

This Report will be made public on 9<sup>th</sup> December 2025



Report Number **AuG/25/12**

**To:** Audit and Governance Committee  
**Date:** 17 December 2025  
**Status:** Non-Executive Decision  
**Corporate Director:** Alan Mitchell Director – Finance (S151)

**SUBJECT: QUARTERLY INTERNAL AUDIT UPDATE REPORT FROM THE HEAD OF THE EAST KENT AUDIT PARTNERSHIP**

**SUMMARY:** This report includes the summary of the work of the East Kent Audit Partnership (EKAP) since the last Audit and Governance Committee meeting together with details of the performance of the EKAP to the 30<sup>th</sup> September 2025.

**REASONS FOR RECOMMENDATION:**

The Committee is asked to agree the recommendations set out below because:  
In order to comply with best practice, the Audit and 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 Report AuG/25/12
2. To note the results of the work carried out by the East Kent Audit Partnership.

## **1. INTRODUCTION**

- 1.1 This report includes the summary of the work completed by the East Kent Audit Partnership (EKAP) since the last Audit and Governance Committee meeting.

## **2. AUDIT REPORTING**

- 2.1 For each Audit review, management has agreed a report, and where appropriate, an Action Plan detailing proposed actions and implementation dates relating to each recommendation. Reports continue to be issued in full to the relevant Heads of Service, as well as an appropriate manager for the service reviewed.
- 2.2. Follow-up reviews are performed at an appropriate time, according to the status of the recommendation, timescales for implementation of any agreed actions and the risk to the Council.
- 2.3. An assurance statement is given to each area reviewed. The assurance statements are linked to the potential level of risk, as currently portrayed in the Council's risk assessment process. The assurance rating given may be substantial, reasonable, limited or no assurance.
- 2.4 Those services with either limited or no assurance are monitored and brought back to Committee until a subsequent review shows sufficient improvement has been made to raise the level of assurance to either reasonable or substantial. There are currently no reviews with such a level of assurance as shown in appendix 2 of the EKAP report.
- 2.5 The purpose of the Council's Audit and Governance Committee is to provide independent assurance of the adequacy of the risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements and to seek assurance that action is being taken to mitigate those risks identified.
- 2.6 To assist the Committee in meeting its terms of reference with regard to the internal control environment an update report is regularly produced on the work of internal audit. The purpose of this report is to detail the summary findings of completed audit reports and follow-up reviews since the report submitted to the last meeting of this Committee.

## **3. SUMMARY OF WORK**

- 3.1. There have been seven internal audit assignments completed during the period, which are summarised in the table in section 2 of the report detailed at Annex 1.
- 3.2. In addition, one follow-up review has been completed during the period, which is detailed in section 3 of the quarterly update report.

- 3.3. For the three-month period to 30<sup>th</sup> September 2025, 164.43 chargeable days were delivered against the target of 350, which equates to 46.98% of the planned number of days.

#### 4. RISK MANAGEMENT ISSUES

- 4.1 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 agreed audit recommendations	Medium	Low	Review of recommendations by Audit and Governance Committee 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.

#### 5. LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

##### 5.1 Legal Officer's comments (AK)

No legal officer comments are required for this report.

##### 5.2 Finance Officer's Comments (LM)

Responsibility for the arrangements of the proper administration of the Council's financial affairs lies with the Director – Finance (s.151). The internal audit service helps provide assurance as to the adequacy of the arrangements in place. It is important that the recommendations accepted by Heads of Service are implemented and that audit follow-up, to report on progress.

##### 5.3 Head of the East Kent Audit Partnership comments (CP)

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

#### 5.4 **Diversities and Equalities Implications (CP)**

This report does not directly have any specific diversity and equality implications however it does include reviews of services which may have implications. However, none of the recommendations made have any specific relevance.

### **6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

- 6.1 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](mailto:Christine.parker@folkestone-hythe.gov.uk)

Alan Mitchell - Director of Finance (s.151)

Telephone: 01303 853420 Email: [alan.mitchell@folkestone-hythe.gov.uk](mailto:alan.mitchell@folkestone-hythe.gov.uk)

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

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

#### **Attachments**

Annex 1 – Quarterly Update Report from the Head of the East Kent Audit Partnership.



**INTERNAL AUDIT UPDATE REPORT FROM THE HEAD OF THE EAST KENT AUDIT PARTNERSHIP**

**1. INTRODUCTION AND BACKGROUND**

1.1 This report includes the summary of the work completed by the East Kent Audit Partnership since the last Audit and Governance Committee meeting, together with details of the performance of the EKAP to the 30<sup>th</sup> September 2025.

**2. SUMMARY OF REPORTS**

Service / Topic		Assurance level *	No of Recs.*	
2.1	Bank Reconciliation	Substantial	Critical	0
			High	0
			Medium	1
			Low	0
2.2	Absence Management	Substantial	Critical	0
			High	0
			Medium	1
			Low	0
2.3	Community Safety Partnership	Substantial	Critical	0
			High	1
			Medium	0
			Low	0
2.4	Officers' Code of Conduct	Reasonable	Critical	0
			High	0
			Medium	1
			Low	2
2.5	Purchase Cards	Reasonable	Critical	0
			High	0
			Medium	5
			Low	4
2.6	Lifeline	Reasonable	Critical	0
			High	2
			Medium	6
			Low	4

2.7	Building Control Income	Reasonable	Critical	0
			High	5
			Medium	2
			Low	0

\*For Assurance and Recommendation priority definitions see Appendix 4

## **2.1 Bank Reconciliation – Substantial Assurance**

### **2.1.1 Audit Scope**

To ensure that a regular, timely and accurate bank reconciliation of all income and expenditure being received or incurred by the Council is undertaken, to ensure that the authority's financial accounts are complete.

### **2.1.2 Summary of Findings**

The Financial Procedure Rules provide the framework for managing the Council's financial affairs and for resources that the Council and its employees manage on behalf of others. One key function is to carry out regular reconciliations of income received to source records and retain copies of the reconciliations for future inspection.

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- Established processes and procedures are in place for the bank reconciliation routine. Noting that they will need to be revised and updated as a new financial system is to be put in place from April 2026.
- The bank reconciliation as a result of the current processes now takes one day a month to complete, compared to taking a week under the old processes.

Scope for improvement was however identified in the following area:

- Once the bank reconciliation duties transfer to the new Corporate Debt Team Leader post, a formal monthly sign off routine to ensure that Finance / Accountancy know that it has been completed, and figures are correct, should be implemented.

## **2.2 Absence Management – Substantial Assurance**

### **2.2.1 Audit Scope**

To provide assurance on the adequacy and effectiveness of the procedures and controls established to ensure that the management of absences (flexi, annual and sick leave) meets the corporate guidelines and also that officers are complying with the prescribed rules.

### **2.2.2 Summary of Findings**

The Council acknowledges its staff as a valuable asset and are proactive in managing staff absences and providing support where possible to assist staff in maintaining a

work life balance whilst aiming to reduce the impact that prolonged absences may have on teams, services and customers.

The Council has an Absence Management Policy and Procedure, Annual Leave Policy and Guidance, and a Flexitime Procedure which form the framework for managing absences across the organisation. These are linked to the Agile Working Policy, the Flexible Working (Right to Request) Policy and Procedures and the People Strategy.

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- There are policies and guidance in place for employee absence management.
- HR Business Partners meet regularly with Managers to manage sick leave.
- Managers are notified when employee sickness triggers are hit and in liaison with HR appropriate action is taken in line with policies.
- Various support services are available to officers to assist them in managing their health and general wellbeing.
- Regular sickness absence reporting to management is in place.
- Annual leave is well managed within iTrent.

Scope for improvement was however identified in the following areas:

- The Flexitime Procedure is historic and, in some aspects, has been superseded by the Agile Working Policy, both of which are overdue a review.
- Issues around the deletion, retention and archiving of HR absence records, particularly those held on the system, require addressing to ensure that records are retained in line with relevant legislative requirements, and the Council's retention schedule.

## **2.3 Community Safety Partnership – Substantial Assurance**

### **2.3.1 Audit Scope**

To provide assurance on the adequacy and effectiveness of the input from the Council to the Community Safety Partnership in order to achieve the Council objectives and to meet legislation which places a duty on local councils to consider how their services impact on crime and disorder.

### **2.3.2 Summary of Findings**

The Council is a named body required to contribute to the Community Safety Partnership (CSP), which is established through legislation in relation to community safety. The Community Safety Unit (CSU) is a multi-agency team coordinated by the Council which supports the work of the CSP and liaises with the Police, KCC, Probation Services, Health and other key partners (e.g. PCC) to achieve the objectives of the Community Safety Partnership.

The Community Safety Partnership meets formally on a quarterly basis with all the members of the partnership. They produce a Community Safety Plan every three

years and this is reviewed on an annual basis. The Community Safety Unit meets on a fortnightly basis with the operational members of the team.

The Council has two officers who are directly involved with the Community Safety Partnership, namely the Senior Community Safety Officer and the Community Safety Officer who report through Environmental Protection. These are the main liaison between the Council and the CSP. The Community Partnerships Manager, who is part of a separate team is also involved, and is responsible for Safeguarding duties.

Management can place Substantial Assurance in respect of the controls regarding the CSP meeting its objectives and ensuring that the Council meets its statutory responsibilities regarding community safety.

The primary findings giving rise to the Substantial Assurance opinion in this area are as follows:

- The Community Safety Unit through its partner role, is ensuring that the Community Safety Partnership produces a Community Safety Plan every three years with an annual review, which are both laid down requirements.
- The Community Safety Plan is approved every three years by Full Council.
- The CSU is facilitating many projects that meet its own specific objectives and that of the CSP, as well as reacting to current community safety concerns.
- The Council's Overview & Scrutiny Committee is acting as the Crime & Disorder Committee as required by legislation.
- Information is available to the public in relation to community safety on the Council's website.

Scope for some improvement was however identified in the following area:

- The Council should establish if it needs to have a statement on Modern Day Slavery, and if so how it intends to address this issue and publish it on its website.

## **2.4 Officers' Code of Conduct – Reasonable Assurance**

### **2.4.1 Audit Scope**

To provide assurance that the Code of Conduct for Officers complies with any national guidance and best practice, is adequately advised to Officers and that it is being adhered to.

### **2.4.2 Summary of Findings**

Local Government employees are expected to give the highest possible standard of service to the public, and where it is part of their duties, to provide appropriate advice to councillors and fellow employees with impartiality. To assist Officers in the expected behaviours a Code of Conduct for Officers is in place that gives guidance and details what action must be taken in respect of declarations to avoid any conflicts of interest.

The primary findings giving rise to the Reasonable Assurance opinion in this area are as follows:

- A Code of Conduct for Officers is in place and is in the process of being reviewed and updated to reflect new legislation. When the Code of Conduct for Officers has been revised and approved, all staff should be advised of the new document and any additional reporting requirements that they have to carry out.
- Processes are in place to ensure that staff are reminded to complete an annual declaration in accordance with the Code of Conduct for Officers.
- Revised processes have been put in place for the reporting of gifts and hospitality.

Scope for improvement was however identified in the following areas:

- Legal advice to confirm the retention period for the individual gifts and hospitality forms that have been submitted and signed off, should be sought and applied.
- Consideration should be given to reporting in the Ethical Standards annual report a short paragraph confirming that processes are in place and the number of gifts and hospitality and declarations that have been made for the year.

## **2.5 Purchase Cards – Reasonable Assurance**

### **2.5.1 Audit Scope**

To provide assurance on the adequacy and effectiveness of the procedures and controls established to monitor the use of corporate credit cards.

### **2.5.2 Summary of Findings**

Corporate credit cards should only be used where there is no other form of practical or acceptable method of payment. Wherever possible all payments should be managed through the official order and creditor payment process.

At the time of the review the Council had 21 active corporate credit cards, with 3 more being approved awaiting issue from the bank. The named card holder is responsible for the security of the corporate credit card and must account for all items of expenditure monthly. The budget holder must authorise their monthly statements.

The primary findings giving rise to the Reasonable Assurance opinion in this area are as follows:

- Guidance is issued to all card holders, which they are required to sign to confirm their understanding and compliance,
- Expenditure is authorised and reconciled,
- Receipts/invoices are attached to evidence expenditure, and
- VAT is being treated correctly in the main.

Scope for improvement was however identified in the following areas:

- Whilst improvements have been made to the corporate credit card 'request, and review processes' these arrangements could be further strengthened to improve management controls and record management.

- Resilience within the team managing corporate credit cards and monthly card statement reconciliations should be improved,
- Improved evidence to support expenditure in relation to cash withdrawals must be introduced,
- Irrecoverable VAT incurred via corporate credit cards should be monitored to ensure that this does not become a regular or material issue.

## **2.6 Lifeline – Reasonable Assurance**

### 2.6.1 Audit Scope

To provide assurance on the adequacy and effectiveness of the procedures and internal controls regarding the Lifeline system, especially regarding the collection of income and administration of equipment.

### 2.6.2 Summary of Findings

The Lifeline function provides clients with a 24 hour, 365 days a year monitoring service which offers a range of assistance and products to assist with, and in, an emergency situation.

There is a separate website for The Lifeline Service which details the services offered and equipment being made available along with fees and charges. There is a link to this webpage and more detailed fees and charges within the Council's own website.

The Lifeline Service has achieved accreditation to the TeleCare Standards Association, which is the national recognised standards body for the delivery of technology enabled care and support services. As part of the accreditation the service is reviewed annually to ensure that it still meets the TSA requirements with a full assessment undertaken every three years.

Over the past three years the Lifeline service has made a surplus (before internal re-charges are applied) and has been successful in winning some contracts with outside organisations. The fees and charges remained static (unchanged) until 2025/26 fiscal year where an increase has been applied.

The Lifeline computer system (Jontek) which maintains all customer details, all invoices and financials are dealt with via the Finance Team and contained within the financial system (eFin).

Stock is being held in secure locations and installations, and call outs are being managed via 3 personnel with assistance to cover leave via management and office administration staff.

The primary findings giving rise to the Reasonable Assurance opinion in this area are as follows:

- The Lifeline function complies with the standards set by the Telecare Service Association (TSA) and maintains accreditation on an annual basis.

- Comprehensive procedures are in place for the running of the service, invoicing and collection of fees and charges.
- A recovery process is in place for the chasing of outstanding monies owed to the authority via a policy and is being effectively managed and monitored via the Corporate Debt Team.
- Income streams are being correctly allocated to the General Fund.
- Contracts for services being provided to other organisations are being actively monitored and managed.

Scope for improvement was however identified in the following areas:

- The Debt Recovery Policy is past its review date of March 2025.
- A reconciliation routine / record check between the Lifeline and Finance systems requires to be established, documented and actioned to ensure the customer details match and billing is taking place to the correct values.
- The Stock Control process requires improving in both management and monitoring and needs to be documented to ensure staff know what is required of them.
- Testing identified some areas of improvements to be considered in the format and completion of the Agreements currently in use.
- Risk assessments require updating and filing.

## **2.7 Building Control Income – Reasonable Assurance**

### **2.7.1 Audit Scope**

To provide assurance on the adequacy and effectiveness of the procedures and internal controls surrounding the income received by the Council's Building Control service and ensure that these comply with the requirements of the Building (Local Authority Charges) Regulations 2010.

### **2.7.2 Summary of Findings**

Building Control ensures that building work complies with the Building Regulations, a set of standards intended to protect people's safety, health and welfare in and around built environments. The fees that are set and charged for this service are prescribed in the Building (Prescribed Fees) Regulations 1994. The overall principle of the local authority building control charging system are to enable the full cost of recovery, whilst users only pay for the service they receive. The legislation has not changed since the last review undertaken.

During the past 12 months there has been a review of the service and the working practices. The positive findings made in this review reflect the changes that have already been applied to the service. Steps identified by management are also in progress to implement further improvements, these will be tested during the follow up audit later in the year to ensure they have become embedded.

The primary findings giving rise to the Reasonable Assurance opinion in this area are as follows:

- A considerable amount of work has been carried out by Business Support to implement new working practices (including the use of Salesforce) to enhance the Building Control administration function. This covers areas from the receipt of building control applications through to invoice recovery and performance tools to monitor time periods and caseloads.
- Supporting procedure notes are in place to support the new processes that have been put in place, and they are reviewed and updated on a regular basis.
- In house performance targets are being met.
- A new quote form has been put in place to assist in the calculation of requests for building control services that breaks down each element of the fee that has been calculated.

Scope for improvement was however identified in the following areas:

- Trading Account information should be produced and published within 6 months of the end of each financial year.
- The calculation of fees and charges should be in accordance with legislation and when published should state the method used to calculate them.
- As part of developing a Conflict-of-Interest Register, consideration should be given to utilising the declaration form that all staff have to complete (as part of the Officer's Code of Conduct) to reflect building control requirements.

## FOLLOW UP OF AUDIT REPORT ACTION PLANS

- 3.1 As part of the period's work one follow up review has been completed of those areas previously reported upon to ensure that the recommendations previously made have been implemented, and the internal control weaknesses leading to those recommendations have been mitigated. Those completed during the period under review are shown in the following table.

Service/ Topic	Original Assurance level	Revised Assurance level	Original Number of Recs		No of Recs Outstanding
a) Housing Allocations	Reasonable	Reasonable	Critical	0	0
			High	3	0
			Medium	1	1
			Low	5	2

\*For Assurance and Recommendation priority definitions see Appendix 4

- 3.2 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 fully 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.

3.3 Details of any individual critical or high priority recommendations outstanding after follow-up are included at Appendix 1 and on the grounds that these recommendations have not been implemented by the dates originally agreed with management, they are now being escalated for the attention of the s.151 Officer and Members of the Audit & Governance Committee (there are none this quarter).

The purpose of escalating outstanding high-priority recommendations which have not been implemented is to try to gain support for any additional resources (if required) to resolve the risk, or to ensure that risk acceptance or tolerance is approved at an appropriate level.

#### **4.0 WORK IN PROGRESS**

4.1 During the period under review, work has also been undertaken on the following topics, which will be reported to this Committee at future meetings: ICT Software Licensing, Taxi’s, Events Management and Safeguarding.

#### **5.0 CHANGES TO THE AGREED AUDIT PLAN**

5.1 The 2025-26 audit plan was agreed by Members at the meeting of the Audit & Governance Committee on 19<sup>th</sup> March 2025.

5.2 The Head of the Audit Partnership meets on a regular basis with the Section 151 Officer or their deputy to discuss any amendments to the plan. Members of the Committee will be advised of any significant changes through these regular update reports. Minor amendments are made to the plan during the course of the year as some high-profile projects or high-risk areas may be requested to be prioritised at the expense of putting back or deferring to a future year some lower risk planned reviews. The detailed position regarding when resources have been applied and or changed are shown as Appendix 3.

#### **6.0 FRAUD AND CORRUPTION**

There were no new or recently reported instances of suspected fraud or irregularity that required either additional audit resources, or which warranted a revision of the audit plan at this point in time.

#### **7.0 INTERNAL AUDIT PERFORMANCE**

7.1 For the period ended 30<sup>th</sup> September 2025 164.43 chargeable days were delivered against the planned target for the year of 350 which equates to achievement of 46.98% of the original planned number of days.

7.2 The financial performance of the EKAP for 2025/26 is on target.

**Attachments**

- Appendix 1 Summary of high priority recommendations outstanding after follow up.
- Appendix 2 Summary of services with limited / no assurances yet to be followed up.
- Appendix 3 Progress to 30<sup>th</sup> September 2025 against the 2025-26 Audit plan.
- Appendix 4 Assurance Definitions.
- Appendix 5 Balanced Scorecard

<b>SUMMARY OF CRITICAL /HIGH PRIORITY RECOMMENDATIONS OUTSTANDING AFTER FOLLOW-UP</b>		
<b>Original Recommendation</b>	<b>Agreed Management Action, Responsibility and Target Date</b>	<b>Manager's Comment on Progress Towards Implementation.</b>
<b>None this Quarter</b>		

<b>SERVICES GIVEN LIMITED / NO ASSURANCE LEVELS YET TO BE REVIEWED</b>			
<b>Service</b>	<b>Reported to Committee</b>	<b>Level of Assurance</b>	<b>Follow-up Action Due</b>
None this Quarter			

## Appendix 3

**PROGRESS AGAINST THE AGREED AUDIT PLAN 2025/26  
FOLKESTONE & HYTHE DISTRICT COUNCIL**

Review	Original Planned Days	Revised Planned Days	Actual To 30/09/2025	Status and Assurance level
<b>FINANCIAL GOVERNANCE:</b>				
Bank Reconciliation	10	10	8.11	Finalised - Substantial
Insurance	10	10	10.41	Finalised - Substantial
Housing Benefit Administration	10	10	11.15	Finalised - Substantial
Housing Benefits Quality		10		Quarter 4
<b>HOUSING SYSTEMS</b>				
Housing Consumer Standards	10	10	11.51	Finalised - Substantial
New Build / Purchase	10	10	0.18	Quarter 3
Housing Responsive Repairs	10	10		Quarter 4
<b>INFORMATION GOVERNANCE</b>				
Freedom of Information	10	10	0.29	Quarter 3
<b>CORPORATE GOVERNANCE:</b>				
New Committee Arrangements	10	0		Not required
Members' Code of Conduct	10	10	0.54	Quarter 4
Officers' Code of Conduct	10	10	8.52	Finalised – Reasonable
<b>COUNTER FRAUD ASSURANCE:</b>				
Duplicate Payment Testing	2	2		Quarter 3
Data Analytics	10	10		Quarter 4
Fraud Arrangements	10	10	11.59	Finalised - Reasonable
<b>PEOPLE MANAGEMENT:</b>				
Flexi / Sick / Annual Leave	10	10	9.11	Finalised – Substantial
<b>ASSET MANAGEMENT:</b>				
Asset Management	10	10	0	Quarter 4
<b>PROCUREMENT &amp; CONTRACT ASSURANCE:</b>				
Purchase Cards	10	10	5.34	Work in progress
<b>CYBER SECURITY &amp; DATA ASSURANCE:</b>				
ICT Software Licensing	10	10	1.48	Work in progress
<b>SERVICE LEVEL ASSURANCE:</b>				
Climate Change	8	8		Quarter 4
Community Safety Partnership	10	10	3.30	Work in progress
Environmental Health - Food Safety / H&S	10	10	0.07	Quarter 3
Corporate Responsive Repairs	10	0	0.33	Deferred

<b>Review</b>	<b>Original Planned Days</b>	<b>Revised Planned Days</b>	<b>Actual To 30/09/2025</b>	<b>Status and Assurance level</b>
Electoral Finance	10	10	0.09	Quarter 4
Licensing	10	10		Quarter 4
Events Management	10	10	1.76	Work in progress
Land Charges	10	10		Quarter 3
Lifeline	10	10	13.11	Finalised - Reasonable
Building Control Income	10	10	11.17	Finalised - Reasonable
Taxis & Hackney Carriages	10	10	3.77	Work in progress
Safeguarding		10	1.76	Work in progress
DFGs	10	10		Quarter 3
<b>OTHER:</b>				
Liaison with External Audit	1	1	0.74	Ongoing
Follow Up Reviews	14	14	10.67	Ongoing
Corporate Advice / CMT	5	5	5.07	Ongoing
s.151 Meetings & Support	10	10	3.98	Ongoing
Committee Reports & Meetings	10	10	7.54	Ongoing
Audit Plan Prep & Meetings	10	10	3.90	Ongoing
<b>FINALISATION OF 2024-25 AUDITS:</b>				
HRA Business Plan		1	2.66	Finalised - Substantial
Housing Garage Management		1	0.48	Finalised - Reasonable
Rent Setting	20	1	0.98	Finalised - Substantial
Housing Allocations		1	0.57	Finalised - Reasonable
GDPR		8	8.18	Finalised - Reasonable
ICT Network Security		1	0.64	Finalised - Reasonable
Performance Management		2	1.13	Finalised - Reasonable
Cemeteries & Crematoria		1	0.21	Finalised - Reasonable
<b>RESPONSIVE ASSURANCE:</b>				
Right to Buy Query	0	4	4.09	Finalised – N/A
<b>Total</b>	<b>350</b>	<b>350</b>	<b>164.43</b>	<b>46.98%</b>

## Appendix 4

### 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.

## BALANCED SCORECARD – QUARTER 1.

<b>INTERNAL PROCESSES PERSPECTIVE</b>	<b>2025-26 Actual</b>	<b>Target</b>	<b>FINANCIAL PERSPECTIVE:</b>	<b>2024-25 Actual</b>	<b>Original Budget</b>
	<b>Quarter 2</b>		<b>Reported Annually</b>		
<b>Chargeable as % of available days</b>	<b>88%</b>	<b>90%</b>	<ul style="list-style-type: none"> <li>• Cost per Audit Day</li> </ul>	£-	£438.86
<b>Chargeable days as % of planned days</b>			<ul style="list-style-type: none"> <li>• Direct Costs</li> </ul>	£-	£568,766
<b>CCC</b>	<b>57.50%</b>	<b>50%</b>	<ul style="list-style-type: none"> <li>• + Indirect Costs (Recharges from Host)</li> </ul>	£-	£10,530
<b>DDC</b>	<b>48.14%</b>	<b>50%</b>		-£-	Zero
<b>TDC</b>	<b>42.50%</b>	<b>50%</b>	<ul style="list-style-type: none"> <li>• - 'Unplanned Income'</li> </ul>		
<b>FHDC</b>	<b>46.97%</b>	<b>50%</b>		£-	£579,296
<b>PartnershipOne</b>	<b>35.95%</b>	<b>50%</b>	<ul style="list-style-type: none"> <li>• = Net EKAP cost (as billed all Partners)</li> </ul>		
<b>Overall</b>	<b>47.29%</b>	<b>50%</b>		<b>Reported Annually</b>	
<b>Follow up/ Progress Reviews;</b>					
<ul style="list-style-type: none"> <li>• Issued</li> </ul>	<b>22</b>	<b>-</b>			
<ul style="list-style-type: none"> <li>• Not yet due</li> </ul>	<b>22</b>	<b>-</b>			
<ul style="list-style-type: none"> <li>• Now due for Follow Up</li> </ul>	<b>34</b>	<b>-</b>			
<b>Compliance with the Public Sector Internal Audit Standards (PSIAS)</b>	<b>Generally Conforms</b>	<b>(the top rated score possible)</b>			

<b><u>CUSTOMER PERSPECTIVE:</u></b>	<b><u>2025-26 Actual</u></b>	<b><u>Target</u></b>	<b><u>INNOVATION &amp; LEARNING PERSPECTIVE:</u></b>	<b><u>2025-26 Actual</u></b>	<b><u>Target</u></b>
	<b>Quarter 2</b>		<b>Quarter 2</b>		
<b>Number of Satisfaction Questionnaires Issued;</b>	<b>36</b>		<b>Percentage of staff qualified to relevant technician level</b>	<b>75%</b>	<b>75%</b>
<b>Number of completed questionnaires received back;</b>	<b>17</b>		<b>Percentage of staff holding a relevant higher-level qualification</b>	<b>36%</b>	<b>36%</b>
	<b>= 47%</b>		<b>Percentage of staff studying for a relevant professional qualification</b>	<b>14%</b>	<b>N/A</b>
<b>Percentage of Customers who felt that;</b>			<b>Number of days technical training per FTE</b>	<b>2.36</b>	<b>3.5</b>
<ul style="list-style-type: none"> <li>• Interviews were conducted in a professional manner</li> <li>• The audit report was 'Good' or better</li> <li>• That the audit was worthwhile.</li> </ul>	<b>100%</b>	<b>100%</b>	<b>Percentage of staff meeting formal CPD requirements (post qualification)</b>	<b>36%</b>	<b>36%</b>
	<b>88%</b>	<b>90%</b>			
	<b>94%</b>	<b>100%</b>			