INTERNAL AUDIT PROGRESS REPORT

GOVERNANCE AND AUDIT COMMITTEE

21 July 2022

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 effectiveness 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 10 summaries of completed work between April to June 2022.

2.   Key Messages

- 10 audits have been finalised in the period reported. See **Appendices A and B**
- 40 of 55 audits from the 2021/22 Audit Plan are either in progress, at draft report or complete
- 48 grants / certifications have been certified since 01 April 2021. See **Appendix C and D**
- Implementation of agreed actions is at 41% which is on par with the previous period. See **Appendix E**
- 1 agreed action had not been implemented as this is reliant on Central Government Conditions. See **Appendix E**

3.1 - 2021/22 Internal Audit Plan

This report provides an update on the work completed between April to June 2022 against the 2021/22 Audit Plan. Since the previous Committee, progress has continued with 53% of the Plan now either completed or at Draft Report stage. A further 20% of the Plan is either in planning or currently in progress. The audits which have been deferred / removed from the Audit Plan, has primarily been to allow audit resources to be diverted to the SEND Transport Lessons Learned Review. Details of the status of the overall completion of the Audit Plan is illustrated in **Table 1** below.

Table 1 – Status of 2021/22 Audit plan

Status	No Audits	%
Not Started	0	0
Planning	1	2%
Fieldwork	3	5%
Draft Report	4	7%
Complete	25	45%
Ongoing	7	13%
Deferred / Removed	15	27%

3.2 - 2022/23 Internal Audit Plan

The 2022/23 Internal Audit Plan was approved by Members at the April Governance and Audit Committee. Work on a number of the 2022/23 audits has already commenced. A full progress update against the 2022/23 Internal Audit Plan will be reported to Members in September 2022.

3.3 - Resources

In accordance with the Public Sector Internal Audit Standards, Members need to be appraised of relevant matters relating to the resourcing of the Internal Audit function. A large amount of the team's resource is currently deployed to the SEND Transport Lessons Learned review.

The recently appointed Principal IT Auditor left the Team at the end of June 2022. A number of options are currently being considered to deliver the IT audit provision.
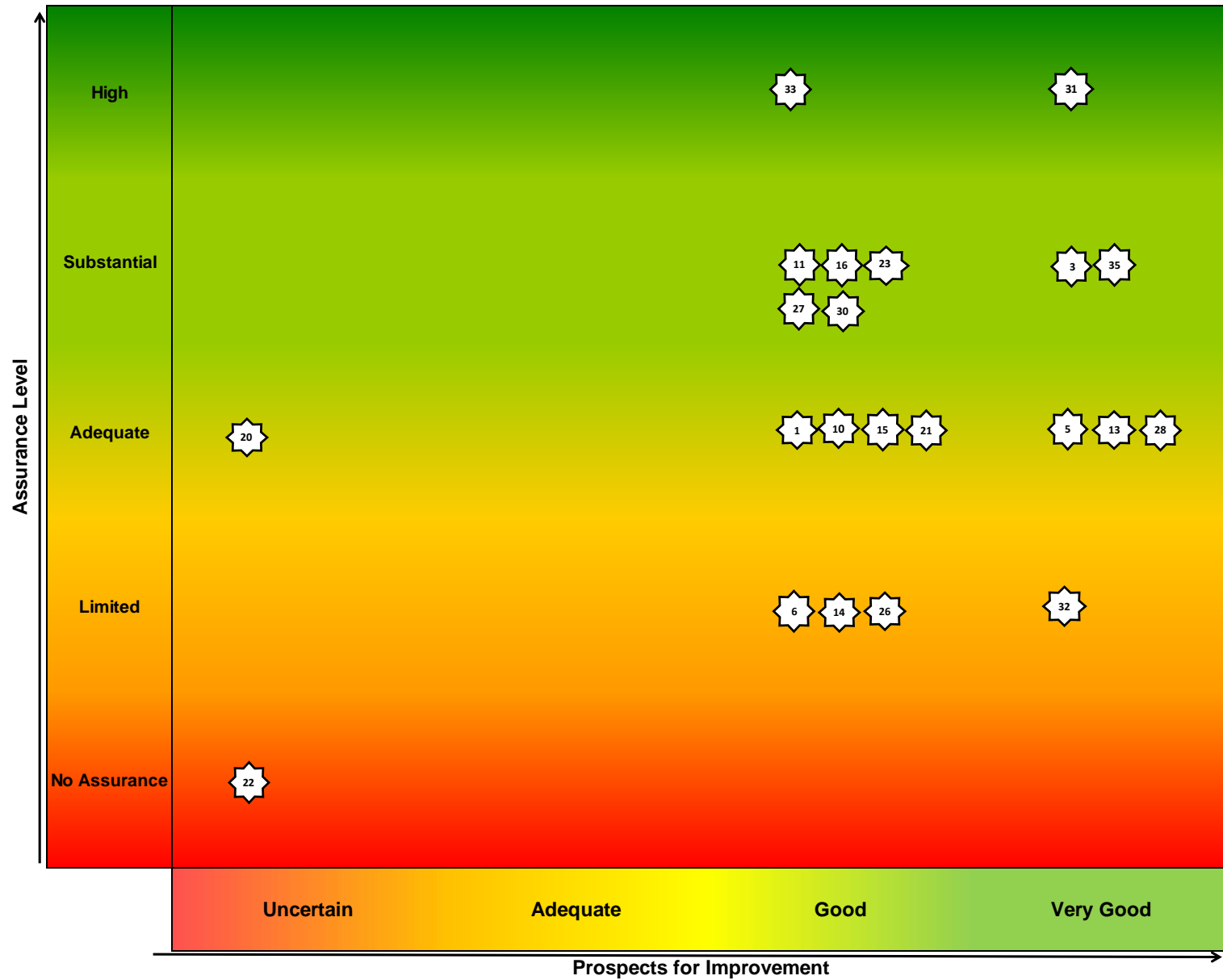
Table 2 – Summary of Audits by Committee Meeting

	Governance & Audit Committee – 30 November 2021		
	Audit	**Assurance**	**Prospects for Improvement**
1	Schools Themed Review - Cyber Security (**EXEMPT**)	ADEQUATE	GOOD
2	Imprest Accounts Follow-up (**EXEMPT**)	N/A	N/A
3	ACCESS Pool	SUBSTANTIAL	VERY GOOD
4	Strategic Commissioning Follow-up	N/A	N/A
5	Cyber Security - Management of Backups for Applications, Data and active Network Devices (**EXEMPT**)	ADEQUATE	VERY GOOD
6	Records Management	LIMITED	GOOD
7	ASCH Day Care Centre Review (**EXEMPT**)	N/A	N/A
8	Information Governance Assurance Map Update	N/A	N/A
9	Sessions House Data Centre Failure – Lessons Learnt Review (**EXEMPT**)	N/A	N/A
	Governance & Audit Committee – 25 January 2022		
10	Searchlight – Data Breaches	ADEQUATE	GOOD
11	General Ledger	SUBSTANTIAL	GOOD
12	Urgent Payments Follow Up	N/A	N/A
13	Data Protection – Adult Social Care & Health	ADEQUATE	VERY GOOD
14	Provider Invoicing	LIMITED	GOOD

|	Governance & Audit Committee – 27 April 2022		
15	Strategic Reset Programme – Top Tier Governance	ADEQUATE	GOOD
16	Data Security Protection Toolkit Audit	SUBSTANTIAL	GOOD
17	ICT Cyber Security Assurance Map **(EXEMPT)**	N/A	N/A
18	Strategic Reset Programme – People Strategy	N/A	N/A
19	Risk Management – Position Statement	N/A	N/A
20	ICT Cloud Strategy, Security and Data Migration	ADEQUATE	UNCERTAIN
21	Declaration of Interests Members	ADEQUATE	GOOD
22	Gypsy & Traveller Service – Site Allocation & Pitch Fee Collections	NO ASSURANCE	UNCERTAIN
23	New Grant Funding	SUBSTANTIAL	GOOD
24	Ashford Sevington Grant Certification	N/A	N/A
25	CIPFA Financial Management (FM) Code	N/A	N/A
26	Property Infrastructure – Functions and Processes Transferred to KCC from Gen2	LIMITED	GOOD

	Governance & Audit Committee – 21 July 2022		
27	CS04-2022 Payroll	SUBSTANTIAL	GOOD
28	RB12-2022 Contract Management (ASCH)	ADEQUATE	VERY GOOD
29	RB19-2022 Accommodation for Young People / Care Leavers Follow Up	N/A	N/A
30	RB32-2022 New Local Infrastructure Projects Across Kent (SELEP)	SUBSTANTIAL	GOOD
31	RB20-2022 Business Continuity Planning (CYPE)	HIGH	VERY GOOD
32	RB18-2022 Supervision of Social Workers	LIMITED	VERY GOOD
33	RB09-2022 Public Health Covid-19 Ring-Fenced Grants	HIGH	GOOD
34	RB03-2022 Enterprise Business Capabilities (Oracle)	N/A	N/A
35	RB23-2022 Information Governance (CYPE)	SUBSTANTIAL	VERY GOOD
36	DP1-2022 Provider Data Protection Themed Review	LIMITED	N/A

2021/22 Audit Assurance Levels and Prospects for Improvement of Audits

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

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

- High: 33 (Good), 31 (Very Good)
- Substantial: 11, 16, 23 (Good); 3, 35 (Very Good); 27, 30 (Good)
- Adequate: 20 (Uncertain); 1, 10, 15, 21 (Good); 5, 13, 28 (Very Good)
- Limited: 6, 14, 26 (Good); 32 (Very Good)
- No Assurance: 22 (Uncertain)

Assurance Level	No	%
High	2	9%
Substantial	7	30%
Adequate	8	35%
Limited	5	22%
No	1	4%

Assurance Levels 2021/22
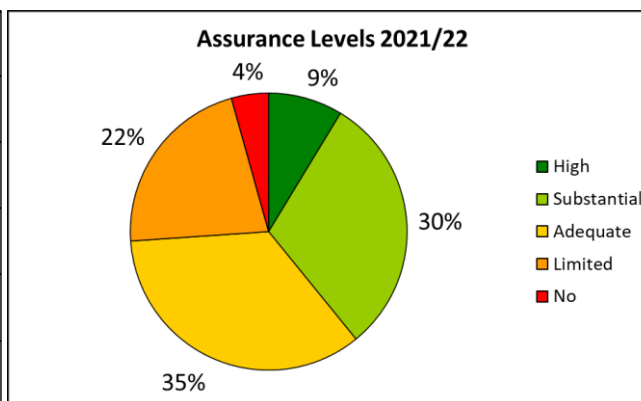
3.4 Grant Certification Work:

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 certifications is an ongoing commitment of Internal Audit resources which requires adherence to strict timescales for the certification of claims submitted.

In **2021-22**, the team has audited and certified Interreg 42 grant claims with a value of **€4,129.864**. Additional On the Spot (enhanced re-audit) for 10 grant projects have been completed with a further 1 On the Spot checks currently in progress.

In **2022-23** the team has audited and certified Interreg 6 grant claims with a value of **€721,814**.

The Audit team also certifies Interreg grant claims for external clients with 4 claims having been certified in 2021/22, and 1 claim being certified in 2022/23.

Grant work is also completed by the Audit team in respect of validating expenditure of various UK Government Grants awarded for activities such as Highways Travel Demand Management and Bus Service Operators Grant.

Details of all certifications for **2021-22** can be seen at **Appendix C**.

Details of all certifications for **2022-23** can be seen at **Appendix D.**

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.

Audit Definitions are provided at **Appendix F**.

(A) Adult Social Care and Health	(B) Children, Young People and Education
A1. RB12-2022 Contract Management A2. RB18-2022 Supervision of Social Workers A3. RB09-2022 Public Health Covid-19 Ring Fenced Grants	B1. RB20-22 Business Continuity Planning B2. RB19-2022 Accommodation for Young People / Care Leavers Follow Up B3. RB23-2022 Information Governance
(C) Growth, Environment and Transport Cross Directorate	(D) Strategic and Corporate Services
C1. RB32-2022 New Local Infrastructure Projects Across Kent – South East Local Enterprise Partnership (SELEP)	D1. CS04-2022 Payroll D2. RB03-2022 Enterprise Business Capabilities (Oracle) D3. DP1-2022 Provider Data Protection Themed Review
(E) Cross Directorate	

## 5.	Implementation of Agreed Actions

5.1	Details of the year end position on the implementation of actions from Internal Audit reports is set out below and at **Appendix E**. This sets out the implementation status of 78 actions, categorised by the age of actions assigned to the original report.
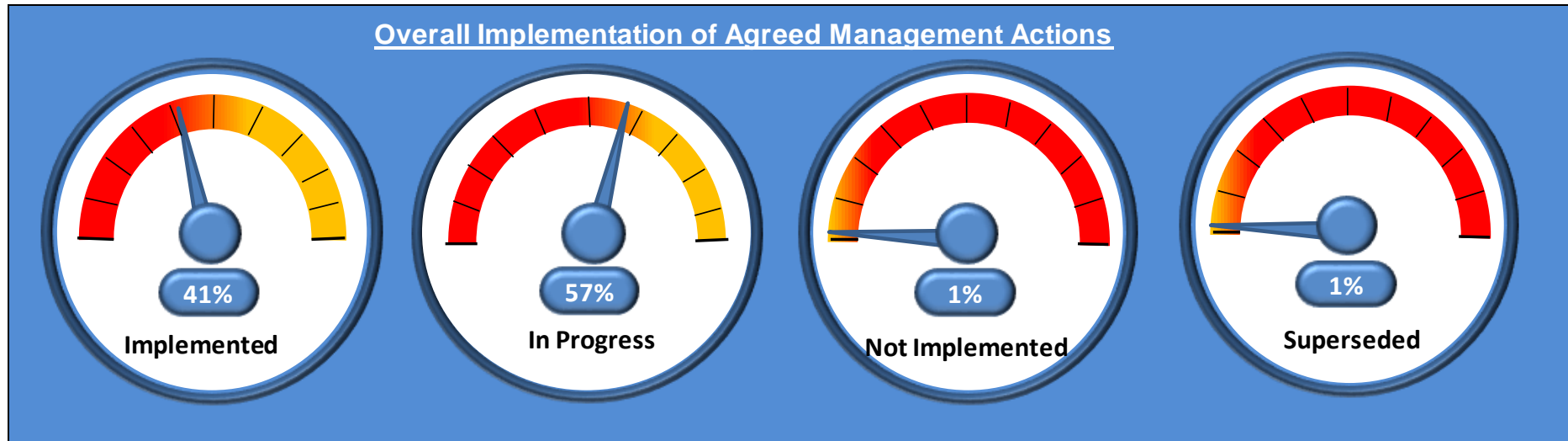
Summary of Action Implementation

Risk Priority	Total Number due for implementation		Implemented		In Progress		Not Implemented		Superseded	
	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium
Total	22	56	10	22	11	33	0	1	1	0
Total %			45%	39%	50%	59%	0%	2%	5%	0%

5.2	Table below highlights key points and a decline in the direction of travel:

Summary of Implementation of Actions 2020-21 to 2021-22

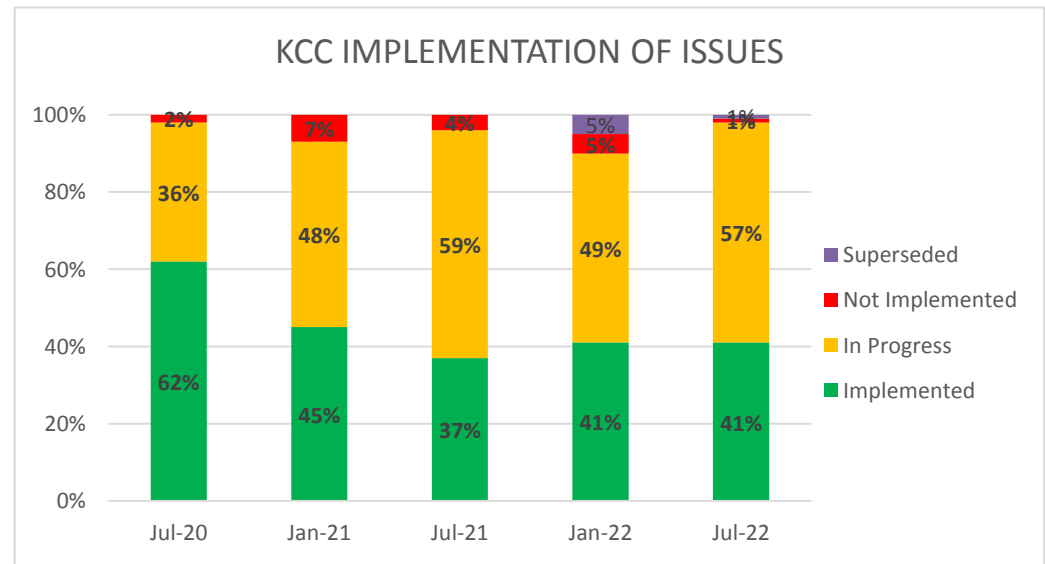| Indicator	20-21	21-22	Change
High Ranked Actions Implemented	31%	45%	⬆
Medium Ranked Actions Implemented	39%	39%	▬
High and Medium Ranked Actions Implemented	37%	41%	⬆
High Ranked Actions in Progress and not Fully Implemented	62%	50%	⬇
Medium Ranked Actions in Progress and not Fully Implemented	58%	59%	⬆
High and Medium Ranked Actions in Progress and not Fully Implemented	59%	57%	⬇

Overall Implementation of Agreed Management Actions

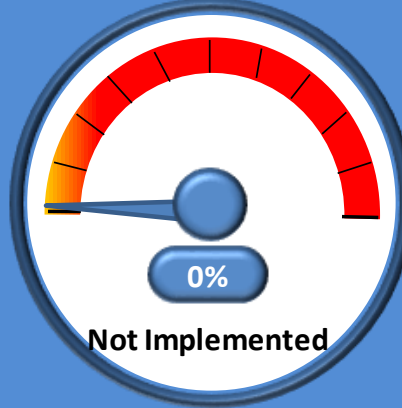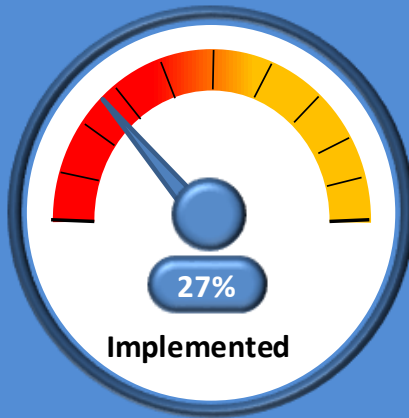| 41%	57%	1%	1%
Implemented	In Progress	Not Implemented	Superseded

5.3   The analysis of the implementation of actions to address internal control and risk management actions following Internal Audit reports, this highlights a more stable position in 2021-22 for the majority of implementation indicators compared with the previous financial year as shown in the graph.

5.4   Implementation of issues has remained stable, however, and the overall full implementation rate of 41% leaves room for significant improvement. A dashboard of outstanding actions has been developed and shared with Directorates to aid implementation toward the suggested improvement.

5.5   Internal Audit maintains analysis of outstanding recommendations across all Directorates', and this is utilised in the monitoring and promotion of action implementation, as illustrated in the following graphics:

KCC IMPLEMENTATION OF ISSUES

	Jul-20	Jan-21	Jul-21	Jan-22	Jul-22
Superseded				5%	1%
Not Implemented	2%	7%	4%	5%	1%
In Progress	36%	48%	59%	49%	57%
Implemented	62%	45%	37%	41%	41%

ASCH Implementation of Agreed Management Actions

Implemented	In Progress	Not Implemented	Superseded
27%	73%	0%	0%

CYPE Implementation of Agreed Management Actions

Implemented	In Progress	Not Implemented	Superseded
80%	20%	0%	0%

GET Implementation of Agreed Management Actions

50% Implemented

50% In Progress

0% Not Implemented

0% Superseded

ST Implementation of Agreed Management Actions

36% Implemented

60% In Progress

2% Not Implemented

2% Superseded
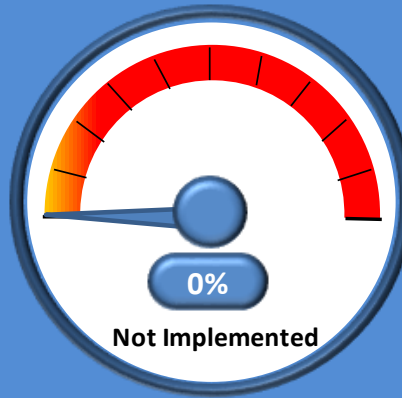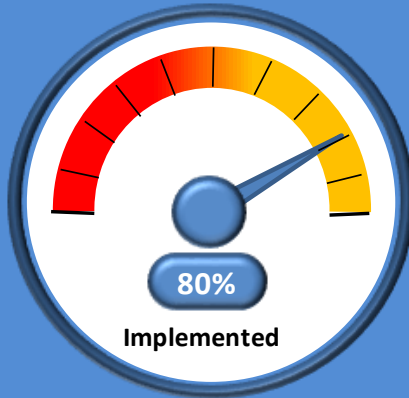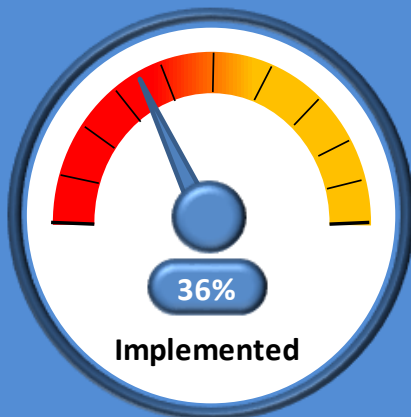
Programmed Follow Ups

5.6   As part of the 2021-22 Internal Audit Plan, some in depth follow ups were undertaken of areas where, mainly, in the previous year audit opinions had been Limited, with the following results:

Programmed Follow Ups 2020-21

Audit	Previous Opinion	Number of Issues Previously Raised		Implemented		In Progress		Not Implemented	
		High	Medium	High	Medium	High	Medium	High	Medium
Urgent Payments	Limited	3	3	3	3	0	0	0	0
Accommodation for Young People / Care Leavers	Limited	3	2	3	1	0	1	0	0
Total		6	5	6	4	0	1	0	0

5.7   The Urgent Payments Follow Up audit highlighted that there had been significant progress since the original audit including completion of all management actions for the 3 high and 3 medium priority issues that were raised.

5.8   There has been good progress in the full implementation of agreed actions with 91% fully implemented. Revised audit opinions have not been given for the three of the audits because of the limited scope of the follow-up, which focussed only on the areas where issues were raised in the previous report. Where action remains outstanding, revised dates for implementation have been agreed and these will be followed-up to their conclusion.

Appendix A – 2021/22 Internal Audit Plan Status

Ref	Audit	Status	Assurance
CA01	Annual Governance Statement	Planning	
CA02	Corporate Governance	Ongoing	
CA03	Equalities Act 2010 Duties	Draft Report	
CA04	Future of Sessions HQ	Deferred to 2022/23	
CA05	Information Governance Assurance Mapping Update	Final Report	N/A – GAC November 2021
CA06	Records Management Follow Up	Deferred to 2022/23	
CA07	Risk Management	Final Report	N/A – GAC April 2022
CA08	Strategic Commissioning	Deferred to 2022/23	
CS01	CIPFA Financial Management Code	Final Report	N/A – GAC April 2022
CS02	General Ledger	Final Report	Substantial – GAC January 2022
CS03	Imprest Accounts Follow Up	Deferred to 2022/23	
CS04	Payroll	Final Report	Substantial – GAC July 2022
CS05	Pension Scheme Admin	Deferred to 2022/23	
CS06	Urgent Payments Follow Up	Final Report	N/A – GAC January 2022
CR01	Annual Audit Opinion	Ongoing	
CR02	Annual Governance Statement	In Progress	
CR03	Information Governance Steering Group	Ongoing	
CR04	Provider Invoicing	Final Report	Limited - GAC January 2022
RB01	Declaration of Interests (Members)	Final Report	Adequate – GAC April 2022
RB02	Engagement of Consultants	Deferred to 2022/23	
RB03	Enterprise Business Capabilities (Oracle) – Strategic Reset Programme	Final Report	N/A – July 2022
RB04	Information Governance – DSP Toolkit	Final Report	Substantial – GAC April 2022
RB05	KCC Estate Review – Strategic Reset Programme	Ongoing	
RB06	New Grant Funding	Final Report	Substantial – GAC April 2022
RB07	People Strategy – Strategic Reset Programme	Final Report	N/A – GAC April 2022
RB08	Property Infrastructure – Functions and Processes Transferred from Gen2	Final Report	Limited – GAC April 2022
RB09	Public Health – Covid 19 Ring Fenced Grants	Final Report	High – July 2022
RB10	Schools Financial Services	Deferred to 2022/23	
RB11	Strategic Reset Programme – Programme Governance	Final Report	Adequate – GAC April 2022
RB12	Contract Management (ASCH)	Final Report	Adequate – GAC July 2022
RB13	Data Protection (ASCH)	Final Report	Adequate – GAC January 2022

Ref	Audit	Status	Assurance
RB14	Individual Contracts with Care Providers (ASCH)		Deferred to 2022/23
RB15	Making a Difference Every Day (MADE) Assurance Board	Ongoing	
RB16	Provider Failure (Assurance Mapping)		Deferred to 2022/23
RB17	Safeguarding Assurance Map (ASCH)		Deferred to 2022/23
RB18	Supervision of Social Workers	Final Report	Limited – GAC July 2022
RB19	Accommodation for Young People / Care Leavers Follow Up	Final Report	N/A – GAC July 2022
RB20	Business Continuity Planning (CYPE)	Final Report	High -GAC July 2022
RB21	Change for Kent Children – Strategic Reset Programme	Ongoing	
RB22	Foster Care – Transition to Shared Lives		Deferred to 2022/23
RB23	Information Governance (CYPE)	Final Report	Substantial – GAC July 2022
RB24	Safeguarding Assurance Map Update (CYPE)		Deferred to 2022/23
RB25	School Themed Review – Corporate Credit Cards	Draft Report	
RB26	SEN Assurance Mapping		Deferred to 2022/23
RB27	Traveller Service – Site Allocation and Pitch Fee Collections	Final Report	No Assurance - GAC April 2022
RB28	Highways Term Maintenance Contract	Ongoing	
RB29	Inland Border Posts / Decision Making and Financial Management	In Progress	
RB30	Kent and Medway Business Fund	In Progress	
RB31	Kent and Medway Energy and Low Emissions Strategy		Deferred to 2022/23
RB32	New Local Infrastructure Projects Across Kent (SELEP)	Final Report	Substantial – GAC July 2022
ICT01	Cyber Security Assurance Map Update	Final Report	N/A GAC April 2022
ICT02	Information Technology Risk Management		Deferred to 2022/23
ICT03	IT Cloud Strategy, Security and Data Migration	Final Report	Adequate - GAC April 2022
ICT04	IT Data Security Audit for DSP Toolkit	Draft Report	
ICT05	Prevention of ICT Data Centre Outages Follow Up	Final Report	N/A GAC November 2021
DP1	Provider Data Protection	Final Report	Limited GAC July 2022

Appendix B – Audit Summaries

A1 – RB12-2022 – Contract Management (ASCH)

Audit Opinion	Adequate
Prospects for Improvement	Very Good

The Table below shows the RAG rating of each contract against the five areas tested within the Contract Management audit.

Contract	Governance	Performance Management	Variations	Charging & Invoicing	Risk Management
Older Peoples Nursing & Residential Care	🟨	🟧	🟩	🟨	🟨
Care in the Home	🟧	🟧	🟩	🟨	🟨
Kent Employment Services	🟨	🟩	🟩	🟨	🟩

Key
Controls are adequate and operating effectively
Low to medium priority control weaknesses identified
Medium to high priority control weaknesses identified

Key Strengths:
- Contract management guidance is in place.
- Governance arrangements for managing contracts and relationship is in place.
- Regular performance reports are in place.
- Sanctions and escalation process for managing framework providers' underperformance have been written into framework contracts.
- Change control process are set out in the contracts and the contract variations examined were found to have been approved by both parties.
- Providers are notified of the agreed schedule of rates in writing, and it was found that the agreed rates are accurately setup on the Mosaic to help facilitate the invoice matching process.
- 94% of invoices submitted by the providers tested were paid in a timely manner.

Areas for Development:
- There is no formal contract management process in place where Care in the Home providers have individual contract placements.
- Key Performance Indicators (KPIs) are not being used as a contract management tool in respect of Care in the Home providers, as well as Older Peoples Nursing & Residential Care providers.
- ASCH inherit some placements at providers which are above its risk appetite, with full liability for risks should they materialise.
- In the event of inadequate performance, the Care in the Home framework providers tested did not give a written response to justify why and what remedial action is being taken under the agreed escalation process.
- Issues raised and recorded in the Strategic Commission's intelligence log are not assigned a risk or priority rating, and there is no evidence that high risk/priority issues are formally escalated and reported to senior management on a regular basis.
- There are a number of known system issues with the Mosaic Provider Portal (MPP) that if left unresolved may increase the level of invoicing errors/issues and may cause a delay to paying providers, which may hinder the objectives of moving provider payments to Mosaic.

Prospects for Improvement

Our overall opinion of Very Good for Prospects for Improvement is based on the fact that there is an adequate control framework in place for managing contracted providers, and there is increased focus on minimising the use on non-contracted providers.

Summary of Management Responses

Risk Rating	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action Proposed
High	1	1	0
Medium	4	4	0
Low	1	1	0

A2. RB18-2022 Supervision of Social Workers

Audit Opinion	Limited

Areas for Development
- One Supervisor has been supervising for seven years without any

Prospects for Improvement	**Very Good**

The audit identified the following strengths and areas for development:

Key Strengths
- Clear, up to date policies and procedures are in place to govern social work supervision. These are reviewed and updated annually.
- Regular 1 to 1 supervision of Social Workers takes place.

Areas for Development
- Storage of confidential client and supervision files did not always have restricted access.
- All the sampled Social Workers had a Supervision Agreement in place. However, there was not a procedure in place to review Supervision Agreements leading to out-of-date agreements. Additionally, the agreements were not always signed by both parties.
- Supervisors were not always aware of their information governance responsibilities around the retention of documents.
- Quality assurance (QA) is not consistently carried out on supervision with multiple different templates for supervision notes being used. Additionally, no QA outcomes are reported to Corporate Management Team and there is no mechanism in place to check the frequency of supervision meetings. However, Internal Audit was informed that a Quality Assurance Framework is being developed and currently in draft form which would address these issues.

supervision training, despite training being available.
- Supervision notes did not always capture the responsible officer or timescales for actions and the notes were not always signed by both parties.
- There was a lack of communication between a leaving Supervisor and a new Supervisor, to ensure regular supervision was maintained. This resulted in one Supervisee not receiving regular supervision. Supervisors and Supervisees have a joint responsibility to ensure that regular supervision is taking place. However, the Supervision Policy makes no reference to Supervisee's having this responsibility.

Prospects for Improvement
The overall opinion of **Very Good** for Prospects for Improvement is based on the following factors:
- Management have been cooperative and have agreed actions which seek to resolve the issues identified by the audit review in full.
- The corrective actions required to control the risks identified can feasibly be implemented within a reasonable timeframe.

Summary of Management Responses

	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action Proposed
High Risk	1	1	0
Med Risk	4	4	0
Low Risk	2	2	0

A3. RB09-2022 Public Health Covid-19 Ring-Fenced Grants

Audit Opinion	**High**
Prospects for Improvement	**Good**

Key Strengths

- There are robust governance and project management arrangements to ensure that expenditure is adequately monitored and controlled.
- All grants are assigned an individual Oracle Financials project code to facilitate monitoring and analysis of spend.
- Grants are captured in a central spreadsheet (Monitoring Masterfile) that helps to track and monitor spend and includes assessments, approvals, rejections, and Covid Finance Monitoring Group (CFMG) decisions.
- There is exception reporting to the CFMG, Senior Management and Members, examples including the Contain Outbreak Management Fund briefing on 24th August 2021 and the Funding Allocation Summary for endorsement by the CFMG for week commencing 9th September 2021.
- Grants are subject to close monitoring and control of spend.
- Sample testing across the four Public Health Grants confirmed that grants were spent on eligible items / services, as defined in the relevant grant determination letters and guidance.

Areas for Development

- Fraud risk assessments are not routinely considered and performed, and none of the grants reviewed in this audit has been subject to a fraud risk assessment. It should be noted that the potential for fraud was considered when agreeing payments from the grants, although not formally captured in a fully rounded fraud risk assessment. This observation was previously raised in New Grant Funding Audit (reference RB06-2022), that was concluded after the Public Health Covid-19 ring fenced grants were substantially spent.

Prospects for Improvement

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

- The lead officers for grants demonstrated good understanding of the governance framework and controls in place and of the relevant grant conditions.
- Lead officers for grants are now responsible for undertaking fraud risk assessments for any new grants received by KCC (as agreed following the New Grants audit which was finalised in April 2022).

Summary of Management Responses

	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action
High Risk	0	0	0
Med Risk	0	0	0
Low Risk	1	1	0

B1 – RB20-2022 – Business Continuity Planning (CYPE)

Audit Opinion	**High**
Prospects for Improvement	**Very Good**

Internal Audit concluded that there are strong governance arrangements in place which enable the Council to monitor and manage the Directorate's business continuity arrangements, including roles and responsibilities for oversight and sufficient budget and human resources to develop, review and maintain business continuity plans (BCPs) for the Directorate.

Key Strengths

- There are strong governance arrangements in place which enable the Council to monitor and manage the Directorate's business continuity planning arrangements.
- Roles and responsibilities for oversight were clear.
- There is sufficient budget and human resources to develop, review and maintain BCPs for the Directorate.
- BCPs are in place and readily accessible to relevant Officers, capturing the objectives, roles, responsibilities, and actions to be taken during an emergency event.
- Effective internal and external emergency communication methods are in place for staff, suppliers, the public and other stakeholders.
- Comprehensive business impact reviews are undertaken to identify critical services and to enable prioritisation for recovery of core business systems, including IT, and recovery of safeguarding practices.
- Risk assessments are regularly carried out and include both business continuity and operational risks.
- Responsibility for testing and training has been clearly set out and takes place through the resilience forum.
- Business continuity is built into job descriptions.
- New staff are trained on their role during their inductions.
- Communication channels are regularly tested and teams are reminded annually about their BCP's**.**

Areas for Development

- The BCP training module has not yet been rolled out across the Directorate.
- The BCP's do not capture the responsibilities and structure to be applied when taking recovery action following an incident.

Prospects for Improvement

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

- There are sufficient controls in place for the CYPE Directorate to fulfil their legal duty under the Civil Contingencies Act 2004.
- Internal Audit are satisfied that the findings and actions detailed within the audit will be appropriately addressed by management.

Summary of Management Responses

	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action
High Risk	0	N/A	N/A
Med Risk	0	N/A	N/A
Low Risk	2	2	0

B2. RB19-2022 Accommodation for Young People / Care Leavers Follow Up

Audit Opinion	**N/A**
Prospects for Improvement	**N/A**

Follow Up Summary

The follow-up work has identified that four of the five issues raised in the original audit have been fully implemented and closed. The four closed issues are illustrated below:

Issue	Risk Rating	Follow Up Outcomes
High-Cost Placement Panel	High	Implemented
Additional Support Hours	Medium	Implemented.
Housing Costs	High	In Progress. The Shared Accommodation Licence agreement has been delayed due to a Court Case Judgement.
Monitoring of Providers	High	Implemented
In-Touch Records	Medium	Implemented

The following new issue has been raised during the course of the follow up review:

- Liberi has yet to receive the necessary updates to incorporate the enhanced placement.

B3 – RB23-2022 – Information Governance (CYPE)

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

The aim of the audit was to provide assurance by undertaking an independent review and appraisal of the design and effectiveness of the Directorate's Information Governance arrangements and whether these are in line with the Council's procedures, protocols, and expectations. To provide assurance, Internal Audit reviewed the adequacy and effectiveness of the Council's information governance arrangements within CYPE by assessing general compliance and governance arrangements, Information Governance training and communication and the management of data breaches. This review has not assessed the Council's corporate information governance arrangements and focused only on how these are applied within the CYPE Directorate.

Key Strengths

- There are defined Council-wide information governance policies and procedures in place, which are applied and followed by the Directorate, and these are supplemented by CYPE-dedicated policies that are available to members of staff via a dedicated intranet page.
- Privacy notices are in place for services offered by the Directorate, which set out the purpose and procedures for processing user data depending on the nature of the activity. Three privacy notices were sampled in addition to examining the CYPE privacy notice template to assess whether these follow the Council-wide procedures, and no exceptions were identified.
- Information governance responsibilities have been assigned to named individuals. The Assistant Director has overall accountability for data protection and the CYPE Information Governance Lead has operational responsibility for managing the Directorate's information governance controls on an ongoing basis. The roles have been clearly defined as part of the individuals' job descriptions, which outline their expected responsibilities, and a significant improvement in the management of the Directorate's information governance controls was noted since a dedicated Information Governance Lead was put in place.

Prospects for Improvement

- Data mapping and information asset identification exercises have been conducted and there are information asset registers in place that record the information assets that the Directorate holds and processes as well as the systems that are used to process CYPE data.
- The Directorate has a defined process in place for complying with the requirements of the UK GDPR with regards to privacy by design and the rights of the individual through performing Data Protection Impact Assessments (DPIAs). Internal Audit sample tested completed DPIAs to assess whether they are conducted in line with corporate guidance and no exceptions were identified.
- The Directorate has a central record of all data breaches and near misses (using appropriate definitions/thresholds to distinguish between the two) which includes any identified actions or lessons learned as a result of the reported breaches to drive ongoing improvements.
- A dedicated training programme is in place for members of staff with compliance being recorded and monitored. At the time of this audit, the Directorate's compliance with information governance training was at 88% compared with 83% for the Council overall. The Directorate were also beginning to follow up on non-compliance as outlined below.

Areas for Development

- The Council has defined procedures in place for reporting data breaches, which are followed by the Directorate. Internal Audit found that 49% of the Council's total reported breaches in 2021 (389 out of 787) occurred within CYPE, however this is due to the sensitive information that is held and processed by Directorate members of staff and therefore reporting data security incidents is to be expected. The Directorate should continue to endeavour to reduce the level of data breaches. This issue has been raised before within CA06-2020 - CYPE Data Protection Deep Dive Audit undertaken in January 2020 and therefore has not been raised again here.

Summary of Management Responses

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

- Directorate members of staff that have not yet completed their information governance training are to be reminded to complete it and there are arrangements in place for information governance workshops and seminars to be provided at routine intervals during the year by the CYPE Information Governance Lead.

	No. of Issues	Action Plan Developed	Risk Accepted and No Action
High Risk	0	0	N/A
Med Risk	0	0	N/A
Low Risk	0	0	N/A

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

SELEP has three funding streams that have been awarded to fund local growth projects within Kent County Council's area: Local Growth Fund (LGF), Getting Building Funding (GBF) and Growing Places Funding (GPF).

This audit focused on the LGF grant which is the largest source of funding. Between 2015 and 2021, Kent County Council has been awarded £128.656m, which has part-funded 32 projects.

The aim of the audit was to provide assurance that appropriate governance and project management arrangements were in place for projects funded by SELEP, and that they align to the SLA.

Key Strengths

- There is a robust approval process for LGF projects, including sign-off of the business case by the Council's S151 officer, and approval by SELEP Accountability Board.
- Where projects are delivered by a third party, there is a grant agreement between the Council and the third party, which is aligned to the approved business case, and signed by all the parties.
- The Council has a clear and strong governance structure to provide accountability and an effective decision-making process for the management of the LGF funded schemes.
- The Council reports quarterly to SELEP on project financials, progress, milestones, delays, risks, outcomes, and outputs.
- Cabinet members for Environment and Transport are updated quarterly on high-risk projects.
- There is a dedicated Programme Manager for the LGF programme responsible for overseeing progress of the overall programme and for ensuring that risks and issues are escalated as required.
- The risks to the deliverability of each project are initially assessed in the business case and are updated by the project manager in the monthly monitoring return.

- There are established project management arrangements to ensure that projects are monitored and controlled. Each project is assigned an experienced project manager, and they meet regularly with grant recipients and external suppliers to discuss project financials, progress, risks, and issues.

Areas for Development

- There is no assessment of the risk of fraud at individual project or overall programme level.
- For one of the projects tested, the quarterly report to SELEP is not correctly reporting the actual spend to date for Quarters 2 and 3.
- The quarterly report to SELEP does not report on variances between actual spend to date and profile spend.
- Additional inaccuracies and inconsistencies were found in the other sections of the Quarterly report to SELEP.
- Changes to projects are not clearly identified in the quarterly report template to SELEP.
- The monitoring return from the grant recipient is the same template used internally to record financials and progress of all projects. Returns contain information about other projects, which may be confidential and shouldn't be shared with a third party.
- The Terms of Reference of the Sponsoring Group, the body which oversees the governance of the grant for the Council, is dated March 2015 and includes staff members who have left the Council.
- The quarterly update to Cabinet members does not provide a highlight report / overview of performance against the key objectives of the programme.

Prospects for Improvement

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

- Positive response from management to address findings raised in the report, with some already being completed.

Summary of Management Responses

	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action Proposed
High Risk	0	0	N/A
Med Risk	3	3	N/A
Low Risk	4	4	N/A

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

The audit highlighted many strengths. Data analytical checks carried out by Internal Audit found no duplicate employees or payments and there is evidence to support that where payroll errors are identified, the necessary corrections are made promptly.

Areas for development include enhancing arrangements for learning lessons from processing errors and maintaining complete evidence of payroll exception reports run and how exceptions are addressed.

Key Strengths
- Cantium process manuals had been reviewed timely and evidence of review retained in SharePoint Logs.
- No duplicate and/ or 'ghost' employees were identified within the KCC payroll.
- A process for detecting duplicate bank accounts is in place.
- No duplicate payments were identified by Internal Audit.
- The process for confirming a new employee is genuine is adequate in design.
- Sample testing found that each employee had been entered onto Oracle accurately following appropriate authorisation.
- Testing of new starters found that none had been paid before commencement of employment.
- Arrangements for actioning amendments to pay such as sickness and maternity to the payroll are adequately controlled.
- There are adequate arrangements in place to ensure that any changes in legislative requirements are reflected in the payroll production.
- There is an appropriate checking regime for data input and changes.
- There is an adequate suite of exception reporting in place as part of the monthly payroll production.

Areas for Development
- The exception reporting in place could be further enhanced by identifying wider themes/ trends and be used to inform process improvements, through monthly Team leader meetings.

Prospects for Improvement
Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:
- Positive engagement from the auditee during the course of the audit and engaged positively with Internal Audit regarding identified issues and providing evidence where required.

Summary of Management Responses

	No. of Issues Raised	Action Plan Developed	Risk Accepted and No Action Proposed
High Risk	0	0	0
Med Risk	0	0	0
Low Risk	1	1	0

D2. RB03-2022 Enterprise Business Capabilities (Oracle)			
Audit Opinion	**N/A**	**Summary**	

Prospects for Improvement	N/A

There has been significant progress made on the Enterprise Business Capabilities (EBC) Programme since the last update in July 2021, with further substantial progress planned during the remainder of 2022/23. The main updates are as follows:

- The software support contract with Rimini Street continues to operate effectively.
- The migration of Oracle's platform from on-premise to the cloud has been successfully completed.
- The EBC Board is now chaired by the recently appointed Director of Technology.
- There is now a dedicated EBC Programme Manager in post.
- The EBC Board continues to be well attended by key officers, offering a wide breadth of skills and experience
- A strategic outline case (SOC) has been agreed by the EBC Board and reported to the Strategic Reset Programme Board.
- A commissioning framework has been selected for the procurement, with the procurement process anticipated to commence in Autumn 2022.

The Programme continues to be well governed and administered. However, the EBC Risk Register would benefit from review / update to ensure resource risk has been adequately identified, assessed and mitigated in accordance with the Council's risk appetite.

D3. DP1-2022 Provider Data Protection Themed Review

SCOPE SUMMARY	OVERALL ASSESSMENT

SCOPE SUMMARY

Internal Audit have been commissioned by KCC Strategic Commissioning to undertake reviews of 23 key suppliers to provide assurance on their compliance with the Data Protection Act (DPA) 2018.

In order to provide assurance, Internal Audit reviewed the adequacy of the controls in place against the DPA Principals. On page 3 of this report there is a heat map showing a breakdown of the assessment opinions for each supplier reviewed.

Each provider was contacted via an MS Forms survey to obtain an understanding of their data protection arrangements and the related key documentation. This information will be separately provided to Strategic Commissioning.

OVERALL ASSESSMENT

Overall Assessments

High	0%
Substantial	17%
Adequate	22%
Limited	52%
No	9%

■ High ■ Substantial ■ Adequate ■ Limited ■ No

KEY FINDINGS - STRENGTHS

- ✓ 37% of providers were assessed overall as Adequate or better in relation Data Protection.
- ✓ The majority of providers had a Data Protection Policy in place, although these varied in quality - see Areas for Development.
- ✓ Each provider had a training programme for Data Protection in place.
- ✓ Internal Audit were informed that Sub-contracting arrangements were not used for those in our sample.

KEY FINDINGS – AREAS FOR DEVELOPMENT

- Approximately 52% of providers had utilised generic third-party policies in relation to Data Protection and therefore may indicate a lack of awareness of the requirements to safeguard data.
- Retention Schedules were reported to be in place for the vast majority of providers however, a large proportion of providers did not supply evidence of their existence and of those reviewed the vast majority require extra detail in order to operate effectively. It is important that adequate Retention Schedules are in place to provide assurance how KCC data is being managed.
- Records of Processing activity (ROPA) which were only in place for a small number of providers and would provide an opportunity to understand why information is required and processed.
- Destruction of Data was not always sufficiently covered in procedures and often did not adequately cover both physical and electronic records. In addition, the lack of retention schedules also caused concern as to whether data is being held beyond prescribed timescales.
- There is little reporting of the occurrence of data breaches which may suggest these are not being identified and escalated.

Appendix C - Grant Certifications for 2021/22 completed since 1/4/2021:

Grant	Description	Status
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 1 On the Spot complete
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.	1 Claim completed 1 On the Spot complete
EU Interreg – Blueprint	Upskill 18 social enterprises to training 2000 disadvantaged individuals with the skills they require to secure new jobs linked to circular economy growth (increased recycling, reverse logistics and secondary markets).	1 Claim 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.	2 Claims completed 1 On the Spot completed
EU Interreg – C-CARE	To deliver a range of activities linked to Covid-19 response including: - A technology resilience voucher scheme for businesses (ED) - A green recovery voucher scheme for businesses (Environment Team) - A Covid-secure trading standards training module (Public Protection)	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 2 On the Spots 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.	1 Claim 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.	1 Claim completed
EU Interreg – Green Pilgrimage	Protecting natural & cultural heritage whilst developing jobs & growth along pilgrim routes by developing low impact tourism, digitalisation, pilgrim accommodation & strengthening local traditions.	1 Claim completed
EU Interreg - H20	Overcoming barriers to integrated water and ecosystem management in lowland areas adapting to climate change.	2 Claims completed 1 On the Spot completed
EU Interreg – IMPULSE2	Support innovation in order to address the economic and societal issues facing the FCE. This project aims to support 100 Life Sciences & nutrition SMEs & production sites from the FCE area to help them to become more innovative, to connect to companies and business opportunities in other	2 Claims completed

	countries and to overcome the barriers that they face with innovation and internationalisation. The long-term benefits for SMEs will be increased knowledge, innovation capacity, international contacts, and export sales potential.	
EU Interreg - Inn2Power	Supporting Kent based companies in the offshore wind sector with internationalisation & market entry in mainland Europe.	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 1 On the Spot in progress
EU Interreg - Prowater	Contributing to climate adaptation by restoring the water storage of the landscape via ecosystem-based adaptation measures.	1 Claim completed 1 On the Spot completed
EU Interreg - SCAPE	Developing landscape-led design solutions for water management that make costal landscapes better adapted and more resilient to climate change.	2 Claims completed 1 On the Spot completed
EU Interreg - SHIFT	Engaging with people over 45 years of age to develop a tailored sexual health and wellbeing model.	2 Claims completed 1 On the Spot completed
EU Interreg - SIE	Evaluating and improving business support services for SMEs specifically related to exporting and internationalisation.	
EU Interreg – STAR2Cs	Overcoming the implementation gap faced by local government adapting to climate change.	1 Claim Completed
EU Interreg – Step by Step	Seeking to increase the impact of the internationally evidenced men's sheds programme in particular employment & health outcomes.	2 Claims completed 1 On the Spot 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).	1 Claim completed
EU Interreg - Triple A	Supporting homeowners to adopt different low-carbon technologies in their homes.	1 Claim completed
EU Interreg - Triple C	Implementing a set of cost-effective actions to reduce flooding and erosion.	2 Claims 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
EU Interreg - USAC	Aims to develop, research, and understand the benefits of United Nations Environmental, Scientific, and Cultural Organisation (UNESCO) status for the Kent Downs Area of Outstanding Natural Beauty (AONB). It will develop new sustainable tourism initiatives that celebrate and protect our natural and cultural assets while benefitting the local economy.	2 Claims completed
Department of Health and Social Care	Public Health Test and Trace Grant.	In Progress – deferred to 2022
Department for Transport	Highways Travel Demand Management Grant.	In Progress
Department for Transport	Bus Service Operators Grant.	In Progress
Department for Transport	Additional School and College Transport Grant.	In Progress

Appendix D - Grant Certifications for 2022/23 completed since 1/4/2022:

Grant	Description	Status
EU Interreg – Aspire	A holistic approach to lowering obesity and unemployment rates in identified communities where	1 claim completed

	the two issues are linked.	
EU Interreg – BEGIN	An approach to climate resilience for cities that mimics nature's potential to deal with flooding.	
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.	
EU Interreg – Blueprint	Upskill 18 social enterprises to training 2000 disadvantaged individuals with the skills they require to secure new jobs linked to circular economy growth (increased recycling, reverse logistics and secondary markets).	1 claim completed
EU Interreg – BoostforHealth Capitalisation	Supporting Kent based life sciences companies with internationalisation and in particular market entry in mainland Europe.	
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.	
EU Interreg – C-CARE	To deliver a range of activities linked to Covid-19 response including: - A technology resilience voucher scheme for businesses (ED) - A green recovery voucher scheme for businesses (Environment Team) - A Covid-secure trading standards training module (Public Protection)	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.	
EU Interreg – Cool Towns	Spatial adaptation for heat resilience in small and medium sized cities to minimise the heat related effects of climate change.	
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.	
EU Interreg - Empower Care	To create resilient communities and reduce individual frailty and loneliness, addressing issues facing the care of our aging population.	
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.	
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.	1 claim completed
EU Interreg – Green Pilgrimage	Protecting natural & cultural heritage whilst developing jobs & growth along pilgrim routes by developing low impact tourism, digitalisation, pilgrim accommodation & strengthening local traditions.	
EU Interreg - H20	Overcoming barriers to integrated water and ecosystem management in lowland areas adapting to climate change.	
EU Interreg – IMPULSE2	Support innovation in order to address the economic and societal issues facing the FCE. This project aims to support 100 Life Sciences & nutrition SMEs & production sites from the FCE area to help them to become more innovative, to connect to companies and business opportunities in other countries and to overcome the barriers that they face with innovation and internationalisation. The long-term benefits for SMEs will be increased knowledge, innovation capacity, international contacts, and export sales potential.	
EU Interreg - Inn2Power	Supporting Kent based companies in the offshore wind sector with internationalisation & market	1 claim completed

	entry in mainland Europe.	
EU Interreg - PATH2	Enabling women, families, and healthcare professionals to prevent, diagnose and successfully manage mild and moderate perinatal mental health issues.	
EU Interreg - Prowater	Contributing to climate adaptation by restoring the water storage of the landscape via ecosystem-based adaptation measures.	
EU Interreg - SCAPE	Developing landscape-led design solutions for water management that make costal landscapes better adapted and more resilient to climate change.	
EU Interreg - SHIFT	Engaging with people over 45 years of age to develop a tailored sexual health and wellbeing model.	
EU Interreg - SIE	Evaluating and improving business support services for SMEs specifically related to exporting and internationalisation.	
EU Interreg – STAR2Cs	Overcoming the implementation gap faced by local government adapting to climate change.	
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).	
EU Interreg - Triple A	Supporting homeowners to adopt different low-carbon technologies in their homes.	
EU Interreg - Triple C	Implementing a set of cost-effective actions to reduce flooding and erosion.	
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.	
EU Interreg - USAC	Aims to develop, research, and understand the benefits of United Nations Environmental, Scientific, and Cultural Organisation (UNESCO) status for the Kent Downs Area of Outstanding Natural Beauty (AONB). It will develop new sustainable tourism initiatives that celebrate and protect our natural and cultural assets while benefitting the local economy.	
Department of Health and Social Care	Public Health Test and Trace Grant.	In progress – deferred to 2022
Department for Transport	Highways Travel Demand Management Grant.	In Progress
Department for Transport	Bus Service Operators Grant.	In Progress
Department for Transport	Additional School and College Transport Grant.	In Progress

Appendix E – Implementation of Agreed Actions

3+ Years						
Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
CS01-2019	Payment Processing	Adequate	Issue 3 - Authorisation of manual invoices	Medium	ST	In Progress
CS01-2019	Payment Processing	Adequate	Issue 5 - Vacation Rule in iProc	Medium	ST	In Progress
ICT07-2015	PCI DSS	Limited	Issue 1 - Business Areas Processing Card Transactions	High	ST	Superseded
RB01-2018	Members Induction and Training	Adequate	Issue 2 - Mandatory Training	Medium	ST	In Progress
RB20-2019	LD Lifespan Pathway Post Implementation	Adequate	Issue 1 - Pathway Plans and Assessments	High	CYPE	In Progress
RB45-2017	National Driver Offender Retraining Scheme – Phase 2	Adequate	Issue 1 - Trainer Recruitment and Retention	High	GET	Implemented

2 - 3 Years						
Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
AD01-2020	Pension Fund Investment	Limited	Issue 11 - Accountability for Investment Advice cannot be determined from minutes of Committee Meetings	High	ST	Implemented
CA07-2019	Data Protection	Adequate	Issue 2 - Data Protection Impact Assessments - Project & Programme Management and Commissioning	Medium	ST	In Progress
CA09-2018	Departmental Governance Review – Adult Social Care and Health	Adequate	Issue 6 - Committee Terms of Reference	Medium	ST	In Progress
CS01-2019	Payment Processing	Adequate	Issue 2 - Retrospective Purchase Orders	Medium	ST	In Progress
RB02-2019	Property - Statutory Compliance	Limited	Issue 3 - Tenanted Properties – Requirement to notify KCC of Compliance Checks	Medium	ST	In Progress

1 - 2 Years						
Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
7492	Schools Admission Appeal Charges – Investigation	Advisory	Issue 5 - Finance Awareness	Medium	CYPE	Implemented
AD01-2020	Pension Fund Investment	Limited	Issue 1 - A comprehensive understanding of the Committee's duties, its Investment Strategy and its Decision-Making Procedures	Medium	ST	In Progress
AD01-2020	Pension Fund Investment	Limited	Issue 10 - Improving the Reporting, Tracking and Mitigation of Risks	High	ST	In Progress
AD01-2020	Pension Fund Investment	Limited	Issue 12 - Resources needed to manage and oversee Investment Fund Managers	High	ST	Implemented
AD01-2020	Pension Fund Investment	Limited	Issue 14 - Passing on Lessons that Key Officers have learned	Medium	ST	In Progress
AD01-2020	Pension Fund Investment	Limited	Issue 15 - Assurance that the remit of the Local Pension Board complies with Scheme Regulations and The Pensions Regulator's Code of Practice	High	ST	In Progress
AD01-2020	Pension Fund Investment	Limited	Issue 3 - Ensuring that a referenced and up to date version of the Investment Strategy Statement is available to Committee members	High	ST	Implemented
AD01-2020	Pension Fund Investment	Limited	Issue 4 - Improving the assurance that key documents comply with Statutory Regulations	Medium	ST	Implemented
AD01-2020	Pension Fund Investment	Limited	Issue 5 - Potential shortcomings in the Governance Compliance Statement, the Funding Strategy Statement and the Investment Strategy Statement	High	ST	Implemented
AD01-2020	Pension Fund Investment	Limited	Issue 6 - Mapping out Roles and Responsibilities	Medium	ST	In Progress
AD01-2020	Pension Fund Investment	Limited	Issue 7 - Procedures governing Investment Decision Making	High	ST	In Progress
CA01-2021	Annual Governance Statement	Adequate	Issue 1 - Progress Against 2017/18 & 2018/19 Issues	Medium	ST	In Progress
CA01-2021	Annual Governance Statement	Adequate	Issue 3 - Making AGS a Living Process	Medium	ST	In Progress
CA04-2020	Risk Management - Themed Report	Substantial	Issue 1 - Awareness of Risk Management Tools	Medium	ST	Implemented

CA06-2020	Data Protection Deep Dive	Adequate	Issue 1 - Record of Processing Activity (ROPA)	High	ST	In Progress
CA06-2020	Data Protection Deep Dive	Adequate	Issue 2 - Data Breaches	Medium	ST	In Progress
CA11-2019	Strategic Commissioning Overview	Adequate	Issue 2 - A universally accepted understanding of commissioning and its lifecycle	Medium	ST	Implemented
CA11-2019	Strategic Commissioning Overview	Adequate	Issue 3 - Relationships between the SC Division and directorates	Medium	ST	In Progress
CS10-2021	Urgent Payments Process	Limited	Issue 2 - Policies and Procedures	High	ST	Implemented
CS10-2021	Urgent Payments Process	Limited	Issue 3 - Cantium Procedures for CHAPS Payments	Medium	ST	Implemented
ICT02-2021	IT Access Controls/ User Accounts – for DSP Toolkit	Substantial	Issue 2 - Generic account - Liberi	Medium	CYPE	Implemented
ICT05-2020	Members ICT	Adequate	Issue 1 - ICT Support for Members	Medium	ST	In Progress
RB21-2021	Charging Arrangements	Substantial	Issue 1 - Incorrectly Charged Service users	Medium	ST	Implemented
RB32-2019	Education Psychology	Substantial	Issue 1 - Lessons Learnt	Medium	CYPE	Implemented
RB32-2020	Change for Kent Children	Adequate	Issue 6 - Performance Monitoring	Medium	CYPE	Implemented
RB37-2020	School Themed Review	Limited	Issue 2 - Recovery and Resumption	High	CYPE	Implemented
RB45-2020	Non-domestic Waste Charging	Adequate	Issue 4 - Reconciliation of iPad downloads and Worldpay Data	High	GET	In Progress

Less than 1 Year						
Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
7492	Schools Admission Appeal Charges – Investigation	Advisory	Issue 1 - Segregation of duties	Medium	CYPE	Implemented
7492	Schools Admission Appeal Charges – Investigation	Advisory	Issue 2 - Reconciliations	Medium	CYPE	Implemented
7492	Schools Admission Appeal Charges – Investigation	Advisory	Issue 3 - Monitoring	Medium	CYPE	Implemented
7492	Schools Admission Appeal Charges – Investigation	Advisory	Issue 4 - Debt	High	CYPE	In Progress
AD01-2022	Laineys Farm Complaint	Advisory	Issue 1 - Complaint Process	Medium	ASCH	Implemented
AD01-2022	Laineys Farm Complaint	Advisory	Issue 2 - Policies and Procedures	High	ASCH	In Progress
AD01-2022	Laineys Farm Complaint	Advisory	Issue 3 - Due Diligence	High	ASCH	In Progress
AD02-2022	Searchlight - Data Breaches	Adequate	Issue 1 - BPSS Requirements	Medium	ST	Implemented
AD02-2022	Searchlight - Data Breaches	Adequate	Issue 2 - Communication and Awareness to Staff	Medium	ST	In Progress
AD02-2022	Searchlight - Data Breaches	Adequate	Issue 3 - Reporting of Data Breaches in Agilisys	Medium	ST	Implemented
CA01-2021	Annual Governance Statement	Adequate	Issue 4 - Learnt Lessons from the 2019/20 AGS Process	Medium	ST	In Progress
CA01-2022	Annual Governance Statement	Adequate	Issue 1 - CMT/ DMT Action Logs	Medium	ST	In Progress
CA01-2022	Annual Governance Statement	Adequate	Issue 2 - Confirmation of Compliance with CIPFA Code of Financial Management	Medium	ST	In Progress
CA07-2021	Information Governance - Remote Working	Adequate	Issue 1 - Policies & Procedures	Medium	ST	In Progress
CA07-2021	Information Governance - Remote Working	Adequate	Issue 2 - Staff Awareness	Medium	ST	In Progress
CA07-2021	Information Governance - Remote Working	Adequate	Issue 3 - Data Protection Training	Medium	ST	In Progress
CA07-2021	Information Governance - Remote Working	Adequate	Issue 4 - Risk Assessment	Medium	ST	In Progress
CA07-2021	Information Governance - Remote Working	Adequate	Issue 5 - Corporate VPN Software Updates	Medium	ST	In Progress
CS02-2022	General Ledger	Substantial	Issue 1 - ContrOCC Feeder System	Medium	ST	Implemented
CS02-2022	General Ledger	Substantial	Issue 2 - Miscoding of Asylum-Seeking Young	Medium	ST	In Progress

			People Accommodation Costs			
ICT03-2021	Cyber Security - Management of Backups for Applications, Data and active Network Devices.	Adequate	Issue 1 - Backup and Recovery Policy	High	ST	Implemented
ICT03-2021	Cyber Security - Management of Backups for Applications, Data and active Network Devices.	Adequate	Issue 2 - Business Continuity Plan (BCP) Recovery Time Objectives (RTO)	High	ST	In Progress
ICT03-2021	ICT Management of Backups Applications, Data and Active Network Devices	Adequate	Issue 3 - Infrastructure Plan and ICT Strategy.	Medium	ST	Implemented
ICT03-2022	IT Cloud Strategy, Security and Data migration	Adequate	Issue 1 - Project documentation	High	ST	Implemented
ICT03-2022	IT Cloud Strategy, Security and Data migration	Adequate	Issue 2 - Resources	High	ST	In Progress
ICT03-2022	IT Cloud Strategy, Security and Data migration	Adequate	Issue 5 - Monitoring of Risk	Medium	ST	Implemented
RB05-2020	Purchase to Pay (P2P)	Substantial	Issue 1 - Purchases progressed without a Purchase Order	Medium	ST	In Progress
RB06-2022	New Grant Funding	Substantial	Issue 1 - Fraud Risk Assessments	Medium	ST	Not Implemented
RB11-2022	Programme Governance - Strategic Reset Programme	Adequate	Issue 03 - Means of Adjusting and Justifying the Strategic Reset Programme	Medium	ST	In Progress
RB11-2022	Programme Governance - Strategic Reset Programme	Adequate	Issue 05 - Ensuring that the SRPPB remains an Effective Governance Body	High	ST	Implemented
RB11-2022	Programme Governance - Strategic Reset Programme	Adequate	Issue 06 - Managing Internal Conflicts of Interest	Medium	ST	Implemented
RB13-2022	Data Protection (ASCH)	Adequate	Issue 1 - Improving Uptake of Mandatory Data Protection Training	Medium	ASCH	In Progress
RB13-2022	Data Protection (ASCH)	Adequate	Issue 2 - Completing Data Protection Impact Assessments	Medium	ASCH	In Progress
RB13-2022	Data Protection (ASCH)	Adequate	Issue 3 - Internal Escalation of a Data Breach	Medium	ASCH	In Progress
RB13-2022	Data Protection (ASCH)	Adequate	Issue 4 - Investigating Data Breaches	Medium	ASCH	In Progress
RB13-2022	Data Protection (ASCH)	Adequate	Issue 6 - Timeliness in Responding to Subject Access Requests	Medium	ASCH	In Progress
RB13-2022	Data Protection (ASCH)	Adequate	Issue 7 - Data Protection Contractual Terms and Conditions	Medium	ST	Implemented

RB16-2021	Workforce – Recruitment & Retention of AMHPs	Substantial	Issue 1 - Recruitment Strategy / Policy	Medium	ASCH	Implemented
RB16-2021	Workforce – Recruitment & Retention of AMHPs	Substantial	Issue 2 - Gathering, monitoring, analysing and reporting of AMHP recruitment and retention data	Medium	ASCH	In Progress
RB18-2021	ASCH Covid-19 Response Plan	Adequate	Issue 4 - Business Continuity Testing	Medium	ASCH	Implemented

Appendix F - Definitions

AUDIT OPINION

High	Internal control, Governance and the management of risk are at a high standard. The arrangements to secure governance, risk management and internal controls are extremely well designed and applied effectively. Processes are robust and well-established. There is a sound system of control operating effectively and consistently applied to achieve service/system objectives. There are examples of best practice. No significant weaknesses have been identified.
Limited	Internal Control, Governance and the management of risk are inadequate and result in an unacceptable level of residual risk. Effective controls are not in place to meet all the system/service objectives and/or controls are not being consistently applied. Certain weaknesses require immediate management attention as there is a high risk that objectives are not achieved.
Substantial	Internal Control, Governance and management of risk are sound overall. The arrangements to secure governance, risk management and internal controls are largely suitably designed and applied effectively. Whilst there is a largely sound system of controls there are few matters requiring attention. These do not have a significant impact on residual risk exposure but need to be addressed within a reasonable timescale.
No Assurance	Internal Control, Governance and management of risk is poor. For many risk areas there are significant gaps in the procedures and controls. Due to the absence of effective controls and procedures no reliance can be placed on their operation. Immediate action is required to address the whole control framework before serious issues are realised in this area with high impact on residual risk exposure until resolved
Adequate	Internal control, Governance and management of risk is adequate overall however, there were areas of concern identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk. There are some significant matters that require management attention with moderate impact on residual risk exposure until resolved.	

Appendix F - Definitions

PROSPECTS FOR IMPROVEMENT

Very Good
There are strong building blocks in place for future improvement with clear leadership, direction of travel and capacity. External factors, where relevant, support achievement of objectives.

Good
There are satisfactory building blocks in place for future improvement with reasonable leadership, direction of travel and capacity in place. External factors, where relevant, do not impede achievement of objectives.

Adequate
Building blocks for future improvement could be enhanced, with areas for improvement identified in leadership, direction of travel and/or capacity. External factors, where relevant, may not support achievement of objectives

Uncertain
Building blocks for future improvement are unclear, with concerns identified during the audit around leadership, direction of travel and/or capacity. External factors, where relevant, impede achievement of objectives.

ISSUE RISK RATINGS

High
There is a gap in the control framework or a failure of existing internal controls that results in a significant risk that service or system objectives will not be achieved.

Medium
There are weaknesses in internal control arrangements which lead to a moderate risk of non-achievement of service or system objectives.

Low
There is scope to improve the quality and/or efficiency of the control framework, although the risk to overall service or system objectives is low.