INTERNAL AUDIT PROGRESS REPORT
GOVERNANCE AND AUDIT COMMITTEE
23 July 2024

1. Introduction

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.

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.

This activity report provides Members of the Governance and Audit Committee and Management with 12 summaries of completed work between May and July 2024.

2. Key Messages

- 11 audits have been finalised in the period reported and 1 draft summary is included. **Appendix A**
- 41 of 49 audits from the 2023/24 6-month rolling Audit Plan are either in fieldwork or reporting stage with the remaining deferred or removed from the Plan. **Details on the status of the Rolling Internal Audit Plan can be found in the Annual Report.**
- There has been an overall decline in the implementation of agreed management actions by their due date from 40% as reported to February GAC to 34% for this reporting period. **Appendix B**

3. 2023/24 Internal Audit Plan

This report also provides an update on the work completed between May and July 2024. The audit summaries are provided at **Appendix A**. A summary is provided on current progress against the 2023/24 Audit Plan.

Table 1- Audit Plan Status

Status	Number of Audits	%
Not yet started	0	0%
Planning	0	0%
Fieldwork	2	4%
Ongoing	4	8%
Draft Report	4	8%
Final Report	31	64%
On Hold	2	4%
Deferred	6	12%
Removed	0	0%
Total	49	

The alignment of coverage against the **8 Pillars of Corporate Health** utilised for Annual Audit Opinion is reported within the separate agenda item.

Corporate Governance	Risk Management	Financial Control	Change Management & Programme / Projects
Commissioning, Procurement & Partnerships	Information Technology & Information Security	Asset Management	Counter Fraud

Table 2 – Summary of Audits - July Committee

Governance & Audit Committee – 23 July 2024			
No	**Audit**	**Opinion**	**Prospects for Improvement**
24	RB10-2024 - Supported Living Payments (DRAFT)	ADVISORY	N/A
26	RB19-2024 – Schools Financial Services – Contract Management	SUBSTANTIAL	GOOD
27	RB27-2024 – Climate Change - Net Zero Follow-up	N/A	N/A
28	RB28-2024 - Highways Term Services Commissioning Programme	SUBSTANTIAL	N/A
29	RB16-2024 – Freedom of Information	ADEQUATE	ADEQUATE
31	CA02-2024 – Risk Culture	SUBSTANTIAL	GOOD
32	RB01-2024 – Gifts & Hospitality	ADEQUATE	GOOD
33	RB02-2024 – Performance Management	HIGH	VERY GOOD
34	RB12-2024 – Business Planning Process	SUBSTANTIAL	ADEQUATE
35	RB23-2024 – Complaints	ADEQUATE	ADEQUATE
36	RB31-2024 – Helping Hand Support Scheme – Business Workstream Phase 1	LIMITED	ADEQUATE
37	RB36-2024 – Data Security Protection Toolkit	HIGH	VERY GOOD

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

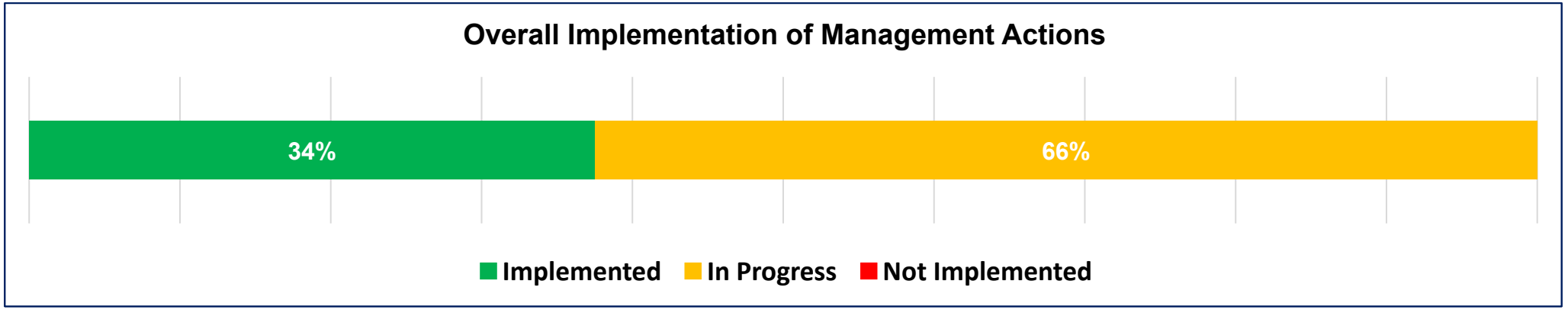
4. Issue Implementation

Details of the current position on the 'Implementation of Agreed Management Actions' is set out at **Appendix B**. This details the implementation status of 56 actions categorised by the assurance level assigned to the original report.

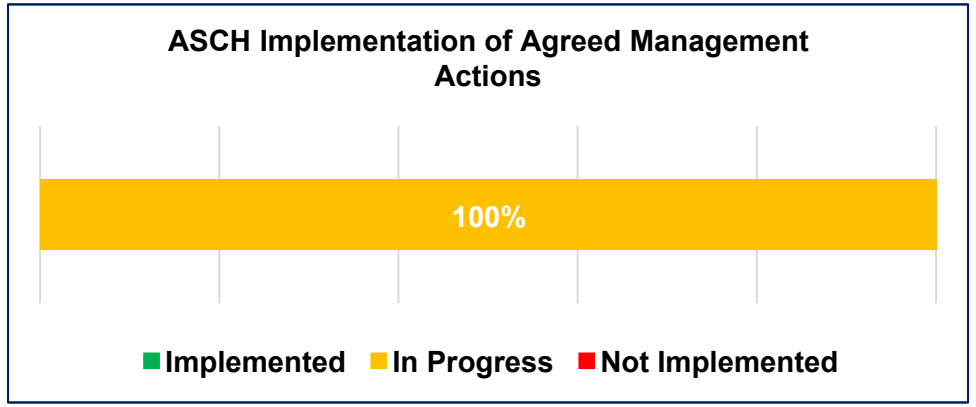
The status of implementation agreed actions is summarised below:

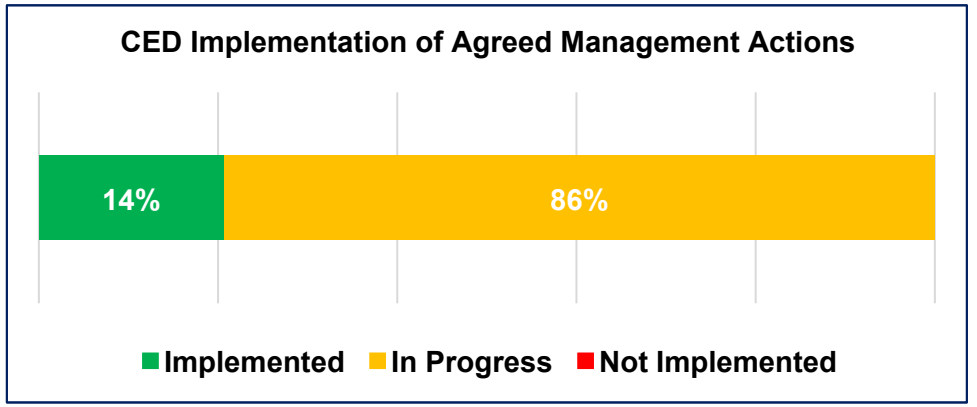
Summary of Issue Implementation

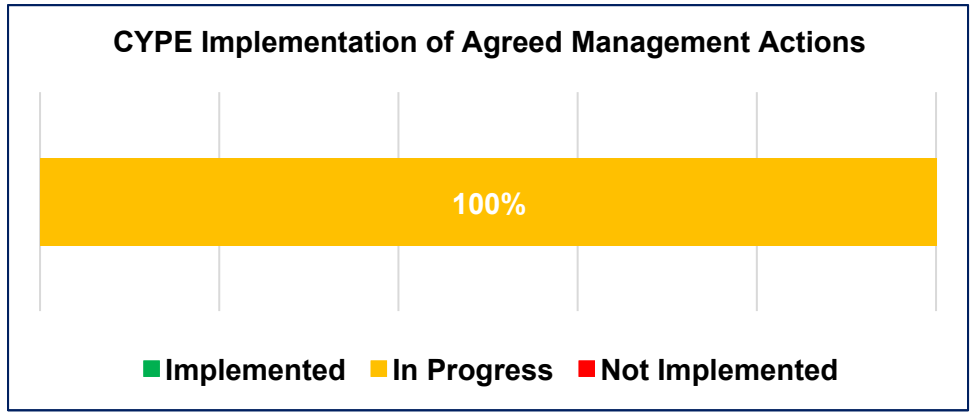
	Total Number due for Implementation		Implemented		In Progress		Not Implemented		Superseded	
	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium
Total	19	37	4	15	15	22	0	0	0	0
Total %			21%	41%	79%	59%	0%	0%	0%	0%

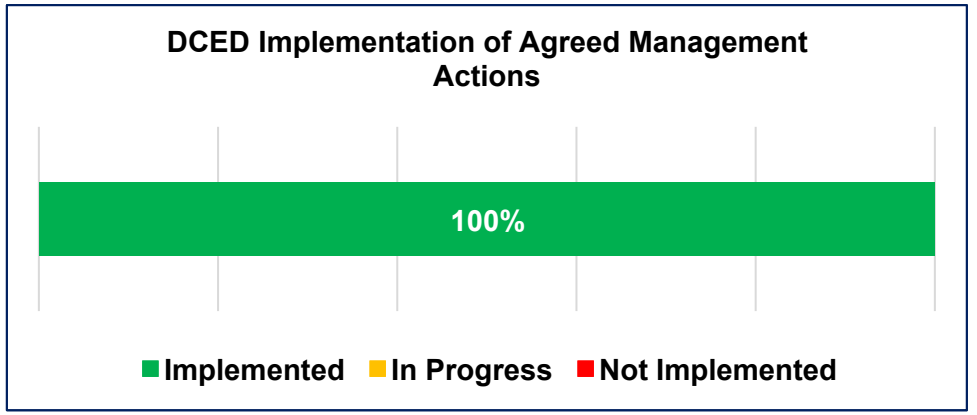


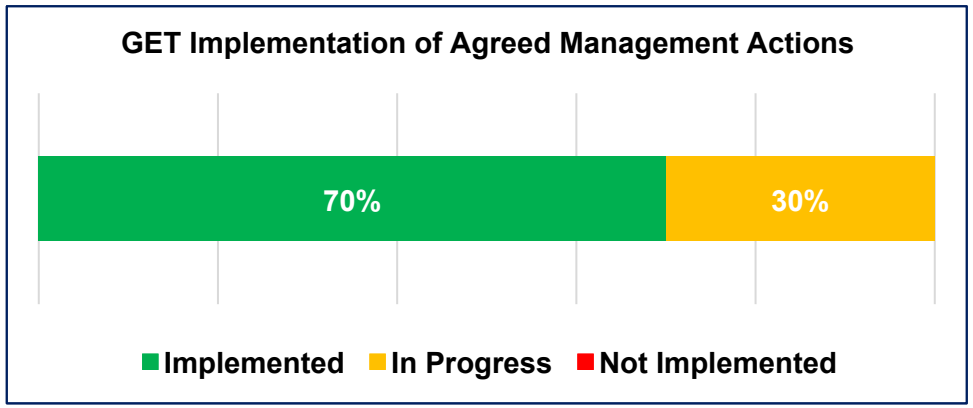
	Total Number of Open Issues		Total Number due for Implementation		Implemented		In Progress		Not Implemented		Superseded	
	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium
ASCH	13	8	3	4	0	0	3	4	0	0	0	0
CYPE	2	0	2	0	0	0	2	0	0	0	0	0
GET	15	12	3	7	0	7	3	0	0	0	0	0
CED	19	38	9	20	2	2	7	18	0	0	0	0
DCED	1	11	2	6	2	6	0	0	0	0	0	0
Total	50	69	19	37	4	15	15	22	0	0	0	0
				Total %	21%	41%	79%	59%	0%	0%	0%	0%



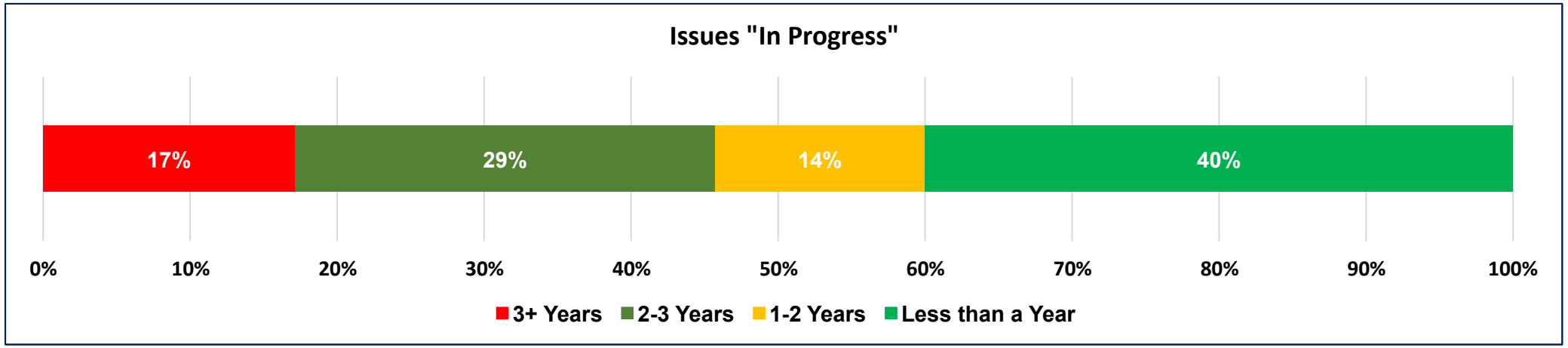








37 issues remain “in progress” for the period. 5 issues (2 High Priority and 3 Medium Priority) are longstanding issues which have remained open past their original implementation date for over 3 years and updates and revised implementation dates are detailed below.



Ref	Audit	Priority	Original Date	Revised Date
CA06-2020	Data Protection Deep Dive – Issue 1 – Record of Processing Activity (ROPA)	**Medium**	30/09/2020	31/03/2025
Update - Discussions have now taken place but the Data Protection and Digital Information (No. 2) Bill will not be presented to Parliament before 2024 General Election in July and unclear when it will be. The Bill will mean that only high-risk processing would need to be added to the ROPA.. Exploring the possibilities of combining both the ROPA and Data Mapping activities in collaboration with the DPO Support team.				
CS04-2020	Imprest Accounts – Issue 3 - Security	**High**	30/09/2020	30/09/2024
Update - This has moved on. The Imprest bank account closure write offs are still being dealt with as some of the write offs should really be accounting corrections. It is almost all resolved now. Imprest operators and imprest holders have been reminded of their responsibilities in relation to security and have reviewed the financial procedures have been reviewed. Payments Control have added a cash balance analysis section to the imprest schedule to highlight any errors in the cash counts.				

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

Ref	Audit	Priority	Original Date	Revised Date
CS04-2020	Imprest Accounts – Issue 6 – Cash Counts and Reconciliations	**High**	30/09/2020	30/09/2024
Update - Central log for imprest accounts has been reviewed and updated. Secure cash collections have been completed to move existing cash to bank. All that remains is for confirmation of zero balances for a small number of historic accounts. Imprest operators have been sent a questionnaire to analyse imprest usage with a view to reducing use of cash where we can. The cash delivery contract is being arranged. This has been a big project and is not as simple as just closing imprests and finding alternatives to cash, given the clients we are funding. The main objective had been to mitigate and reduce the risks.				
CA07-2021	Information Governance (Remote Working) – Issue 1 – Policies and Procedures	**Medium**	31/05/2021	31/03/2025
Update - A first draft of a consolidated policy has been completed by the DPO Support team and is currently under review at a Corporate level. This will then need to be submitted to the Information Governance groups (IGXDWG and CIGG) and will then need to be amended for feedback. The annual review of current policies has been completed				
CA07-2021	Information Governance (Remote Working) – Issue 4 – Risk Assessment	**Medium**	31/05/2021	31/03/2025
Update - DPO Support team and SPRCA are currently discussing the best approach for evaluating and monitoring the risk assessment/register. This will include the creation of an Information Governance panel to review the risks and approach for mitigations. The register has been consolidated to merge duplicated risks.				

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

5. 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 A** for the Committee's information and discussion.

Audit Definitions are provided at **Appendix C**

(A) Adult Social Care and Health	(B) Children, Young People and Education
A1. RB10-2024 - Supported Living Payments	B1. RB19-2024 – Schools Financial Services
(C) Growth, Environment and Transport Cross Directorate	**(D) Chief Executive**
C1. RB27-2024 – Climate Change - Net Zero Follow-up C2. RB28-2024 - Highways Term Services Commissioning Programme	D1. RB16-2024 – Freedom of Information

(E) Deputy Chief Executive	(F) Cross Directorate
	F1. CA02-2024 – Risk Culture F2. RB01-2024 – Gifts & Hospitality F3. RB02-2024 – Performance Management F4. RB12-2024 – Business Planning Process F5. RB23-2024 - Complaints F6. RB31-2024 – Helping Hand Support Scheme – Business Workstream Phase 1 F7. RB36-2024 – Data Security Protection Toolkit

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

Appendix A - Summaries

A1. RB10-2024 – Supported Living Payments (DRAFT)

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

Background

This review has been undertaken in addition to the investigation performed by Counter Fraud in September 2023 in respect of a potential supported living financial irregularity and safeguarding concern. Agreed management actions arising from the investigation have been followed up as part of this review.

Key Strengths

Supported Living Steering Group

- Required changes to care plans are agreed by the Supported Living Steering Group.
- The Supported Living Practice Assurance Panel (PAP) reviews and approves individual cases.
- Supported Living Panel meetings are minuted, decisions are documented and where required service improvements are sought.
- A detailed Terms of Reference for the Countywide Supported Living Practice Assurance Panel has been set up with a defined scope, purpose, and responsibilities.

Quality & Standards Team (QST) Review Process

- Internal Audit sample testing confirmed that rota audits are regularly undertaken by the QST to identify under provision of hours.
- The QST audit process was reviewed by Internal Audit and found to be comprehensive as an assessment of service provision.
- The QST audit includes assessments of current care and support plans for all tenants at the property and identifies opportunities where hours can be shared.
- Care and support plans are revised following the assessment of current eligible needs identified during audits and MOSAIC is updated accordingly.
- Contact sheets are maintained detailing e-mails and phone communication between the QST and the provider.
- The QST have devised a House Accountability checklist to ensure all steps of the audit process are completed and evidences the sign off of the proposals for implementation.
- Comprehensive QST audit process maps have been devised to assist the Community Teams in differentiating between the pre-audit and statutory review processes.

Data Analytics

- Data analytics is used to identify fluctuations in invoice amounts which are discussed at the Task and Finish Group meetings.

Contract Management

- Weekly Task & Finish Group meetings are held, which provides insights into operational challenges, financial management and charging arrangements.
- Monthly invoice variation summaries are produced to identify fluctuations at operating level.

Areas for Development

Quality & Standards Team (QST) Review Process

- Whilst under provision of hours is raised with providers, the recovery of overpayments is not actively pursued. **HIGH**
- Following the QST assessment of current eligible needs identified during audits there is no monitoring or follow-up to confirm that agreed changes of support and hours required have been implemented. **MEDIUM**
- There is no process in place to identify themes by providers/lessons learnt arising from the QST audits at a holistic level. **MEDIUM**
- There is no clear direction for providers on the expected criteria for the completion of contact sheets to evidence support is being provided in line with commissioned hours. **HIGH**

A1. RB10-2024 – Supported Living Payments (DRAFT)

Data Analytics

- There are no existing KPIs in place for monitoring invoicing accuracy and service provision. **MEDIUM**
- The use of data analytics could be strengthened to establish discrepancies between invoiced amounts and commissioned hours to highlight areas of concern requiring further investigation and review of the care actually provided.

Contract Management

- Internal Audit were informed that there are insufficient staff resources in Commissioning to actively monitor contracts with providers. Furthermore, we were advised that the Senior Commissioner does not have access to review detailed case notes on key systems including MOSAIC to enable effective oversight. **HIGH**

Conclusion

The QST have a comprehensive audit process which includes an assessment of current care and support plans and identifies opportunities where hours can be shared. A monthly invoice variance summary is produced to identify fluctuations; however, data analytics could be strengthened to identify discrepancies between invoice amounts and expected amounts to highlight any areas of concern around actual care provided. This could be further enhanced by pursuing overpayments with providers, identification of themes by providers, tracking of lessons learned and the introduction of KPIs. The lack of sufficient commissioning staff resources to actively monitor contracts is a factor.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	3		NA
Medium Risk	3		NA
Low Risk	0		NA

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

B1. RB19-2024 – Schools Financial Services (SFS) – Contract Management

Audit Opinion	**SUBSTANTIAL**
Prospects for Improvement	**GOOD**

Introduction

The aim of the audit was to provide assurance that KCC has adequate arrangements in place for managing the contract including undertaking regular performance reviews and utilising tools available within the contract to ensure required service levels are adhered to by Schools SFS/ The Education People (TEP).

The administration of the loans scheme was excluded from the scope as this was covered in a separate audit engagement.

Key Strengths

- Key documents such as the core contract, Schedule 1H and contract update notices are in place, and provide clear detail regarding expected activities to be completed by SFS under the contract.
- The SFS schools audit annual report 22-23 was noted at Governance and Audit Committee for annual assurance as per Department For Education (DfE) requirements.
- KCC receives suitable formal oversight of SFS/TEP contractual fulfilment via the Partnership Operations Board (POB) and Service Delivery Operation Board (SDOB). These meetings provide the opportunity to review performance and resolve issues.
- KPI reports are provided monthly by SFS to KCC with RAG ratings against each indicator and information regarding direction of travel since the previous report was issued.
- There are established procedures for managing schools experiencing financial difficulties. The procedures are available to schools via the Kelsi website.
- Management actions highlighted during the school compliance visits are subject to monitoring and follow-up within agreed timescales.
- Payments made to TEP for the financial year 23-24 were reviewed by Internal Audit and found to be accurate and in line with invoiced amounts.
- Training is provided to schools by TEP with the Finance Information Group (FIG) meetings taking place at least 3 times per year. TEP proactively identify potential future training needs.
- Following a decision by KCC to end the existing contract for SIM's licences across the maintained schools, TEP reviewed suitable alternative systems for purchase by schools and provided training for migration from FSM6 financial system to the TEP preferred alternative Bromcom.

Areas for Development

- Ownership of policies, procedures, and responsibility for updating Kelsi with amended versions is unclear. **MEDIUM**
- KPI reports from SFS are presented in a summarised manner with limited background or source data provided. **LOW**

Internal Audit Observation

Internal Audit found that payments are made from KCC to TEP quarterly, in advance of contracted services being received. Evidence of work is presented by SFS/TEP to KCC through the established reporting mechanisms. However, within the contract there is no provision to financially withhold future payments or financially penalise TEP for contract non-compliance.

Through discussion with CYPE officers it has been established that the issue identified relates specifically to the nature of the contract as a whole. The payments methodology was originally agreed in 2018 prior to the contract commencement. It had been the intention that for the first 18 months of TEP's operation that KCC would pay them in advance in order to safeguard their cashflow as KCC had decided not to make available any working capital. This transition period was due to end in April 2020 but at that point discussions between the Chief Executive of HoldCo and the two KCC Corporate Directors resulted in an instruction to continue making payments in advance. On this basis, the contract now formally states at clause 14.3 of Schedule 14: *After the Transition Period, payments will be made quarterly in advance by the Authority to the Service Provider on receipt of an undisputed invoice.*

Not only does the contract not contain a provision to withhold future payments or financially penalise TEP but it actively prohibits this course of action. In Schedule 2 – Performance Management, the following content appears at clause 1.5 "*Whilst the performance of the Service Provider is paramount to the success of the Authority to deliver its outcomes, direct financial sanctions (e.g. cutting budget) as a method of encouraging delivery have been ruled out.*"

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

B1. RB19-2024 – Schools Financial Services – Contract Management

This quite clearly precludes the contract management function from being able to impose financial sanctions.

Risk
Evidence has been provided that the agreement to make contract payments in advance has been made in accordance with KCC Financial Regulations 8.10 vi; which states that "*The Corporate Directors MUST ensure that payments are not made in advance of goods being supplied, work done or services rendered, except with the approval of the Section 151 Officer*." On this basis, Internal Audit have not raised this as an issue in this report, however, there remains an inherent risk that KCC may pay for services not provided or that the expected quality of services expected may not be delivered, both of which are not in accordance with the principle of ensuring Value For Money which may also impact negatively on KCC reputationally regarding financial management procedures. This now becomes more pertinent given the spending controls in place across KCC and in the Securing Kents Future budget recovery strategy paper issued in Autumn 2023.

The CYPE Education Services, Planning and Resource Manager has advised that this issue cannot be addressed without a wider corporate discussion about the nature of the relationship between KCC and TEP and that it is not within the remit of CYPE alone to address this matter.

Prospects for Improvement

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

- There is a positive and collaborative relationship between SFS/TEP and KCC.
- Existing formal, and informal communication channels provide opportunity to resolve contractual or performance issues promptly, with both KCC and TEP/SFS demonstrating a desire for continuous improvement in the services offered to schools.
- Satisfactory management action plans have been developed to address the two issues raised.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	0
Medium Risk	1	1	0
Low Risk	1	1	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

C1. RB27-2024 – Climate Change - Net Zero Follow-up

Audit Opinion	N/A
Prospects for Improvement	N/A

As part of the 2022/23 Audit Plan, Internal Audit undertook a review of Climate Change – KCC's Net Zero Action Plan. This audit, which was reported in April 2023, identifying three **HIGH** risk issues, two **MEDIUM** risk issues and two **LOW** risk issues and was allocated 'Limited assurance'. The aim of this follow-up review was to provide assurance that adequate progress has been made against the high and medium risks issues raised in the original audit review.

	No. of Issues Raised from Original Report	Implemented	Issue Open and In Progress Actions	Risk Accepted
High	3	0	3	0
Medium	2	0	2	0
Low	0	0	0	0

Key Findings From Follow-up

The follow-up work has identified that of the five issues being reviewed, none have been implemented in full and therefore remain open. Further follow up on these issues will be conducted in November 2024.

It is important to emphasise the context. Since the original audit, the restructure of the Environment and Waste Division concluded in November 2023. The new Environment and Circular Economy Division has onboarded over 22 new staff members and key parts of the Energy and Climate change work have been handed over. The new Head of Environment has been in post since April 2024. Although progress has been made during this period, the restructure, subsequent training and resourcing issues have led to delays with the implementation of the audit actions. Revised dates have been given for implementation.

Issue Status

Issue	Risk Rating	Status
1 – Cost, Spend and Insufficient Funding	High	In Progress
2 – Net Zero 2030 Governance	High	In Progress
3 - Action Ownership and Implementation	High	Not started
4 - Monitoring the Cost of Offsetting the Gap in Emissions	Medium	In Progress
5 - Lack of Net Zero 2030 Programme Risk and Issues Register	Medium	In Progress

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

C1. RB28-2024 – Highways Term Services Commissioning Programme

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

This is the first interim report for the Highways Term Maintenance Commissioning (HTMC) Programme.
The objective of this review was to provide assurance over key risk areas in the initiation and the startup of the procurement for the new Highways Term Maintenance Service. Areas considered in the review include:
· Governance and Decision Making
· Project Resources and Cost Management
· Time Management
· Procurement
· Risk and Issue Management
· Communication

New Issues Raised

Scope Area	High	Medium	Low
Governance and Decision Making	0	0	0
Project Resources and Cost Management	0	0	0
Time Management	0	0	0
Risk and Issue Management	0	2	0
Communication	0	0	0
Overall	**0**	**2**	**0**

Key Observations

- Project documentation is in place, and a detailed proposal has been approved. This is supported by a detailed project plan setting out key milestones, tasks, and activities.
- There are delegations of authority documented for the project, and clear understanding of how decisions are to be made and actioned. There is a forward governance plan for key milestones, decisions/approvals, and assurance requirements, each has been dated and planned to align with scheduled Programme Boards and KCC meetings.
- The production of project plans, risk/issue logs as well as terms or reference and a governance/action log have led to a clear definition of roles and responsibilities within the project.
- Where there have been gaps in resources, the Professional Services Framework has been utilised to procure project administration and knowledge and expertise to support the business case for the programme.
- Current spend on delivery of the programme is currently within budget limits set.
- Although there is a risk register in place, and the significant risks are included in project updates to the Programme Board, there are risks that do not have adequate mitigating actions against them, and of those that do, some do not have target dates for delivery of those actions.
- Considering the fraud risks associated with procurement of a contract this size, to date there has been no Fraud Risk Assessment completed.
- Timelines for re-commissioning of the new Highways Term Maintenance Contract are extremely tight. Milestones/Tasks and risks are actively monitored as part of the project plan. Where required, additional support will need to be procured to ensure adequate resources to meet the project timescales. There is currently no significant slippage.
- Where there have been potential risks to the timelines of the project these have been promptly escalated to the Programme Board to assist in addressing.
- A forward Communication Plan is in place, covering major Stakeholders.

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

D1. RB16-2024 – Freedom of Information

Audit Opinion	**ADEQUATE**
Prospects for Improvement	**ADEQUATE**

Introduction

- The Freedom of Information (FOI) Act 2000 places a statutory duty on Kent County Council (KCC) to provide access to the recorded information it holds. It does so in two ways; a proactive disclosure via a publication scheme on its website and requests from members of the public.
- The Environmental Information Regulations 2004 (EIR) provides a right of access to information about the environment held by public authorities. The regulations are again done in two ways; a proactive disclosure via the publication scheme on its website and requests made by members of the public.
- In 2023, KCC had a total (FOI and EIR) of 2093 requests for information of which 1533 were responded to within timescales (73% against a target of 92%).

Key Strengths

- There is adequate information on the Council's website on how to make a request for FOI/EIR information.
- Guidance is available to all staff which is easy to locate and informative, including an up to date FOI policy.
- The iCasework system supports with tracking of requests, deadline reminders and automated reminders to operational units for requests for information.
- Fortnightly meetings are scheduled between the FOI Officer's and Information Governance (IG) Specialist to discuss cases and support with next steps.
- Monthly performance data is collated from the iCasework system and uploaded to the Governance, Law and Democracy (GLD) SharePoint site. Organisational dashboard reports are produced monthly and reporting of KPI's is shared at Policy and Resource Cabinet Committee.
- Information available to the public on KCC's website via the Publication Scheme is easily accessible, clear, up to date and in line with the Information Commissioner's Office (ICO) guidelines.
- The Information Governance Specialist has begun the task of reviewing all the standard letter templates used within iCasework. Another Local Authority carried out a similar process which was highlighted as a successful service improvement by the ICO as it streamlined their request handling.

Areas for Development

- There is no effective escalation process to support operational units with meeting the timeframe set. **HIGH**
- Redacting necessary personal and sensitive information prior to releasing requested information is resource intensive due to a lack of redaction tools Council wide . **MEDIUM**
- Through sample testing it was identified that it is not routine practice, when a request for information is submitted, for the FOI team to check the disclosure log to establish whether the information has been made available before. Furthermore, trend analysis is not routinely conducted to identify instances of repeated FOI requests. **MEDIUM**
- As a result of the increased volume in FOR/EIR requests and lack of resources, monitoring of cases is carried out in a reactive rather than proactive manner. **MEDIUM**
- Testing identified that workload, a delay in getting responses back from operational units and issues with initial triage of requests are the primary root causes for non-compliance and improvements are required to processes to improve response rates. **MEDIUM**
- Improvements to the categorisation in iCasework for the reasons for the delay could be made to provide more valuable insights into root causes. **MEDIUM**
- The information contained in the KCC's webpage for FOI could be improved. There are no prompts or signposts to inform the requester that the information they seek may already be readily available. **MEDIUM**
- Requesters are not being routinely advised of delays to their request. **LOW**

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

D1. RB16-2024 – Freedom of Information

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

- The Information Governance Manager is aware that there are improvements that could be made and is open to making practice improvements.
- External factors such as the persistent increase in FOI/EIR requests.
- Lack of resource continues to prevent the team from focusing on anything other than the 'day job'.
- Improvements are also reliant on directorate wide support which may not aid achievement of the objectives.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	1	1	NA
Medium Risk	3	3	NA
Low Risk	1	1	NA

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F1. CA02-2024 – Risk Culture

Audit Opinion	**SUBSTANTIAL**
Prospects for Improvement	**GOOD**

Introduction

- The focus of this year's risk management audit was risk culture. The rationale for this derived from the latest external audit report which has picked up that governance challenge relating to the pace an organisation operates, which plays a critical role in the current economic climate.

- Risk culture influences the mechanisms and techniques that the Council employs to manage risk but is also in turn influenced by them. The Institute of Risk Management (IRM) has produced a Risk Culture Model which was used as a best practice guidance to compare the Council against and informed the scope of the audit.

Key Strengths

- Key documents such as Risk Management Policy Strategy 2024-27, Managing Risk Toolkit and, Annual Governance Statement (AGS) are in place, and available to all KCC staff.
- Through interviews conducted, it is clear that Senior Officers are committed to promoting the risk management message from the top mainly driven as a result of better understanding of current and future risk exposures.
- The General Counsel is currently working on an app to formalise the channels of communication for Key Decisions and are aiming to pilot this throughout the summer.
- The formal channels of communication are clear and transparent prior to key decisions made in formal Committee approvals.
- Directors' accountabilities and ownership for managing specific risks were clearly understood by all of the interviewees.
- From the interviews, comments from the Senior Officers highlighted the Council are willing to take appropriate levels of risk provided that it follows the correct governing routes.
- Recent risk discussion for CRR0045 *'Maintaining effective governance and decision making in a challenging financial and operational environment'* was raised and accepted to be changed from Amber to Red. This shows a positive risk culture acceptance and identification to the risk register.
- Risk Management discussion take place at CMT in a formal setting with Senior Officers, which foster a positive atmosphere and encourages active collaboration and participation in identifying risks and developing mitigating strategies.
- From the interviews, comments from the Senior Officers highlighted the Council has a proven track record of proactively dealing with challenges through a culture of honesty, and ensuring this is proactively communicated up the organisation. This is due to Directors driving to process to understand the root cause and, strengthening the internal controls to avoid the same situation occurring.
- From the interviews, comments from the Senior Officers highlighted risks across the Council are communicated well through the use of Corporate Risk Register / Directorate Risk Registers and conversations with Corporate Directors and the risk teams.
- The Chief Analyst and Head of Risk and Delivery Assurance are exploring the linkages between performance data and risk profile to add value to Corporate Board discussion.

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F1. CA02-2024 – Risk Culture

Areas for Development

- A number of themes have been identified from the responses obtained which KCC may want to consider such as communication of challenges that the Council faces and the Council's openness to innovation. **MEDIUM**
- Kent County Councils' Operating Standards have not been reviewed since 2018. **MEDIUM**
- Lessons learnt reports for specific programmes are shared with the Senior Responsible Officer (SRO), but not cascaded widely across the Council. **LOW**

Prospects for Improvement

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

- Discussions with Senior Officers highlighted that the Council may have a risk adverse culture due to pace, and sometimes how long conversations take. This exists mainly due to spending publics' money, but if Officers don't follow the Councils processes, this could lead to financial and reputational risks. Currently the Council are making tough decisions at pace of the organisation and having to look at risk opportunities due to current financial pressures.
- Changes to decision making process, decision on the app, and strengthening upcoming changes are proactive steps the Council are taking.
- Management have agreed on the issues and risk identified and provided positive points to action with set timescales.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	NA	NA
Medium Risk	2	2	NA
Low Risk	1	1	NA

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F2. RB01-2024 – Gifts and Hospitality

Audit Opinion	**ADEQUATE**
Prospects for Improvement	**GOOD**

Introduction

- Gifts and Hospitality encompass the exchange of presents, favours, or invitations between organisations and stakeholders. They serve as gestures of appreciation and relationship-building. A robust Gifts and Hospitality Policy promotes transparency, prevents conflicts of interest, and upholds ethical conduct. By adhering to this Policy, the Council enhances public trust, ensures unbiased decision-making, and preserves its reputation as a transparent and accountable public institution.

- The public expects the highest standards of conduct, service and transparency from all KCC employees, and the Kent Code lays down the standards to achieve this including how and when Gifts and Hospitality can be offered and accepted.

Key Strengths

Gifts and Hospitality Policy and Guidance

- Internal Audit review of Knet confirmed the easy accessibility of the Gifts and Hospitality Policy which is included within the Kent Code on Knet.

- The existing Policy offers a thorough explanation of acceptable and unacceptable scenarios for receiving gifts. It also emphasises the importance of communicating offers to line managers and uploading the information to the Gifts and Hospitality Register.

- There is also Gifts and Hospitality Guidance available on Knet, which provides more granular details for Officers including the location of the Register and the steps involved in completing it.

- Whilst the Policy and guidance is comprehensive, there is room for further development in certain areas. These areas for improvement will be addressed in a separate section of this report. **See Areas for Development: Issue 1**

Training

- A review of KCCs Delta training site, identified resources are available to employees on handling Gifts and Hospitality offers. While not mandatory, an e-learning course titled "Managing Bribery Risks" includes relevant sections on this topic. The training aligns with the KCC's Gifts and Hospitality Policy outlined within the Kent Code.

Gifts and Hospitality Register

- There is a Gifts and Hospitality Register in place which provides an adequate platform to document approval and rejected Gifts and Hospitality.

- Manager approval for Gifts and Hospitality declared on the Register plays a critical role in maintaining ethical conduct. Review of the process for manager approvals appeared adequate in design.

- Through review of the Gifts and Hospitality Register, Internal Audit found an average of 10 working days for uploading Gift and Hospitality offerings after the offer date.

- For the entries reviewed, all accepted and rejected gifts appeared reasonable and aligned with Policy and guidance.

- Review of declined offers revealed a strong emphasis on proper documentation. Fourteen out of the fifteen declined offers had documented "actions taken," detailing the follow-up process after the offer was refused. The sole exception involved an event cancellation, where documentation of actions taken was not deemed necessary which appeared reasonable.

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F2. RB01-2024 – Gifts and Hospitality

Areas for Development

Gifts and Hospitality Policy

- The Gifts and Hospitality Policy could be improved by highlighting the delta e-learning related to Gifts and Hospitality. **LOW**

Gifts and Hospitality Register

- A review of the Gifts and Hospitality Register for the past twelve months revealed a total of 110 entries. Of these entries, 94 (85%) were accepted by employees, while 15 (14%) were declined. One entry (1%) remained incomplete, lacking information on whether the gift was accepted or not. **MEDIUM**

- The data also indicated differences in the frequency of offers received by different departments. GET and CYPE emerged as the Directorates with the highest number of entries, receiving 34 and 37 offers respectively. AH, CED, and DCED received a lower volume of offers, with 6, 19, and 14 entries each. **MEDIUM**

- Testing identified that 19% of the transactions did not have sufficient evidence to support these had been approved by the relevant Manager. **MEDIUM**

Prospects for Improvement

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

- This positive prospect for improvement is based on the development of a management plan that addresses all identified areas for improvement. The plan outlines realistic timelines for completion of each action.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	0
Medium Risk	2	2	0
Low Risk	1	1	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F3. RB02-2024 – Performance Management

Audit Opinion	**HIGH**
Prospects for Improvement	**VERY GOOD**

Introduction

As part of the 2023/24 Audit plan, it was agreed that Internal Audit would undertake a review of the corporate performance management framework.

The objective of the audit was to provide assurance that the Council's performance management is appropriately aligned to the organisational objectives and uses timely and accurate data to inform the Council, including robust data quality assurance to produce reliable performance indicators that are reported and utilised by management.

This audit included review of the performance management framework, interviews with key officers responsible for collating and reporting key performance indicator data and walkthroughs of key activities completed regarding data quality and monitoring.

Key Strengths

- The Council has a relevant summary of performance indicators that provide a visual representation of Directorates key performance activity; supplemented by their performance indicator definition forms. These include details on the rationale, calculation, and data quality measures in place for each Key Performance Indicator (KPI).
- The KPIs sample test covered all Directorates from the detailed performance indicator definition form, and all had been reviewed within the past year with the majority updated within the last 2 months.
- All KPIs tested within the sample selected shows robust data quality assurance checks in line with those detailed in the performance indicator definition form. Interviews with the responsible officers listed within each KPI performance indicator definition form were held and walkthroughs of data assurance work was completed with relevant evidence obtained.
- The performance indicators reported in the Quarterly Performance Report (QPR) are reviewed annually and discussed at Cabinet to ensure they are relevant and provide an overview on the Council's services performance, helping to inform decision making.
- The KPIs are discussed and monitored at service level in meetings such as Directorate Management Team (DMT). Their consistent discussions show an effective monitoring process and performance of the service utilisation of the KPIs.
- Key Performance Indicators are reported to Cabinet quarterly using the QPR alongside any other relevant Cabinet Committee meetings such as Policy and Resources Cabinet Committee. Queries are raised on the KPIs, and performance is reviewed, showing utilisation and monitoring by the Council.
- The QPR is a robust and detailed document providing insight and context to the performance indicators. The context provided within the report gives informed understanding of the indicators and their performance.
- The QPR utilises strong data analytics to demonstrate the progress and performance of indicators throughout the financial year providing comparable figures.

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F3. RB02-2024 – Performance Management

Areas for Development

- It was highlighted in discussion with ASCH Performance Manager that there can be a delay on the reporting of the KPIs to allow for variations in the data prior to it being reported, however this results in less timely data. In the Q3 QPR, the KPI 'ASCH 2- Care Needs Assessment Delivered' was reported a quarter in arrears, and it was found that there has been little variance in the data since the report showing little benefit to the delay. LOW

Prospects for Improvement

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

- There is a positive understanding of the importance of the KPIs across the directorates.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	NA
Medium Risk	0	0	NA
Low Risk	1	1	NA

F4. Business Planning Process

Audit Opinion	**SUBSTANTIAL**
Prospects for Improvement	**ADEQUATE**

Introduction

- In April 2023, the Council adopted a comprehensive Business Plan encompassing all significant activities for the fiscal year 2023/24. This unified plan aimed to ensure that planned activities align with the Council's strategic objectives, are financially prudent, and contribute to its statutory responsibilities. Notably, there was no corporate requirement for Divisional/Service level business plans during 2023/24.

Key Strengths

Informed by Lessons Learned

- The 2024/25 business planning process has been informed and refined by lessons learned from previous Business Planning iterations.
- Moving from a Council-wide plan in 2023/24 to Division-specific plans in 2024/25 gives a complete view of the organisation.

Governance

- The Divisional Business Planning process design for 2024/25 was approved by the CMT in alignment with the Constitution's Code of Corporate Governance.

Guidance and Training

- Guidance documentation provided instructions on how to fill out each section of the mandatory template.
- Training was provided and Strategy, Policy, Relationships and Corporate Assurance (SPRCA) colleagues were available to answer queries or provide advice on drafting the Business Plans.

Roles and Responsibilities

- The roles and responsibilities of SPRCA are clearly defined and were adapted to the business planning approach for each year.

Risk and Issue Management

- Divisions independently identify and manage risks, and Business Plans include a dedicated section for Divisions to outline their approach to risk management.

Requirements and Corporate Support

- The Business Plan template offers a structured format for detailing 'Critical Support Dependencies' for 'Other Strategic Activities'.
- The determination of which activities require a fraud risk assessment is made at the operational level by the Divisions.

Divisional Business Planning will consistently capture all activities

- The mandatory template provides consistency and clarity for management.
- The Business Planning templates have designated fields indicating if an activity requires a key decision and specifies the responsible officer.
- SPRCA ensured that Business Plans accurately captured the Division's top three priorities and activity that will support delivery of their MTFP savings, cross referencing to the Budget Delivery Plans where appropriate.
- All Divisions submitted their approved Divisional Plans within the timescales agreed.

Quality Assurance of completed Divisional Business Planning templates

- The quality assurance process confirmed Business Plans aligned with Best Value duties and the Care & Support Objective from Framing Kent's Future.

Areas for Development

- **Monitoring**: The monitoring method for Divisional Business Plans has not yet been agreed. This could lead to Divisions not being held accountable for delays and non-achievement of objectives. **MEDIUM**

- **Planning and Collaboration**: Currently, there is no clear mechanism for prioritising or risk-assessing activities in the business planning process, coupled with a lack of guidance for identifying strategic cross-Directorate activities, which may hinder efficient resource allocation and Council-wide collaboration. These gaps could lead to priority activities being overlooked or under-resourced and impact the effectiveness of the plans and achievement of activity objectives. **MEDIUM**

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F4. Business Planning Process

- **Promotion of Divisional Business Planning**: Lack of directives for Divisions to review each other's plans or foster cross-council collaboration could lead to misalignment with Council objectives, inefficiencies, duplicated efforts, and missed opportunities, impacting resource allocation and service delivery. **MEDIUM**
- **Key Decisions:** There was an absence of quality assurance on the accuracy of key decisions identified in the draft Business Plans. This could lead to inaccuracies in the final Divisional Business Plans, inadequate oversight, flawed decision-making, delayed objectives, strategic misalignment, missed opportunities, financial loss, reputational damage, and potential regulatory breaches. **LOW**

Prospects for Improvement

Our overall opinion of **Adequate** for Prospects for Improvement.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	0
Medium Risk	2	2	0
Low Risk	1	1	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F5. RB23-2024 – Complaints

Audit Opinion	**SUBSTANTIAL**
Prospects for Improvement	**ADEQUATE**

Introduction

The aim of the audit was to provide assurance that lessons learnt are being captured to allow the complaints process to become more efficient and is used to inform continuous improvement.

Key Strengths

- There are plans in place to address current challenges and improve handling complaints.
- GET are the first Directorate to clear the back log and are operating as business as usual.
- Reviews of impact from the new Ombudsman Code of Conduct with its potential impact and how to mitigate emerging risks as a result.
- ICasework is used for analysis and report compilation of both qualitative and quantitative data.
- There is an emphasis to efficiency improvements which are fed back to the appropriate Directorates.
- The Customer Complaints Team consistently provide management and CMT information and performance whilst also having the adaptability to create reports on demand.
- The Complaints Team are proactively carrying out training sessions across the Directorates on how to handle complaints.
- Kent County Council took part in a benchmarking exercise with other local authorities for 2022/23 complaints in which the Council compared favourably against stage 1 and stage 2 complaints.

Areas for Development

- There are a suite of complaints, comments and compliments policies used by different Directorates which are overdue for review for alignment to Corporate Policies and Procedures. **MEDIUM**
- The Complaints Team has identified recurring issues to develop lessons learnt. Despite the team being flagged these, and in some cases reviewed by the LGSCO, no corrective action has been taken by the responsible service to stem the reoccurring issues. **MEDIUM**

Prospects for Improvement

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

- Management have engaged positively with the audit while having to deal with multiple demands and pressured timescales.
- Management have developed action plans for each of the issues identified in the report.
- Though overall the management of the complaints process has been found to be managed adequately by the MRX Team, the council is reliant on relevant Officers across the Council to take on lessons learnt to prevent reoccurring issues.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	0
Medium Risk	2	2	0
Low Risk	0	0	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F6. RB31-2024 – Helping Hand Support Scheme – Business Workstream Phase 1

Audit Opinion	**LIMITED**
Prospects for Improvement	**ADEQUATE**

Introduction

During the coronavirus (Covid-19) pandemic, the Government provided significant grant funding to Kent County Council (KCC) to support its local response. KCC allocated funding to respond to the impact of the pandemic on its services to ensure it supported those residents and businesses most in need of support and met its public health obligations.

On 8 February 2021, a Key Decision was made by the Leader of the Council to allocate £10m from the available Covid-19 Emergency Grant Funding to be 'used to provide targeted support to low-income households and households in financial distress, including individuals and families; and local businesses. This scheme would be known as the Helping Hand Support Scheme.

Of the £10m allocated, £3m was allocated to provide 'a range of support for businesses and the self-employed that meet specified criteria, including through council services, district and borough councils, voluntary and community sector organisations, and business support organisations such as the Chamber of Commerce'.

Audit Observations

- This was a Covid grant administered during an unprecedented challenging period.
- The allocation of funding was given priority over the monitoring and management of the grant application process. The grant agreement, application and approval processes were not performed in accordance with monitoring expectations.
- The removal of the administration of the grant from the GET team to the CED team was not performed in an open and transparent way. It would have been more beneficial for Internal Audit to work with the GET team in an advisory capacity to bring the programme back on track. This has made the audit very difficult due to lack of collaborative working between the two teams.

Key Strengths

Funding Awarded

- Funding was awarded and delegated within authority limits, via the key decision process.

Areas for Development

Application Process

- Sub-panel / Covid Finance Monitoring Group (CFMG) meetings to approve awards for individual applicants were not minuted. **MEDIUM**
- Approval forms were not available for one provider selected. Of the five initial review approval forms only two forms had the required two approval signatures present, and these were typed on an Excel document. Grant agreement and Offer letter signatures are screenshots instead of electronic signatures. **MEDIUM**

Due Diligence

- Limited evidence of provider due diligence checks, conflicts of interest or checking of bank details**.** **HIGH**

Funding Awarded

- Grant agreements are vague; expectations of providers, monitoring arrangements, and achievement of outcomes are not stipulated. Furthermore, the grant agreements state that help and support to providers will be provided by KCC but there was no evidence of such support having been given. **MEDIUM**
- Treatment of VAT is unclear. **MEDIUM**
- Lack of authorisation trail for grant amendments. **MEDIUM**

Monitoring and Outcomes

- It has been identified that there is learning from the transfer of functions (and budgets) from one directorate to another to ensure documented evidence of the financial (and non-financial position) position at the point of transfer is in place and retained. **HIGH**
- No risk log had been completed for phase 1. **HIGH**
- Purchase orders were not prescriptive. **HIGH**

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F6. RB31-2024 – Helping Hands Support Scheme – Business Workstream Phrase 1

- Inconsistent monitoring of the performance of providers. One of the providers did not provide monthly monitoring information and as a result were in breach of their grant agreement. Furthermore, there was limited evidence of the tracking of KPI's. **HIGH**

Prospects for Improvement

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

- Within Phase 2, a project management log has been developed and implemented.
- A terms of reference for Panel Approval Forms are documented onto a SharePoint document which everyone has access to and includes the whole application process, comments, decisions, and approval.
- Legal advice has been sought on the format of the grant agreement which was updated in March 2022.
- Signed Word document grant agreements are no longer accepted.
- Internal Audit were informed that all grant variations are now in writing and signed by both parties. Evidence of discussion of issues and variations are retained.
- Staff responsible for the management of Phase 2 have been liaising with the administrators within the Financial Hardship Programme to ensure that purchase orders are prescriptive and accurate.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	5	5	0
Medium Risk	5	5	0
Low Risk	0	0	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F7. RB36-2024 – Data Security and Protection Toolkit

Audit Opinion	**HIGH**
Prospects for Improvement	**VERY GOOD**

Introduction

- The Data Security and Protection Toolkit (DSP Toolkit) sets out the standard for cyber and data security for health and social care organisations and their partners. All organisations that have access to NHS patient information must provide assurances that they are practicing good information governance and must use the DSP Toolkit to evidence this through completing an annual self-assessment. The Toolkit requires organisations to be compliant with the ten data security standards recommended by the National Data Guardian, whilst at the same time meeting their statutory obligations on data protection and data security.

- Completion of the DSP Toolkit provides each Health and Social Care organisation with insight into its control environment around technical and operational data security and protection. Assurance is enhanced through an independent assessment of the effectiveness of the organisation's controls. The DSP Toolkit Independent Assessment and Audit Guide, produced by NHS England, must be followed by organisations completing an annual assessment. For the Council, this assessment is conducted by Internal Audit.

Key Strengths

- The Council has an information Governance Framework in place.
- The Council has valid registration on the Information Commissioner's Office (ICO) Data Protection Register and has correctly named their Data Protection Officer.
- An updated record of processing/ Article 30 has been introduced and communicated to staff. It is routinely reviewed on a bi-annual basis.
- There are numerous privacy notices on the organisation's website which explicitly explains to members of the public how their data is processed. This information is also provided in various formats e.g., easy read for children, making it easily accessible to all.
- The organisation has a well-documented structure which clearly details roles and responsibilities in relation to data security and data protection.
- The standard contract of employment clearly outlines individuals' responsibility in terms of data security and data protection.
- Data security and data protection is included in the induction process mandatory training, and compliance is monitored.
- Training needs are analysed, and ad-hoc training provided where necessary.
- There is a Data Breach Policy and guidance given to users regarding security threats.
- Information Security incidents are consistently logged, monitored, and overseen by the Information Governance Specialists in the Information Resilience & Transparency Team in accordance with the Data Breach Policy.
- All workstations and computers have up-to-date Antivirus software.
- Hard copies of business continuity and disaster recovery plans are maintained and restricted to appropriate personnel involved in the event of an incident.
- There is an encryption policy which is accessible to all via the Council's Intranet, KNET.
- The Council has formally documented certifications of all suppliers which have access to the organisation's data.
- Procedures ensure that the General Data Protection Regulation (GDPR) principles and appropriate technical and organisational measures are built by default into the organisation's processing activities and business practices.

Areas for Development

- No Issues to Raise

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

F7. RB36-2024 – Data Security and Protection Toolkit

Prospects for Improvement

Internal Audit's overall opinion of **Very Good** for Prospects for Improvement is based on the following factors:

- The Council has an Information Governance Framework in place, with Members of the two Governance groups meeting regularly to monitor actions and to improve data security across the Directorates.
- The Council's SharePoint site has facilitated having all the evidence ready and available should there be any further scrutiny.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	0
Medium Risk	0	0	0
Low Risk	0	0	0

Section Navigation
Introduction & Key Messages
2023/24 Internal Audit Plan
Issue Implementation
Under the Spotlight
Appendix A - Summaries
Appendix B– Implementation of Agreed Management Actions
Appendix C - Definitions

Appendix B – Implementation of Agreed Management Actions

3+ Years

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
CA06-2020	Data Protection Deep Dive	Adequate	Issue 1 – Record of Processing Activity (ROPA)	Medium	CED	In Progress
CA09-2018	Departmental Governance Review – Adult Social Care and Health	Adequate	Issue 6 - Committee Terms of Reference	Medium	CED	Implemented
RB01-2018	Members Induction and Training	Adequate	Issue 2 - Mandatory Training	Medium	CED	In Progress
CS04-2020	Imprest Accounts	No Assurance	Issue 3 - Security	High	CED	In Progress
CS04-2020	Imprest Accounts	No Assurance	Issue 6 – Cash Counts and Reconciliations	High	CED	In Progress
CA07-2021	Information Governance – Remote Working	Adequate	Issue 1 – Policies and Procedures	Medium	CED	In Progress
CA07-2021	Information Governance – Remote Working	Adequate	Issue 4 – Risk Assessment	Medium	CED	In Progress

2-3 Years

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
RB16-2021	Workforce – Recruitment and Retention of AMHPs	Substantial	Issue 2 - Gathering, monitoring, analysing and reporting of AMHP recruitment and retention data	Medium	ASCH	In progress
CA01-2022	Annual Governance Statement	Adequate	Issue 2 - Confirmation of Compliance with CIPFA Code of Financial Management	Medium	CED	In progress
CR04-2022	Provider Invoicing	Limited	Issue 5 - Financial Health Checks	High	ASCH	In progress
ICT03-2022	IT Cloud Strategy, Security and Data migration	Adequate	Issue 2 - Resources	High	DCED	Implemented
CA03-2021	Records Management	Limited	Issue 1 - Training is not mandatory and there are gaps in staff knowledge.	High	CED	Implemented
CA03-2021	Records Management	Limited	Issue 2 - The Information Asset Register is overdue for review.	High	CED	In progress
CA03-2021	Records Management	Limited	Issue 3 - The Data Retention Schedule requires a full review	Medium	CED	In progress
CA03-2021	Records Management	Limited	Issue 4 - Services may retain paper records beyond their statutory timescale	Medium	CED	In progress
CA03-2021	Records Management	Limited	Issue 5 - Records may be lost in transit and not reported	Medium	CED	Implemented
CA03-2021	Records Management	Limited	Issue 6 - There is no documented plan for record cleansing prior to transferring to SharePoint	High	CED	In progress
CA03-2021	Records Management	Limited	Issue 7 - There is no documented plan for training, communications and guidance for the implementation of SharePoint.	Medium	CED	In progress

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - Definitions

2-3 Years

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
CS02-2022	General Ledger	Substantial	Issue 2 - Miscoding of Asylum Seeking Young People Accommodation Costs	Medium	CED	In progress
RB06-2022	New Grant Funding	Substantial	Issue 1 - Fraud Risk Assessments	Medium	CED	In progress

1-2 Years

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
RB01-2022	Declaration of Interests - Members	Adequate	Issue 1 - Register of Interests	High	CED	In progress
RB01-2022	Declaration of Interests - Members	Adequate	Issue 3 - Key Decisions	Medium	CED	In progress
RB01-2022	Declaration of Interests - Members	Adequate	Issue 2 - Centralised Register of Members Interests	High	CED	In progress
ICT04-2022	IT Data Security Audit for DSP Toolkit	Adequate	Issue 1 - Software Asset Register	Medium	DCED	Implemented
RB18-2022	Supervision of Social Workers	Limited	Issue 1 - Storage of Confidential Files	High	ASCH	In progress
RB30-2022	Kent & Medway Business Fund	Adequate	Issue 3 - Assessing Environmental Impact of KMBF Schemes	Medium	GET	Implemented
RB30-2022	Kent & Medway Business Fund	Adequate	Issue 4 - Repayment Holiday Contract Variation	Medium	GET	Implemented
RB30-2022	Kent & Medway Business Fund	Adequate	Issue 2 - Under-utilisation of KMBF	Medium	GET	Implemented
CS01-2022	CIPFA Financial Management Code	Limited	Issue 1 - Completeness of Self-Assessment	Medium	CED	In Progress

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - Definitions

Less Than a Year

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
RB01-2023	Data Mapping	Adequate	Issue 1 - Guidance for Data Mapping including Process For Updating Data Maps	Medium	CED	In progress
RB01-2023	Data Mapping	Adequate	Issue 2 - Responsibility for Data Mapping	Medium	CED	In progress
RB01-2023	Data Mapping	Adequate	Issue 3 - Data Mapping incomplete across the Council	Medium	CED	In progress
CS04-2023	Pension Scheme Administration	Adequate	Issue 4 - Key Performance Indicators	Medium	CED	In progress
ICT03-2023	Information Technology Risk Management	Adequate	Issue 1 - Implementing Mitigating Controls/Actions (Cyber Training)	High	DCED	Implemented
CA05-2023	Health & Safety	Adequate	Issue 4 - Review of Supplementary Safety Policies and Guidelines	Medium	DCED	Implemented
CA05-2023	Health & Safety	Adequate	Issue 3 - Uptake of Health and Safety Training	Medium	DCED	Implemented
CA05-2023	Health & Safety	Adequate	Issue 6 - Monitoring and Reporting Health and Safety Performance	Medium	DCED	Implemented
CA05-2023	Health & Safety	Adequate	Issue 5 - Implementing Actions to Prevent Reoccurrence	Medium	DCED	Implemented
CS01-2023	Budget Savings	Limited	Issue 2 - Veracity of Savings and Income Proposals	High	CED	In Progress
CS01-2023	Budget Savings	Limited	Issue 1 - Non-Delivery of the Savings Plan	High	CED	Implemented
CS03-2023	Purchase Cards	Adequate	Issue 2 - Intellilink Evidence & VAT	Medium	CED	In progress
CS03-2023	Purchase Cards	Adequate	Issue 3 - Unapproved Transactions	Medium	CED	In progress
RB16-2023	Data Quality - LAS system - Risk of Overpayments	Limited	Issue 2: Manual Payments	High	CYPE	In progress
RB16-2023	Data Quality - LAS system - Risk of Overpayments	Limited	Issue 3: Lack of control for ending services and lack of verification of actual hours	High	CYPE	In progress

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - Definitions

Less Than a Year

Engagement Reference	Engagement Name	Audit Opinion	Title	Risk Rating	Directorate	Status
RB24-2023	Property Disposals	Adequate	Issue 1 - Disposal Process	Medium	DCED	Implemented
	East Kent Opportunities - Kings Hill Consultant	Advisory	Issue 1 - Contractual Arrangements	High	GET	In progress
	East Kent Opportunities - Kings Hill Consultant	Advisory	Issue 2 - Past and Current Tendering Process	High	GET	In progress
	East Kent Opportunities - Kings Hill Consultant	Advisory	Issue 3 - Governance and Audit Committee Reporting	High	GET	In progress
RB04-2024	Safeguarding	Substantial	Issue 1 - Unregistered staff performing safeguarding enquiries - Incomplete Safeguarding Concern Forms	Medium	ASCH	In progress
RB04-2024	Safeguarding	Substantial	Issue 2 - Designated Senior Officers (DSO) signing off their own work without review – Incomplete information in Enquiry Forms & Safeguarding Concern Forms	Medium	ASCH	In progress
RB09-2024	Sevington Inland Border Post	Substantial	Issue 3 - Handover documents have been provided to DfT instead of completion certificates for the works done	Medium	GET	Implemented
RB09-2024	Sevington Inland Border Post	Substantial	Issue 2 - The project manager appointment did not follow the expected interview channel	Medium	GET	Implemented
RB09-2024	Sevington Inland Border Post	Substantial	Issue 4 - The Land Rover vehicle is a hire car	Medium	GET	Implemented
RB09-2024	Sevington Inland Border Post	Substantial	Issue 5 - There were limited Council resources for the completion of the project	Medium	GET	Implemented
CFT01-2023	Supporting Living Contracts	Advisory	Issue 1 - Providers Self-Assessment	Medium	ASCH	In progress
CFT01-2023	Supporting Living Contracts	Advisory	Issue 2 - Reconciliation of invoices against relevant business records	High	ASCH	In progress

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - Definitions

Appendix C - 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.**
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.**
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.**
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.**
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**

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - 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.**

Section Navigation

Introduction & Key Messages

2023/24 Internal Audit Plan

Issue Implementation

Under the Spotlight

Appendix A - Summaries

Appendix B– Implementation of Agreed Management Actions

Appendix C - Definitions