	86.00%	100%			
Overall	93.44%	100%	Savings of £18,166 achieved in 2023-24 to be apportioned and rolled forward to 2024-25 as follows;		
Follow up/ Progress Reviews;			Allocated to the cost of EQA £3,750		
<ul style="list-style-type: none"> • Issued 	58	-	F&HDC credit £3,828		
<ul style="list-style-type: none"> • Not yet due 	20	-	TDC credit £4,068		
<ul style="list-style-type: none"> • Now due for Follow Up 	36	-	DDC credit £3,731		
Compliance with the Public Sector Internal Audit Standards (PSIAS)	Generally Conforms		CCC credit £2,789.		

<u>CUSTOMER PERSPECTIVE:</u>	<u>2023-24 Actual</u>	<u>Target</u>	<u>INNOVATION & LEARNING PERSPECTIVE:</u>	<u>2023-24 Actual</u>	<u>Target</u>
	Quarter 4		Quarter 4		
Number of Satisfaction Questionnaires Issued;	74				
Number of completed questionnaires received back;	30		Percentage of staff qualified to relevant technician level	75%	50%
	= 41%		Percentage of staff holding a relevant higher-level qualification	36%	36%
Percentage of Customers who felt that;			Percentage of staff studying for a relevant professional qualification	0%	N/A
<ul style="list-style-type: none"> • Interviews were conducted in a professional manner • The audit report was 'Good' or better • That the audit was worthwhile. 	100%	100%	Number of days technical training per FTE	4.41	3.5
	100%	90%	Percentage of staff meeting formal CPD requirements (post qualification)	36%	36%
	100%	100%			