

May 2008

Kent County Council

Internal Audit Annual Report 2007/08 – Draft



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I. Introduction

Purpose of this report

This report summarises the work that the Authority's Internal Audit and anti-fraud service has undertaken during 2007/08. It also highlights the key issues with respect to internal control, risk and governance arising from that work.

Overview of work done

The original Plan for 2007/08 included a total of 64 projects. We have communicated closely with senior management throughout the year, to ensure that the projects *actually* undertaken continue to represent the best use of our resources in the light of new and ongoing developments in the Authority.

As a result of this liaison, some changes were agreed to the Plan during the year. Some projects have been added to or deleted from the Plan, others have been carried forward from the previous years plan, and the timing of a number of others has been changed. Consequently, the total number of projects undertaken in 2007/08 was actually 87. At the time of preparing this report (early May), the position on these was as follows:

- 70 – final report/assurance work completed
- 17 – in draft and in the process of being finalised

During the course of the year Internal Audit undertook an Authority wide risk and control mapping exercise to streamline the audit planning process and ensure that the assurance activity was truly aligned to the business and corporate risks. The exercise fed into the six month audit plan from September 2007 to March 2008.

The risk and control mapping exercise enabled management to assign a score both to the inherent and the residual level of risk within each area of the business. By identifying areas of risk where management believes there to be a high level of control, we were then able to focus our internal audit resource to provide assurance that those controls were operating effectively during the year, or to highlight where improvements were required. The risk mapping exercise has also been used as the basis for the 2008/2009 plan.

Internal Audit also undertook 24 investigations relating to potential fraud by management or any other third parties, none of which were significant to the control and risk framework for KCC.

Internal audit performance

At the Audit Committee meeting on 3 March 2004, Members agreed to receive regular reports on Internal Audit's performance against a range of indicators. For those measures where information is available, performance is shown below:

Performance Indicator	Target	Actual
Productivity and Efficiency		
available time spent on direct audit work	80%	80.25%
draft reports completed within 10 days of finishing fieldwork	89%	96%
Preparation of annual plan	By March	Met
Periodic reports on progress	G&A Cttee meetings	Met
Preparation of annual report	Prior to AAS	Met
Quality of Service		
Average Client satisfaction score	70%	93%
Staff Management		
Staff with professional qualifications (including trainees)	60%	67%

Internal Audit is currently developing a new set of performance indicators for the 2008/2009 year seeking to demonstrate continuous improvement in the service. These will be formally agreed with the Director of Finance as well as the Governance and Audit Committee and will measure performance under the following categories;

- Quality
- Effectiveness
- Efficiency.

II. Overall summary

Objectives of Internal Assurance Projects

The majority of projects we undertake are designed to provide assurance to management on the operation of the Authority's internal control environment. Most projects include our recommendations and agreed actions with management that will, if implemented, further enhance the environment and the operation of the controls in practice.

Other projects are designed to provide specific advice and support to management to enhance the efficiency, effectiveness and economy of the services and functions for which they are responsible. Our internal audit work and findings are informed by the investigations and fraud risk management work carried out under the anti-fraud element of the plan as well as the risk management framework of the Authority.

Our work plan is derived from management's assessment and evaluation of risks as documented in the corporate and directorate risk registers and, since September 2007, from the detailed risk mapping exercise undertaken across the Authority during the summer of 2007. We prepared an internal audit plan based on the risk profile taking into account; discussions with the Chief Executive, Directorate Managing Directors and Resource Directors, Audit Committee Chair and Members and the External Auditors.

There were a number of key changes from previous years in the planning and delivery of internal audit during 2007/08, including:

- The internal audit partnership established with PricewaterhouseCoopers during 2007/08
- Closer liaison with external audit in planning of material system audits, ensuring that the Audit Commission could place full reliance on the work of internal audit
- Greater integration between risk management responsibilities and the Internal Audit function to ensure that it is truly aligned to the business and corporate risks.

The risk mapping and planning process carried out during the year identified a small number of areas within the Authority where further internal audit coverage is required. Those areas have been included within the 2008/09 audit plan and are set out below:

- IT risk and governance arrangements
- Procurement/Contracting

Overall Assessment

The Head of Internal Audit is required to provide the accounting officer with an opinion on the overall **adequacy and effectiveness** of the Authority's:

- Risk management
- Internal Control
- Governance processes.

This is collectively referred to as "**the system of internal control**".

Based on the work that internal audit has performed, and taking into account the individual strengths and weaknesses identified, substantial assurance can be provided on the adequacy of the overall governance and risk management processes and the internal controls at KCC.

Management has responded positively to recommendations made to strengthen controls in the areas that were reviewed and many of these are already being implemented.

The Authority has demonstrated its commitment to improving system and processing controls as well as general risk management awareness and effective governance arrangements. We also noted that management accepted and implemented a number of key Internal Audit recommendations and engaged in open and challenging discussions about points raised in our Internal Audit reports. All these points are indicative of an improving system of internal control.

However, the Authority still has some areas that if addressed, will further strengthen the system of internal control. We have summarised these, along with key areas of strength, for each of the three categories of the Authority's 'system of internal control' below.

Governance

We reviewed the Authority's governance arrangements by comparing them

with the 6 principles of the CIPFA SOLACE Governance Framework (Delivering Good Governance in Local Government, 2007). We found that the governance arrangements are largely in accordance with both the core and supporting principles. The Framework also identifies requirements which the local code of governance should include. Although KCC has not yet updated its governance code we have found that Authority-wide practices already meet most of those requirements.

Guidance on the Governance of Partnerships was presented to the June 2007 Governance and Audit Committee. A consultation exercise then took place with the formally approved policy and guidance being issued to the directorates during the year. An audit was undertaken to determine whether partnerships arrangements complied with the guidance. The audit assurance was Substantial. However, it was identified that further clarification is needed when determining what constitutes a 'significant' or 'major' partnership as well as further improvement required in the risk management of partners (detailed below).

Internal Audit will be carrying out reviews of governance arrangements on specific partnerships in 2008/09.

Risk Management

We reviewed Authority-wide risk management arrangements through interviews with a range of Managing Directors, Directors and Heads of Service Areas and by reviewing relevant documentation including risk management guidance, risk registers, risk reports and minutes of meetings.

Across directorates we found a high level of risk awareness, particularly in relation to operational risks. Interviewees were generally aware of the Authority's risk management framework and adhere to its principles.

Taking into account the findings of internal audit and other external assessments, it is evident that risk is generally well managed throughout the Authority. However, In accordance with the Authority's commitment to continuous improvement we have identified a number of ways in which risk management arrangements can be strengthened, contributing to greater proactive consideration, identification and management of risk.

Our suggestions for strengthening risk management arrangements relate to the following areas:

- Risk management guidance: good quality risk management guidance is available on the intranet and risk management training has been provided to over 200 staff, however we found that the guidance is not routinely used and engagement with the risk management framework is largely informal.
- Risk identification: greater use could be made of workshops when refreshing the risk register during business planning and of team meetings to review and refresh risk registers on a regular basis throughout the year.
- Management of risk with partners: formalised and agreed risk management arrangements are not in place in most of the Authority's key strategic partnerships. Ideally these would be formalised for all partnerships for which the Authority is the lead partner and partnerships to which it contributes financially or in terms of officer time. Formal risk management arrangements include creating and regularly updating a partnership risk register.
- Use of risk registers: we found that the identification and articulation of specific risks, the source of the risk and potential consequences could be improved in many of the risk registers. This would improve the usefulness of the risk register as a management tool. Directorates should be provided with assistance to help them address this.
- Aggregate risk: aggregate risk is the total risk an organisation is exposed to. The Authority is not unique in being unable to establish its aggregate risk; however we believe it would benefit from being able to do so, particularly as it is an organisation that is open to innovation and taking risks.
- Directorate Risk Management Coordinators (DRMC): DRMCs usually belong to the directorate business management unit and fulfil an administrative role in ensuring the risk register is updated once or twice

annually. We believe directorates would benefit from having specialist risk champions to challenge and support management in order to embed a more proactive and systematic approach to the management of risk throughout the Authority (at corporate, directorate, divisional and service areas).

Internal Controls

Overall, our work has not identified significant weaknesses in the overall internal control environment. Controls are generally in place and operating effectively, however there were some exceptions noted from our reviews during the year. From our audits our main findings indicating where improvements were required included:

- The process around recruitment and CRB checks. During 2007/08 Internal Audit has undertaken reviews in CED, KASS, Communities and CF&E on recruitment and CRB checks. Although some areas had good controls in place, there were still areas where the relevant checks were not being carried out, in particular on volunteers. In addition there were not always processes in place to follow up staff where CRB checks were required. The sample of schools visited, during the year however, showed a big improvement in the CRB checking process. Senior management, including the Chief Executive and Director of Personnel have personally overseen the implementation of recommendations made which has been confirmed in a follow up audit carried out in March 2008
- Business Continuity Planning and Disaster Recovery was raised in the 2006/2007 Statement of Internal Control and although individual Business Continuity Plans are being completed and tested, not all have not been finalised and there is further work required to embed this fully across the Authority
- Kent Adult Social Services (KASS) continue to face a number of operational challenges with regard to the SWIFT system, which they have identified and are actively working toward resolving. This includes inherent weak security (password) controls within the system and limited audit trails being available to monitor user activity. The suite of reports

available to users also requires further development in order to allow the quality of the data held by the system to be analysed / monitored in more detail.

Furthermore, more clearly defined performance targets are required for the support provided by the application vendor. *(report currently in draft)*

Summary of Internal Audit Reviews

Opinions	No. of Projects (Final Reports)
High	12 (17%)
Substantial	41 (59%)
Limited	11 (16%)
Minimal	2 (3%)
Not Applicable	4 (6%)
Total	70

Limited or Minimal opinions were given to:

- *Trading Companies (Limited)*
- *Car Expenses Interrogation (Limited)*
- *Follow-up ICT Disaster Recovery (Limited)*
- *Follow-up Procurement of Consumables (Limited)*
- *Imprest Accounts (Limited)*
- *Commercial Services Insurance Funds (Limited)*
- *Domiciliary Care TDM (Limited)*

- *Former Self Funders (Limited)*
- *KHS Coastal Protection Loans (Limited)*
- *Fastlane Youth Centre Statistics System (Limited)*
- *Property Rent Income (Limited)*
- *CRB Disclosure Checks for Volunteers (Minimal)*
- *Appointment to Payment of New Staff - Recruitment (Minimal)*

Each of the above audits have been reported in summary to G&AC during the year, with management responses to the issues and recommendations raised. Follow up audits are planned for each area in the 2008/09 audit plan.

Appendix A sets out the summary of each of the above reports for information and Appendix B list all internal audits and the overall assurance rating for them.

Anti Fraud service

Internal Audit undertook 24 investigations relating to potential fraud by management or any other third parties, none of which were significant to the control and risk framework for KCC.

As part of Internal Audit's anti fraud strategy, we have carried out a random selection of checks on staff and Members' expense forms. No fraudulent claims were identified, although some issues were identified regarding the completion of claims, and the relevant managers were informed of this. In 2008/09 we will continue to carry out random checks and will include checks on Members' claims. This is at the request of the Standards Committee. In addition, using an interrogation tool we will target specific claims for review, for example claims for high mileage/expenses,

Internal Audit has published three editions of Irregular Happenings which highlights 'scams' that staff should be aware of, as well as detailing

information where staff have been subject to disciplinary or criminal procedures as a result of irregularities committed.

Fraud awareness training has been delivered to over 200 members of staff during 2007/08. This has helped to highlight potential fraud risks to managers.

Liaison with External Audit

We have continued to work very closely with the External Auditors and have developed a very good working relationship with them. They have, as appropriate, relied upon our audit work as part of their external audit of the Authority.

2007/2008 Acknowledgements

We are grateful for the assistance and cooperation provided by the Authority's staff during the course of our work. This has been much appreciated, in particular, the ongoing assistance and support of the Governance and Audit Committee and the Director of Finance.

III. Scope, responsibility and assurance

Scope

We prepared our internal audit plan based upon a variety of key factors including:

- Evaluation of the Authority's risks using risk registers and the risk mapping exercise
- Review of existing key data, for example:
 - The Authority's overall strategy
 - Budgetary information
 - Departmental business plans
 - Best Value performance plans
 - Audit Commission's requirements
- Interviews with senior management across the Authority.

Responsibilities of management and of internal auditors

It is management's responsibility to maintain systems of risk management, internal control and governance. Internal audit is an element of the internal control framework established by management to examine, evaluate and

report on accounting and other controls over operations. Internal audit assists management in the effective discharge of its responsibilities and functions by examining and evaluating controls. Internal auditors cannot be held responsible for internal control failures.

Whilst we have planned our work so that we have a reasonable expectation of detecting significant control weakness, internal audit procedures alone do not guarantee that fraud will be detected. Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities, which may exist, unless we are requested to carry out a special investigation for such activities in a particular area.

Internal audit's role includes assessing the adequacy of the internal control environment put in place by management and performing testing on a sample of transactions to ensure those controls were operating for the period under review.

Our comments and assessments made in this report are based upon the results of our internal audits undertaken in accordance with the agreed Audit Plan.

It should be noted that the assurance expressed within this report can never be absolute. It is not a guarantee that all aspects of control are adequate. The most that internal auditors can provide to the S151 Officer and the Governance and Audit Committee is a reasonable assurance based on the work performed.

Appendix A - Summary of individual internal audit projects (limited or minimal assurance)

Trading Companies

Scope

The objective of this audit was to assess how KCC's trading companies were complying with the Trading Order.

Overall Assessment (Final) - Limited

The audit confirmed that many of the requirements and associated controls set out in the Trading Order Statutory Guidance, relating to companies' primary objectives, management structure, recruitment, procurement, transparency of accounting and KCC support were in place and were operating effectively. However there were areas requiring improvement;

- Development of a policy for KCCs interest in local authority companies, covering the setting up and governance of the companies
- There was no record to identify all trading companies and therefore, the extent of KCC's interest
- It was not clear that people managing existing companies are fully aware of the requirements of the Trading Order.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Car expenses interrogation

Scope

The objective of the audit was to carry out an analysis of employees' mileage payments from September 2006 to October 2007 to identify inconsistencies in the payments to staff and to establish whether they were the result of any system based errors.

Overall Assessment (Final) - Limited

The findings of the audit confirmed that Employee Services had made a concerted effort to check the data quality of the standing data and they have identified and corrected errors found in the system.

The main finding of the audit was that there were errors in employee data that had not been identified by the testing carried out by Employee Services and there is therefore a risk that staff may still be paid the incorrect mileage rate.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

ICT Disaster Recovery – Follow Up

Scope

The objective of the audit was to follow up a previous audit which reviewed the Authority's arrangements for ICT disaster recovery plans (DRPs).

Overall Assessment (Final) - Limited

The findings in the original audit identified that arrangements for DRPs were sporadic and inconsistent and that the situation had been caused by the lack of formally devised and documented Business Recovery Plans (BCPs). Recommendations were made to improve controls. However, this follow up audit found that none of the recommendations made had been implemented.

The directorates have formed a Cross Directorate Working Group to address this.

Procurement of Consumables – Follow Up

Scope

The objective of this audit was to assess the status of previously agreed management actions to improve controls over the procurement of consumables.

Overall Assessment (Final) - Limited

The audit highlighted that officers with purchasing responsibilities spend a large proportion of their budget, approximately 72% with external suppliers compared to internal purchases and that the amount of spend with external suppliers (that could be spent internally) remains high at just over £2m.

Subsequent to this review the 'Spending the Council's Money' procurement strategy and guidance was issued and training has been provided to a number of staff throughout the Authority. The Procurement Unit also carries out regular reviews of spend in the Authority

Property Rent Income

Scope

The audit reviewed the rent collection and review process in E&R, KASS and CMY as well as the role the Property Group undertakes in managing for CED and parts of CFE.

Overall Assessment (Final) - Limited

The arrangements throughout KCC for the review and collection of rents was found to require improvement, particularly around the need to ensure that up to date information on properties is maintained and that annual reviews of rents are undertaken.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Fastlane System

Scope

The audit reviewed the controls and processes in place to ensure that the system is secure and data held is complete, accurate and valid.

Overall Assessment (Final) - Limited

Fastlane is the system used to collect personal data of young people using the facilities of the Youth Service. The data will be used to complete statutory returns that are required by the National Youth Agency. Strong password controls have been implemented within the application process however; the processes and procedures to govern access and the change management process have not been formally documented. In addition, an internal problem/incident resolution process needs to be established.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Use of Imprest Accounts Review

Scope

An audit to review compliance with the use and management of imprest accounts.

Overall Assessment (Final) - Limited

Imprest accounts are used throughout KCC in order to provide the facility for making local cash and cheque payments. Internal Audit had been made aware of a number of incidences of potential irregularity involving inappropriate use of accounts, inadequate record keeping and lack of supervision and independent review of the accounts. During this review twenty establishments were visited as and the following weaknesses were identified:

- Payments that should have been made via the Accounts Payable system had been made through imprest accounts
- Staff remuneration had been made through the imprest accounts
- Staff used their own personal credit/debit cards to make purchases and were reimbursed through the imprest accounts
- Most transactions were supported by receipts, however, staff did not always present valid VAT receipts meaning that KCC cannot reclaim VAT paid from HM Revenue & Customs.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Review of Former Self Funders

Scope

The scope of the audit was to review processes in place to ensure that KCC policy in relation to former self funders was being complied with to help minimise the cost to KCC.

Overall Assessment (Final) - Limited

Former self funders are service users who have previously paid for their own social care but whose capital has reduced below the set threshold (£21,000 for 2006/07). If they have been assessed as having eligible needs they become entitled to financial assistance from the Authority.

KCC has a policy in relation to former self funders and the business objective is to ensure that KCC minimises costs for residential care arising from former self funders. The findings showed that care managers are aware of the policy and follow it to the point of trying to secure top up funding where possible. However, it was not evident that consideration is given to moving a client to a home within KCC's guide price and there is a lack of documentation to demonstrate if an assessment has been to determine if a move would be detrimental to the service users.

There were variations in working practises across the districts which indicate a varying level of scrutiny having been applied to the decision making process.

There are robust processes for including expenditure relating to former self funders in the current year's forecast, although the information is not collated or reported consistently.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Commercial Services Insurance Fund

Scope

The Kent Insurance Fund (KIF) was established by KCC to provide cover against existing and future claims. It is self funding and made up of two active funds. The scope of this audit covered only Property, combined liability and Motor and focussed on premiums due and the processing of claims.

Overall Assessment (Final) - Limited

The audit confirmed that there were controls in place, premiums were collected promptly and reflected in the accounts and genuine claims or settlements were adequately and promptly processed. Key issues identified included:

- The actual cost from the Risk Management & Insurance Section is not known until the year end, with the risk that the premiums charged may not be sufficient to cover the full cost of the Fund
- Recoveries from third party insurers may not be promptly processed which could result in lost income and an adverse impact on the cash flow
- Delays in processing excess charge invoices could lead to a loss of income and an increase in disputed invoices.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Appointment to Payment of New Staff

Scope

This review focussed on the approach to ensure that the process of appointing staff through to payment is routinely complied with.

Overall Assessment (Final) - Minimal

Documentation for a sample of 30 new employees who had joined KCC between April 2006 and July 2007 was tested. The key findings of the audit were;

- There is a failure in the administrative process to ensure that CRB checks are properly carried out
- The CRB section has a record of the need for a check but the application information has not been returned by the employee for more than three months since the original request and therefore remains outstanding

A follow up audit has subsequently taken place and we can report that there has been a significant improvement made with respect to the compliance with existing controls.

Transaction Data Matching (TDM) for Domiciliary Care

Scope

The scope of the audit was to ensure that payments are only made for services supplied and are accurate and correctly accounted for. KASS spends over £30m per year providing domiciliary care services.

Overall Assessment (Final) - Limited

The testing took place in three districts. One of the benefits of the TDM system is that it produces variation reports to check any differences between the service delivery orders (for domiciliary care) and payments charged/made to suppliers.

Variation reports are produced for each district on a weekly basis and some variations are checked and cleared. However, 53% of the variations in our sample had not been investigated and there was a large backlog of variations waiting to be resolved.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Financial Management of Coastal Protection Loans

Scope

The scope of the audit was to review the financial management of loans arranged by maritime authorities (five Kent districts) in which KCC contributes 50% of the repayments.

Overall Assessment (Final) Limited

The key areas requiring further improvement included;

- KCC does not have any influence over the loans arranged by the districts and the loans obtained may not represent value for money
- KCC could be paying higher interest rates than necessary
- Overpayments may be made to the districts as there is no process to check the accuracy of loan repayments or to ensure that the loan is still valid.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

CRB Checks for Volunteers (Communities)

Scope

The purpose of the audit was to review the processes for ensuring that volunteers (where appropriate) are CRB checked.

Overall Assessment (Final) – Minimal

Key issues identified in the audit included;

- 370 volunteers in the Home Library Service had not been subject to CRB clearance
- A lack of consistency regarding imposing restrictions on volunteers awaiting clearance
- Although not part of CRB checks, the audit identified that a number of volunteers' records did not contain one or both of the two references required

to work with KCC.

Management have agreed with the findings and developed an appropriate action plan to address the issues identified.

Assurance Definitions

Limited Assurance

The area/system is exposed to risks that could lead to failure to achieve the objectives of the area/system under review e.g., error, loss, fraud/impropriety or damage to reputation. This is because, key controls exist but they are not applied, Or there is significant evidence that they are not applied consistently and effectively.

Minimal Assurance

The authority and/or service is exposed to a significant risk that could lead to failure to achieve key authority/service objectives, major loss/error, fraud/impropriety or damage to reputation. This is because key controls do not exist with the absence of at least one critical control, or there is evidence that there is significant non-compliance with key controls

Appendix B - Detailed Analysis of internal audit projects in 2007/2008

Project – Directorate	Progress at May 2008	Overall Assessment	Project – Directorate	Progress at May 2008	Overall Assessment
Authority Wide					
Trading Companies	Completed	Limited	Corporate Governance Health Check	Draft	High
BS57799	Completed	High	Risk Management Framework	Draft	Substantial
Telephone PBX	Completed	Substantial	Property Rent Income	Completed	Limited
Follow up ICT Disaster Recovery	Completed	Limited	Software Legitimacy	Draft	Limited
Follow up to the Procurement of Consumables	Completed	Limited	Schemes of Delegation	Completed	Substantial
Medium Term Planning	Completed	High	ICT Governance	Draft	Substantial
Risk Management	Completed	High	Consultants Follow Up	Work in progress	
Imprest Account	Completed	Limited			
Virus Protection	Completed	Substantial			
Corporate Governance Public Consultation	Completed	Substantial			
Corporate Governance Ethical Standards	Completed	Substantial			
Governance of Partnerships	Completed	Substantial			
Purchase Cards	Completed	Substantial			

Project – Directorate	Progress at May 2008	Overall Assessment	Project – Directorate	Progress at May 2008	Overall Assessment
Chief Executive's Department					
VAT provision of asylum seekers services	Completed	Substantial	Payroll follow Up CRB & Recruitment	Completed	Substantial
Physical Security & Environmental Controls	Completed	Substantial	Fixed Assets	Draft	Substantial
VAT payments to providers of Care (Adult Social Services)	Completed	Substantial	Treasury Management	Draft	Substantial
Technical Administration of the Oracle Financial, HR & Payroll System	Completed	Substantial	Schools Payroll	Draft	Substantial
Commercial Services CODA	Completed	Substantial	Property/Contract Monitoring	Completed	Substantial
Commercial Services Insurance Funds	Completed	Limited	Kent Public Service Network Project	Completed	Substantial
Year end Accounting Processes	Completed	Substantial	Oracle Application Security	Draft	Limited
Payroll/Recruitment/Accounting – Appointment to payment of staff	Completed	Minimal	Network Security	Draft	Substantial
Accounts Payable	Completed	Substantial	Wireless Network Security	Draft	Limited
Schools' Personnel Service – CRB and recruitment checks in schools	Completed	High	Payroll Car Expenses System	Completed	Limited
Commercial Services Laser Income	Completed	High	Data Protection Commercial Services	Completed	Substantial
Legal services Electronic Document Security	Completed	Substantial	Accounts Receivable	Draft	Substantial
Unix Operating System	Completed	Substantial			
One Office SWAPS & Trading Systems Replacement	Completed	Not Applicable			
Corporate Property - Classcare	Completed	Not Applicable			

Project – Directorate	Progress at May 2008	Overall Assessment	Project – Directorate	Progress at May 2008	Overall Assessment
Children Families and Education			Kent Adult Social Services		
Foster & Adoption Payments	Completed	Substantial	Swift pre Implementation Review	Completed	Substantial
Schools Advisory Service	Completed	High	Domiciliary Care TDM	Completed	Limited
Student Awards	Completed	High	Former Self Funders	Completed	Limited
Attendance & Behaviour Safer Schools	Completed	Substantial	Residential Care Mental Health Payments	Completed	Substantial
Schools Managed Capital Projects	Completed	Substantial	Voluntary Organisations	Completed	Substantial
Sharing of Information on Children	Completed	Substantial	Supporting People Administration Grant	Completed	Substantial
Eligibility of Payments to unaccompanied asylum seeking children	Completed	Substantial	Section 31 Westview	Completed	High
Reimbursement of Schools' Maternity pay	Completed	Substantial	Health Debts	Completed	Substantial
Billing and external contract services billing systems	Completed	Substantial	Care Management	Completed	Not Applicable
Payments to Private Providers	Completed	High	CRB checks agency staff & volunteers	Draft	Substantial
Eligibility for Foster & Adoption Allowances	Completed	Substantial	Swift System Security	Draft	Not Applicable
PLASC	Completed	Not Applicable			
CRB Recruitment Checks in Schools	Completed	Substantial			
Follow Up to financial control Children's Centres	Completed	Substantial			
Compliance & financial Management in Schools	Work in Progress				

Project – Directorate	Progress at May 2008	Overall Assessment	Project – Directorate	Progress at May 2008	Overall Assessment
Environment and Regeneration			Communities		
Transport Network Management	Completed	Substantial	Youth & Community	Completed	High
KHS Coastal Protection Loans	Completed	Limited	Libraries	Completed	Substantial
Kingshill Development Fund	Completed	High	Community Safety Revenue Budget Management	Completed	Substantial
Review of a Major Road Scheme – East Kent Access Phase 1	Completed	Substantial	Fastlane Youth Centre Statistics System	Completed	Limited
Revenue Budget Monitoring	Completed	High	CRB Disclosure Checks for Volunteers	Completed	Minimal
Waste LATS	Completed	Substantial	Funding for Sports Development	Draft	High
Contract Procurement	Completed	Substantial	Health & Safety	Draft	Substantial

Key	
High	The system/area under review is not exposed to foreseeable risk, as key controls exist and are applied consistently and effectively.
Substantial	There is some limited exposure to risk of error, loss, fraud, impropriety or damage to reputation, which can be mitigated by achievable measures. Key or compensating controls exist but there may be some inconsistency in application.
Limited	The area/system is exposed to risks that could lead to failure to achieve the objectives of the area/system under review e.g., error, loss, fraud/impropriety or damage to reputation. This is because, key controls exist but they are not applied, Or there is significant evidence that they are not applied consistently and effectively.
Minimal	The authority and/or service is exposed to a significant risk that could lead to failure to achieve key authority/service objectives, major loss/error, fraud/impropriety or damage to reputation. This is because key controls do not exist with the absence of at least one critical control, Or there is evidence that there is significant non-compliance with key controls.
Not Applicable	Internal audit advice/guidance no overall opinion provided.

