INTERNAL AUDIT PROGRESS REPORT

GOVERNANCE AND AUDIT COMMITTEE

23 April 2021

1. Introduction

1.1   The role of the Internal Audit function is to provide Members and Management with independent assurance that the control, risk and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives. The work of the Internal Audit team should be targeted towards those areas within the Council that are most at risk of impacting on the Council's ability to achieve its objectives.

1.2   Upon completion of an audit, an assurance opinion is given on the soundness of the controls in place. The results of the entire programme of work are then summarised in an opinion in the Annual Internal Audit Report on the effectiveness of internal control within the organisation.

1.3   This activity report provides Members of the Governance and Audit Committee and Management with 6 summaries of completed work since the previous Committee in January 2021.

2. Key Messages

- Six audits have been finalised since the previous progress report, which was reported to Members in January 2021. See **Appendix C**
- Audit plan delivery is significantly below target at the end of quarter 4. The reasons for this are provided below in section 3
- It has been agreed that a number of audits can be removed or deferred from the 2020/21 audit plan to account for resource shortfalls
- It has been agreed to extend 2020/21 audit plan delivery up until June 2021
- 63 grants/ certifications have been certified to date
- The report for the Public Sector Internal Audit Standards External Quality Assessment has not yet been finalised, but the draft report details a positive outcome. A more detailed update will be reported to Members at the July 2021 Governance & Audit Committee
- It has been agreed to report the draft 2021/22 annual Audit Plan to the July 2021 Governance & Audit Committee, alongside the annual audit opinion.

3. Updates

3.1 Internal Audit Plan

The Internal Audit Plan must be flexible to ensure that it remains relevant to risks facing the Council throughout the year. The Audit Plan, therefore, needs to be amended to reflect changing risk circumstances and requests from senior management. The following audit plan amendments are drawn to the attention of the Committee:

Additional work
- Care Act Easements
- Additional Highways / Transportation Grant declaration reviews (covering 4 grant awards)
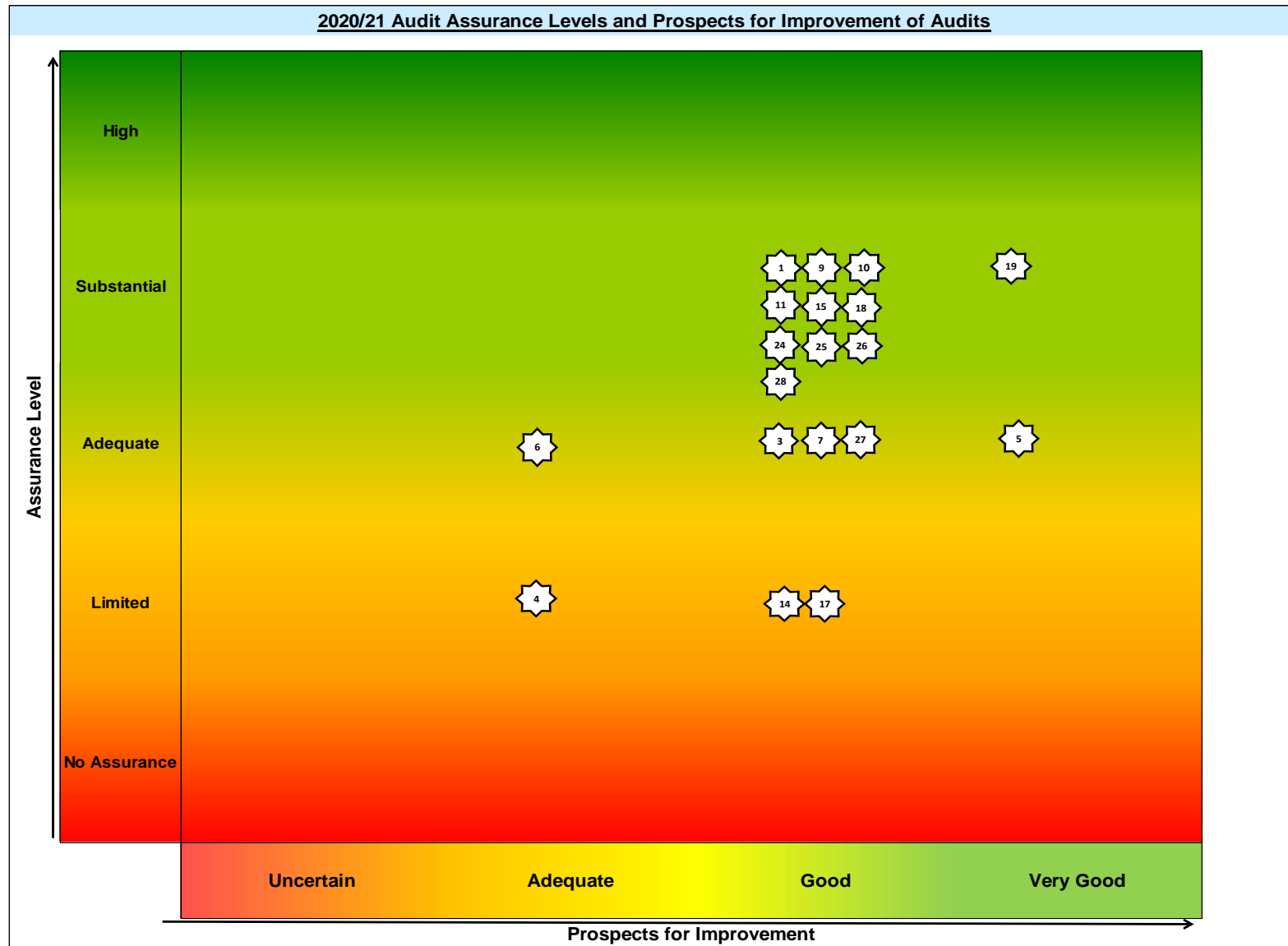- SHQ Data Centre incident

Removals

A review of the Audit Plan in comparison to resources available has identified a significant shortfall in the audit days available to deliver the audit plan. It has therefore been agreed with the Director of Finance & Corporate Services (S151) and the Chair of the G&A Committee to remove a number of audits from the Audit Plan. All audits removed from the 2020/21 Audit Plan, will be risk assessed as part of the 2021/22 audit planning process. These have been illustrated in Appendix A.

It has been necessary to remove / defer audits from the 2020/21 audit plan for the following reasons:
- Insufficient resources to deliver the Audit Plan
- Team resources redeployed to support the Public Sector Internal Audit Standards external quality assessment
- Client led delays on commencing or completing audit reviews
- Client request for audits to be deferred due to competing priorities or staff resource issues
- Responding to client requests for additional audits / consultancy reviews to added to the audit plan in-year
- Additional resources needed for new / unexpected grant work
- Team members redeployed to assist with Operation Fennel
- Unexpected leave / absence
- IT issues

Table 1: Summary of Assurance Levels to Date

2020/21 Audit Assurance Levels and Prospects for Improvement of Audits

Assurance Level (vertical axis): High, Substantial, Adequate, Limited, No Assurance

Prospects for Improvement (horizontal axis): Uncertain, Adequate, Good, Very Good

Substantial: 1, 9, 10, 19; 11, 15, 18; 24, 25, 26; 28

Adequate: 6; 3, 7, 27; 5

Limited: 4; 14, 17

No	Audit Opinion October G&A Committee		
	Audit	Assurance	Prospects for Improvement
1	PPE	Substantial	Good
2	Supplier Relief Payments	N/A	N/A
3	Change for Kent Children	Adequate	Good
4	ICT Asset Control (COVID-19 IMPACT)	Limited	Adequate
5	AGS 2019/20	Adequate	Very Good

No	Audit Opinion January G&A Committee		
	Audit	Assurance	Prospects for Improvement
6	DoLS	Adequate	Adequate
7	ASCH Covid-19 Response Plan	Adequate	Good
8	Succession Planning (Mgt Letter)	N/A	N/A
9	Review of COVID-19 Expenditure	Substantial	Good
10	Purchase to Pay (P2P)	Substantial	Good
11	Charging Arrangements	Substantial	Good
12	CYPE Assurance Map - Safeguarding	N/A	N/A
13	Provider Data Protection Themed Report	N/A	N/A
14	Urgent CHAPS Payments	Limited	Good
15	Blue Badge Applciation Process	Substantial	Good
16	Kent Pension Fund Investment Governance Follow-Up	N/A	N/A
17	Adult Social Care Client Billing	Limited	Good
18	ICT Access Controls / User Accounts for DSPT Assurance	Substantial	Good
19	Respite Overpayment Follow-Up	Substantial	Very Good
20	Winter Pressures (Mgt Pressures)	N/A	N/A
21	Op Fennell (EU Transition) (Mgt Letter)	N/A	N/A
22	ASCH Assurance Map - Safeguarding	N/A	N/A
23	Highways (HTSCP)	N/A	N/A

No	Audit Opinion April G&A Committee		
	Audit	Assurance	Prospects for Improvement
24	Children Missing Education	Substantial	Good
25	Office Cleaning Arrangements	Substantial	Good
26	ICT Firewall - Management of Rulesets	Substantial	Good
27	Information Governance - Remote Working Arrrangements	Adequate	Good
28	Information Governance - DSP Toolkit Compliance Review	Substantial	Good
29	Care Act Easement - Consultancy	N/A	N/A

Assurance Level	No	%
High	0	0%
Substantial	11	58%
Adequate	5	26%
Limited	3	16%
No	0	0%

Assurance Levels 2020/21

- High
- Substantial
- Adequate
- Limited
- No

0%
16%
26%
58%
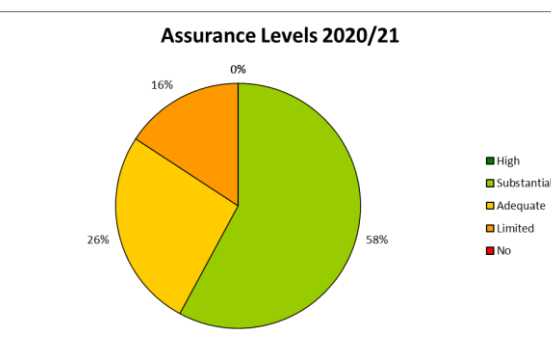
3.2 Grant Certification Work:

In 2020-21, the team has audited and certified 63 grant claims, being a mix of EU Interreg grants and grants from central government. Details of all certifications can be seen at Appendix B.

Internal Audit work on grant certification provides an essential service for the Council, although it is not audit opinion work. The Audit team's schedule of grant certification work is an increasing commitment of Internal Audit resources and it is apparent that one aspect of changed working arrangements has been the increasing challenges of completing such work, which requires adherence to strict timescales. This level of grant certification work is unprecedented at KCC and the requirements that it entails have had a significant impact upon the capacity of management and the team to deliver against the assurance elements of the Audit Plan.

It is also highlighted that the service will be undertaking further new grant certifications in the next year.

3.3 Internal Audit Resources:

In accordance with the Public Sector Internal Audit Standards, members of the Committee need to be appraised of relevant matters relating to the resourcing of the Internal Audit function.

As stated at previous Committees, the positive expansion in recent years of the provision of Internal Audit and Counter Fraud services to in excess of 20 external clients and bodies has not been accompanied by corresponding resources to deliver the very wide range of assurance and governance matters it is engaged in. Members will recall the Internal Audit Plan for 2020-21, agreed at the July Governance and Audit Committee, noted a shortfall in resources to deliver the planned work.

The Head of Internal Audit has now completed resourcing needs assessment for the service. This has determined that a restructure of the team is required. A restructure proposal has been drafted and is due to be considered by Corporate Management Team. Once agreed a full consultation exercise will commence with the team.

A recruitment campaign, to fill all vacant posts will commence as soon as the team's restructure has been approved. In the meantime, we are using contract auditors to fill some of the resource gaps and two new Principal Auditors have just been appointed and are due to join the team in June 2021.

3.4 External Quality Assessment

Members will recall the Public Sector Internal Audit Standards (PSIAS) external quality assessment (EQA) was scheduled to be completed during February 2021. The EQA has now been completed and the draft report has been provided to the Head of Internal Audit for review and response. The outcome was positive, with a number of matters raised for consideration regarding areas for further improvement to align to best practice. The EQA report will be finalised in the coming weeks and a further update will be provided to Members at the July 2021 Governance and Audit Committee.

3.5 2021/22 Audit Plan

The audit planning exercise for 2021/22 is in progress. Due to audit management capacity issues, a decision to focus resources on delivery of the 2020/21 audit plan delivery and the decision to extend the 2020/21 audit year up until June 2021, it has been agreed with the Director – Finance & Corporate Services (S151) and Chair of the Governance and Audit Committee that the 2021/22 Audit plan will be reported to Members at the July 2021 Committee, alongside the Head of Audit's annual audit opinion report.

3.6 Committee Work & Member Development Programme

The Head of Internal Audit is responsible for reviewing and updating the Committee Work & Member Development Programme and reporting the updated programme to each Governance and Audit Committee.   The Committee Work & Member Development Programme will be reviewed for the July 2021 Governance and Audit Committee, with the Monitoring Officer and S.151 Officer and this will include Member induction training.

4. Under the Spotlight!

With each Progress report, Internal Audit turns the spotlight on the audit reviews, providing the Governance and Audit Committee with a summary of the objectives of the review, the key findings, conclusions and recommendations; thereby giving the Committee the opportunity to explore the areas further, should it wish to do so.

In this period, the following report summaries are provided at Appendix B, for the Committee's information and discussion.

A   **Cross Directorate:**

1.   Information Governance – remote working arrangements
2.   Office Cleaning Arrangements

B   **Adult Social Care and Health**:

1.   Care Act Easement

C   **Children, Young People and Education**:

1.   Children Missing Education

D   **Strategic and Corporate Services**:

1.   Cyber Security – ICT Firewall Management of Rulesets
2.   Information Governance – DSP Toolkit annual audit

E   **Growth, Environment and Transport**:

None

Appendix A – Internal Audit Plan 2020-21 – Status and Assurance Summary

Ref	Audit	Status as at 6/4/2021	Assurance
CA01	Annual Governance Statement Assurance Statement (2019-20)	Final Report	Adequate – GAC Oct 20
CA02	Corporate Governance	In Progress	
CA03	Records Management	Draft Report	
CA04	Risk Management	In Progress	
CA05	Information Governance - DSP Toolkit Annual Audit	Final Report	Substantial
CA06	Information Governance - Advisory/ Attendance at IG Steering Group.	In Progress	
CA07	Information Governance – Remote working	Final Report	Adequate
CA08	Strategic Delivery Plan		Removed
CA09	Office Cleaning Arrangements	Final Report	Substantial
CS01	Imprest Accounts Follow-up	In Progress	
CS02	Social Care Client Billing	Final Report	Limited – GAC Jan 21
CS03	Non-residential care payments through Finestra		Removed
CS04	Respite Overpayment - Follow up	Final Report	Substantial - GAC Jan 21
CS05	Schools Financial Services (TEP)	Planning	
CS06	Capital Planning and Prioritisation		Removed
CS07	Kent Pension Fund Investment Governance - Follow up audit	Final Report	N/A/ - GAC Jan 21
CS08	ACCESS Pool	Planning	
CS09	Payment Project		Removed
CS10	Finance - Urgent Payments Process	Final Report	Limited – GAC Jan 21
CS11	Covid-19 risk - Supplier Distress Payments - Part 1	Final Report	N/A - Management Letter – GAC Oct 20
CS11(a)	Covid-19 risk - Supplier Distress Payments - Part 2	In Progress	
CS12	Covid-19 expenditure	Final Report	Substantial - GAC Jan 21
RB01	Revised Equality Impact Assessment (EQIA) process		Removed
RB02	Strategic Commissioning Follow-up	Planning	
RB03	Enterprise Business Capabilities (Oracle)	In Progress	

Ref	Audit	Status as at 6/4/2021	Assurance
RB04	Health and Wellbeing Strategy	Planning	
RB05	Succession Planning	Final Report	N/A - Management Letter – GAC Jan 21
RB06	Data Analytics Development - Payroll		Removed
RB07	Future of Sessions HQ (Project)		Removed
RB08	Property Infrastructure - Functions and Processes Transferred to KCC from Gen2		Removed
RB09	Covid-19 risk - Asset Control of Laptops and Other Equipment	Final Report	Limited – GAC Oct 20
RB10	Covid-19 risk - Procurement and Contracts	In Progress	
RB11	Adults Safeguarding - Assurance Map	Final Report	N/A - Management Letter – GAC Jan 21
RB12	Shaping the Market		Removed
RB13	Quality Assurance Framework		Removed
RB14	Partnership Working – NHS		Removed
RB15	Mosaic - Post Implementation		Removed
RB16	Workforce – Recruitment & Retention of Staff	In Progress	
RB17	Capital Investment in Good Day Program		Removed
RB18	ASCH Covid-19 Response Plan	Final Report	Adequate – GAC Jan 21
RB19	Covid-19 risk - PPE Distribution and Stock Control	Final Report	Substantial - GAC Oct 20
RB20	Project KARA - ASCH Digital Assistive Technology Project Board	Complete	N/A
RB21	Charging Arrangements	Final Report	Substantial - GAC Jan 21
RB22	ASCH Contingency	Complete	N/A
RB23	Accommodation for Young People/ Care Leavers	Draft Report	
RB24	Schools Themed Review (Cyber Security)	In Progress	
RB25	Children Missing Education	Final Report	Substantial - See C1 below
RB26	Delivery of Statutory Services – Contract Management - TEP		Removed
RB27	Adoption	In Progress	
RB28	Change for Kent Children	In Progress	
RB29	CYPE Assurance Map - Safeguarding	Final Report	N/A - Management Letter – GAC Jan 21
RB30	Provision of Laptops to service users	Draft Report	
RB31	Establishments Themed Review		Removed
RB32	Resilience and Emergency Planning Service		Removed

Ref	Audit	Status as at 6/4/2021	Assurance
RB33	Gypsy and Traveller Service - Pitch Allocation and Charging	Planning	
RB34	Kent Scientific Service		Removed
RB35	Operation Fennel (EU Transition)	Final Report	N/A - Management Letter – GAC Jan 21
RB36	KCC support to Kent businesses - e.g., Kent and Medway Business Fund		Removed
RB37	Blue Badge Applications Process	Final Report	Substantial - GAC Jan 21
RB38	Highways Term Services Commissioning Project (HTSCP)	Final Report	N/A - Management Letter – GAC Jan 21
ICT01	IT Cloud Strategy, Security and Data migration	To Commence	
ICT02	IT Access Controls/ User Accounts – for DSP Toolkit	Final Report	Substantial - GAC Jan 21
ICT03	Cyber Security - Management of Backups for Applications, Data and active Network Devices.	In Progress	
ICT04	Cyber Security - Management of Firewall rulesets / Anti-virus and Anti-Malware Software	Final Report	Substantial
N/A	Strategic Reset Programme – Programme Governance		Removed
N/A	Strategic Reset Programme – Projects		Removed

B. Work Carried Forward From 2019-20:

Ref	Audit	Status as at 6/4/2021	Assurance
1	Strategic Commissioning (Purchase to Pay Process)	Final Report	Substantial - GAC Jan 21
2	Deprivation of Liberties - Progress with Addressing Backlog	Final Report	Adequate - GAC Jan 21
3	ASCH – Winter Pressures	Final Report	Management Letter – GAC Jan 21
4	Change for Kent Children	Final Report	Adequate – GAC Oct 20

C. Additions:

Ref	Audit	Status as at 6/4/2021	Assurance
	Sessions House Data Centre Incident	In Progress	
	Care Act Easement	Final Report	N/A See **Appendix C** below
	Highways Capital Grants	Complete	N/A
	Annual Governance Statement (2020-21)	In Progress	

Appendix B - Grant Certifications completed since 1/4/2020:

Grant	Description	Status as at 6/4/2021
EU Interreg - Aspire	A holistic approach to lowering obesity and unemployment rates in identified communities where the two issues are linked.	2 Claims Completed
EU Interreg - BEGIN	An approach to climate resilience for cities that mimics nature's potential to deal with flooding.	2 Claims Completed
EU Interreg - BHC21	To contribute to the development of more efficient and effective vocational training services for low-skilled people and develop a generic 21st century training model to reduce unemployment rates amongst low-skilled people.	2 Claims Completed
EU Interreg – Blueprint	Upskill 18 social enterprises to trainin 2000 disadvantaged individuals with the skills they require to secure new jobs linked to circular economy growth (increased recycling, reverse logistics and secondary markets)	2 Claims Completed
EU Interreg – BoostforHealth Capitalisation	Supporting Kent based life sciences companies with internationalisation and in particular market entry in mainland Europe.	1 Claim Completed
EU Interreg – C5A	Aims to deliver a whole system approach to water and flood risk management in response to current and future risks from climate change.	1 Claim Completed
EU Interreg – Connected Communities	To develop co-ordinated and integrated services for older people that help make communities more resilient and take early action to prevent or delay the need for long term care.	2 Claims Completed
EU Interreg – Cool Towns	Spatial adaptation for heat resilience in small and medium sized cities to minimise the heat related effects of climate change.	1 Claim Completed
EU Interreg – DWELL	Empowerment programme enabling patients with type 2 diabetes to access tailored support giving them mechanisms to control their condition and improve their wellbeing.	2 Claims Completed
EU Interreg - Empower Care	To create resilient communities and reduce individual frailty and loneliness, addressing issues facing the care of our aging population	2 Claims Completed
EU Interreg - Ensure	Making use of the community peer to peer support, which will allow societies to become proactive in addressing circumstances which create vulnerability across Kent.	2 Claims Completed
EU Interreg - Experience	To provide the tools and infrastructure to capitalise on the emerging trend for personalised and local tourism experiences which provide reasons to visit at any time of the year.	3 Claims Completed
EU Interreg - FRAMES	Assess the impact of and build resilience to flooding and climate change across the health and social care sector in Kent.	1 Claim Completed
EU Interreg – Green Pilgrimage	Protecting natural & cultural heritage whilst developing jobs & growth along pilgrim routes by developing low impact tourism, digitilisation, pilgrim accommodation & strengthening local traditions.	1 Claims Completed plus On the Spot Check

Grant	Description	Status as at 6/4/2021
EU Interreg - H20	Overcoming barriers to integrated water and ecosystem management in lowland areas adapting to climate change.	2 Claims Completed
EU Interreg - ICAReS	Developing a cross border innovation cluster to create the necessary conditions for innovation in the field of remote sensing & advanced data communication & processing	1 Claim Completed
EU Interreg - Inn2Power	Supporting Kent based companies in the offshore wind sector with internationalisation & market entry in mainland Europe	2 Claims Completed
EU Interreg - ISE	Supporting Kent business from several priority sectors innovate & internationalise through partnering & collaborating with new contacts in France, Belgium & the Netherlands	2 Claims Completed
EU Interreg PACE	Providing help to unemployed parents into work by improving access to childcare	1 Claim Completed
EU Interreg - PATH2	Enabling women, families and healthcare professionals to prevent, diagnose and successfully manage mild and moderate perinatal mental health issues.	2 Claims Completed
EU Interreg - Prowater	Contributing to climate adaptation by restoring the water storage of the landscape via ecosystem-based adaptation measures.	2 Claims Completed
EU Interreg - SCAPE	Developing landscape-led design solutions for water management that make costal landscapes better adapted and more resilient to climate change.	1 Claims Completed
EU Interreg - SHIFT	Engaging with people over 45 years of age to develop a tailored sexual health and wellbeing model.	2 Claim Completed
EU Interreg - SIE	Evaluating and improving business support services for SMEs specifically related to exporting and internationalisation.	2 Claims and On-the-Spot check Completed
EU Interreg – STAR2Cs	Overcoming the implementation gap faced by local government adapting to climate change.	1 Claim Completed and On The Spot check
EU Interreg – Step by Step	Seeking to increase the impact of the internationally evidenced men's sheds programme in particular employment & health outcomes.	1 Claim Completed
EU Interreg - TICC	Implementing an integrated community team at a pilot site to work with the principles of Buurtzorg (A Dutch home-care model known for innovative use of independent nursing teams in delivering relatively low-cost care).	2 Claims Completed On The Spot check in progress
EU Interreg - Triple A	Supporting homeowners to adopt different low-carbon technologies in their homes.	2 Claims Completed
EU Interreg - Triple C	Implementing a set of cost-effective actions to reduce flooding and erosion.	1 Claim Completed
EU Interreg - Upcycle your waste	The programme will run over three years and aims to support SMEs in reducing their running costs by handling and transforming their waste into new resources for the community.	1 Claim Completed
Department for Transport - Capital Funding Grant	Capital Block Funding (Integrated Transport and Highway Maintenance)	Completed

Grant	Description	Status as at 6/4/2021
Department for Transport - Capital Funding Grant	Capital Block Funding (Integrated Transport and Highway Maintenance) (Live Lab Trials)	Completed
Department for Transport - Capital Funding Grant	Local Transport Capital Block Funding (National Productivity Investment Fund)	Completed
Connecting Europe Facility – Capital Grant	A2-M2 works	Completed
Department for Transport - Capital and Revenue Funding Grant	Kent Traffic Management System: (Operation Brock) grant	Completed
Department for Transport - Capital Funding Grant	Network Requirements for Additional Work at Manston	Completed
Department for Transport - Capital Funding Grant	Ashford Truck Stop Works and Ashford Borough Council	Completed
Department for Transport – Bus Service Revenue Grant	Kent County Council Bus Service Operators Grant	Completed
Department for Transport – Capital Funding Grant	Kent County Council Active Travel initiatives - Cycle Lanes	Completed
Department for Transport – Capital Funding Grant	Ashford Sevington (former MOJO site) – development of in-land customs clearance centre	Completed
Department for Transport – Bus Service Operators Grant	Walmer Bus Service operators grant certification.	Completed

Appendix C – Summaries of Completed Audit Reviews

A1 – CA07-2021 Information Governance – Remote Working

Audit Opinion	**Adequate**
Prospects for Improvement	**Good**

There is a framework in place to support information governance within the Council. However, a number of enhancements were identified which relate specifically to the current remote working environment. Guidance on some aspects of remote working have been published on Knet although they are not yet embedded into policy and staff understanding of how to manage information governance risks is inconsistent.

Key Strengths
- Guidance has been published on Knet regarding remote working.
- There have been regular Kmail communications to staff regarding elements of remote working arrangements.
- The majority of the KCC workforce has up to date training for Information Governance and Data Protection.
- Training is available to staff on the Delta platform relating to Cyber Security and 'top tips' for home working, although this is not a mandatory training requirement.
- There are adequate mechanisms in place to monitor and report Data Breaches.
- A staff perception survey undertaken for this audit identified good awareness of requirements to lock their work screen when unattended and 89% felt they had adequate guidance for working remotely.

Areas for Development
- Policies and Procedures have not been reviewed during the prolonged period of remote working.
- The staff perception survey identified a number of areas where staff awareness was.
- The completion of mandated Information Governance training is fairly high at 84% however there is scope for improvement. A small number of staff have not undertaken this training for over 5 years.
- There has been no specific risk assessment of the workforce shifting to a remote working environment.
- A small number of devices do not contain the most recent update of the Corporate VPN. These exceptions should be investigated to confirm their status and update them if necessary.
- The number of data breaches has increased since moving to a remote working environment. Data breaches was raised as an audit issue in a previous audit, so the issue has not been repeated in this report.

Prospects for Improvement
Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:
- There are established Information Governance Groups (Cross Directorate Information Governance Group and Corporate Information Governance Group) in place to discuss and address Information Governance issues.

Summary of management responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	NA
Medium Risk	5	5	NA
Low Risk	0	0	NA

A2 - CA09-2021 Office Cleaning Arrangements

Audit Opinion	**Substantial**
Prospects for Improvement	**Good**

In response to the Covid-19 pandemic and to support staff returning to KCC premises, an enhanced cleaning specification was put in place. This aligns with guidance from central government and the Health and Safety Executive (HSE) and there are sound processes to monitor performance and quality of cleaning.

Internal Audit interviewed members of staff working at 4 KCC Covid-secure sites - Invicta House, Worrall House, Montague House and Thistley Hill. Staff are generally aware of their responsibilities as part of the enhanced cleaning specification and do not have concerns over the availability of cleaning products and hand sanitiser. However, there is a general lack of understanding from KCC staff regarding how to appropriately raise issues relating to cleaning with the TFM helpdesks.

Key Strengths
- KCC staff are generally aware of their responsibilities under the enhanced cleaning specification.
- The TFM contractors and sub-contractor clearly understand their roles and responsibilities and this has been communicated to their staff.
- The enhanced specification aligns to central government and HSE guidance.
- Performance against the cleaning elements of the TFM contracts is monitored and KPI data verified.
- Complaints are reviewed and action taken where appropriate.
- The quality of cleaning is monitored by KCC Infrastructure teams, TFM contractors and the sub-contractor.
- Additional cleaning products are stored securely.

- Cleaning audits are fully completed including checking quality against the enhanced specification and level of consumables.
- At the sites visited during the audit, hand sanitiser and antibacterial wipes are readily available to staff and replenished frequently.

Areas for Development
- 25% of staff interviewed highlighted instances where cleaning could be improved, such as dust levels on unused desks, however, staff had not raised these concerns with the TFM helpdesks.
- There is a lack of awareness by KCC staff regarding how to raise a concern if they needed to.

Prospects for Improvement
- During the audit, the quality of cleaning at one site was found not to be in line with the cleaning specification. However, remedial action was swift and continues to be monitored to ensure ongoing consistency.
- Management were engaged throughout the audit and have responded positively to the issue raised

Summary of management responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	n/a	n/a
Medium Risk	1	1	0
Low Risk	0	n/a	n/a

B1 – AD07-2021 Care Act Easement - Advisory

Introduction

Under the Coronavirus Act 2020 (CvA 2020), some duties on local authorities imposed by the Care Act 2014 were lifted. These are known as the Care Act easements. Government guidance accompanying the CvA 2020, required local authorities only to exercise the Care Act easements under specific circumstances. The guidance included a 4-stage decision-making process, with the first two stages seeing the local authority operating under the pre-amendment Care Act. In the latter two stages, the local authority operates under the Care Act easements.

Internal Audit agreed to review the service area sitreps and identify Stage 2 reported circumstances. Internal Audit assessed the extent to which each service area provided assurance that Stage 2 reported circumstances had not escalated to Stage 3, for example reporting against agreed escalation triggers.

Executive Summary

During the two waves of the Covid-19 pandemic (Spring 2020 and Winter 2020/21), none of the daily situation reporting from ASCH's Service Areas Council flagged the need for the Council to apply Care Act easements to prioritise urgent or acute needs that were at risk of not being met. KCC's Principal Social Worker and Director of Adult Social Services requested that Internal Audit conduct a limited review of the situation reporting to test the extent to which Service Areas were reliably reporting they were able to meet the Council's Care Act duties in full.

Internal Audit reviewed the collated responses from 47 sitreps submitted on 14 April 2020 and 51 sitreps submitted up to 13 January 2021. The provided information did not provide enough insight into the performance of the Service Areas to afford Internal Audit the means to assess confidently that the Service Areas were meeting their respective duties under the Care Act (prior to amendment by the Coronavirus Act 2020). Furthermore, Internal Audit could not determine the proximity that Service Areas were to operational boundaries where Care Act easements would have been required.

C1 – RB25-2021 Children Missing Education

Audit Opinion	**Substantial**
Prospects for Improvement	**Good**

Internal Audit found that the controls in place to identify, track and support children who are reported missing back into education are operating effectively. There are very good process documents in place.

Internal Audit acknowledges that since March 2020. following the spread of Covid19 there has been a significant increase in CME cases and referrals, which has had a major impact on staff and resources.

Key Strengths

- Written policies and procedures, including roles and responsibilities, have been formally agreed, are regularly reviewed and updated have been and communicated to staff.
- The Digital Front Door is a single point of access for reporting CME referrals
- Internal and external networks and key points of contacts are established.
- A database is in place for recording and monitoring CME cases
- Procedures are in place for safeguarding concerns to be reported to the appropriate authorities.
- There are robust multi-agency systems in place to identify and track children missing from education, or at risk of doing so.
- There are adequate processes in place to ensure that appropriate full-time education is arranged once the child has been located.
- Annual reports are produced for CME. In addition, on a termly basis a report is compiled of various stats and shared with relevant stakeholders.
- There are links and attendance on external groups both reginal and national to ensure that any cross-group issues can be discussed and understood.
- The number of CME complaints received is minimal.

Areas for Development

- Procedural documents could be amended to included guidance on the processes to be followed regarding dormant cases and the checks carried out regarding data quality accuracy.
- Inaccuracies have been identified with regards to the reporting element of Synergy which do not reflect the details retained within the actual system.

Prospects for Improvement

Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:

- The CME team has continually functioned despite a significant increase in CME cases and referrals, which has had a major impact on staff and resources.
- The issues raised within this audit report have been accepted and action plans provided to address these.
- Testing of open CME cases identified occasions whereby there have been significant delays with responses being received from Special Educational Needs team (SEN) and in some cases this has been as long as 10 months. Monthly reports are issued to the SEN of such cases. The CME team are aware of these delays and are working towards improving this.

Summary of Management Responses

	Number of Issues Raised	Management Action Plan Developed	Risk Accepted and No Action Proposed
High Risk	0	0	0
Medium Risk	2	2	0
Low Risk	0	0	0

D1 – ICT04-2021 ICT Firewall Management of Rulesets

Audit Opinion	**Substantial**
Prospects for Improvement	**Good**

KCC is migrating its services from its Data Centres to the Cloud (Microsoft Azure), as per its ICT Strategy. Firewalls protect the perimeter of KCC's network and systems in its data centres, on-premises and within the Cloud.

This year, ICT successfully responded to the pressures brought about by the Pandemic, including the overnight transition in the way users accessed KCC systems and data to support wide-spread remote working. There has been a multiple increase in user traffic across the firewalls, with focus on meeting that new capacity requirement and providing a stable platform for users. Two additional firewalls, purchased prior to the Pandemic as a contingency for Brexit, were configured to support the existing devices.

Internal Audit found that the firewall equipment is monitored regularly, event logs are analysed, and changes made to respond to external threats. All changes were formally risk assessed, supported with detailed implementation plans and appropriately authorised. Some issues were identified in relation to review of the firewall rules, replacement of the current firewall software and treatment of the low-risk vulnerabilities identified during the last IT Health Checks.

Key Strengths
- Policies and Procedures are up-to-date and available to staff.
- Experienced and knowledgeable staff.
- External firewalls were placed in clustered pairs for resilience.
- All firewall changes are formally risk assessed, reviewed and authorised.
- Rules could be tracked back easily to the change request.
- The firewall logging and audit features are enabled.
- Complex passwords are used on all perimeter network equipment

- Morning checks are carried out on the status of the firewalls by both KCC ICT and CBS.
- Event logs are analysed using a security incident event management tool and action is taken to investigate threats and reported incidents.
- Unique, complex, extra-long
- Annual IT penetration testing and a review of the firewall rules are carried out.
- No Critical, High or Medium risk vulnerabilities were found on the firewalls during the most recent (October 2020) penetration testing.

Areas for Development
- Firewall software is at the end of its life. No plan for its replacement has yet been created.
- The regular exercise to identify and remove any unused rules has not been carried out since June 2019 and no action has been taken to treat the low-risk vulnerabilities identified by the last IT Health Checks.

Prospects for Improvement
- Adequate resources were in place for the management and monitoring of the firewalls.
- All staff interviewed were eager to further increase the security and resilience of the network perimeter equipment.

Summary of Management Responses

	Number of Issues Raised	Management Action Plan Developed	Risk Accepted and No Action Proposed
High Risk	0	0	0
Medium Risk	1	1	0
Low Risk	1	1	0

D2 CA05-2021 - Data Security and Protection Toolkit Compliance Review

Audit Opinion	**Substantial**
Prospects for Improvement	**Good**

There is a clear submission framework which details roles and responsibilities, timetable, allocation of assertions to 'owners', process for gathering the evidence, guidance to complete the toolkit and governance arrangements.

Internal Audit found that for the 10 sub-assertions tested in detail, the quality of evidence provided to support the Council's submission and self-assessed rating was generally good and up to date. An assessment of the rating for these sub-assertions is attached in Appendix C to this report.

Key Strengths
- The SIRO and Deputy SIRO are responsible for the submission of the DSP Toolkit 2020/21
- This is an approved submission framework which enables the assignment of roles and responsibility (with deadlines) to assertion owners
- An on-going assertion evidence update regime is in place, to ensure the relevance of the evidence held during the year
- Dedicated support staff administer the Toolkit, including archiving of the MS Teams tool and SharePoint DSP Toolkit information
- The support team adapted quickly to late changes in requirements by NHS Digital – including changes to some assertions.
- There is strong communication between all staff involved. Tools such as MS Teams and Sharepoint are used effectively to evidence updates and respond to queries.
- Testing of a sample of 10 sub-assertions found that generally the evidence available was up to date and sufficient. There was only one where Internal Audit considered that the information provided could be enhanced (see Areas for Development below).

Areas for Development
- Testing of a sample of 10 sub-assertions identified one area which could be further enhanced to support the toolkit requirements:
  - Sub-Assertion 7.2.1 - The response to this assertion did not make reference to the server room incident on 30th January 2021, with a further outage on the 1st February 2021, which acted as a 'real life' test of data and cyber security aspects of the business continuity plan.

Prospects for Improvement
- The Council has a good track record of completing previous submissions of the toolkit in line with the deadlines set by NHS Digital.
- The approved submission framework is reviewed annually to incorporate and reflect changes prescribed by NHS Digital
- The administration of management of the DSP Toolkit submission (using Microsoft Teams linked to a SharePoint site) has been improved year-on-year.
- A formal review of evidence by the SIRO and Deputy SIRO is planned before final submission of the DSP Toolkit in June 2021.
- If an assertion is not fully completed, the Council has the opportunity to provide an Improvement Plan to address these areas, which will be assessed by NHS Digital.
- There is an ongoing process to ensure that the evidence held remains current and relevant.

Summary of management responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	0
Medium Risk	1	1	0
Low Risk	0	0	0