

Internal Audit

# Half Year Audit Report 2017-18

Torbay Council  
Audit Committee

January 2018



Robert Hutchins  
Head of Audit Partnership



Auditing for achievement

## Introduction

The Audit Committee, under its Terms of Reference contained in Torbay Council's Constitution, is required to consider the Chief Internal Auditor's annual report, to review and approve the Internal Audit programme, and to monitor the progress and performance of Internal Audit.

The Accounts and Audit (Amendment) (England) Regulations 2015 introduced the requirement that all Authorities need to carry out an annual review of the effectiveness of their internal audit system, and need to incorporate the results of that review into their Annual Governance Statement (AGS), published with the annual Statement of Accounts.

The Internal Audit plan for 2017/18 was presented and approved by the Audit Committee in March 2017. The following report and appendices set out the background to audit service provision; a review of work undertaken to date in 2017/18, and provides an opinion on the overall adequacy and effectiveness of the Authority's internal control environment.

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual report providing an opinion that can be used by the organisation to inform its governance statement. This report provides that opinion.

### Expectations of the Audit Committee from this annual report

Audit Committee members are requested to consider:

- the assurance statement within this report;
- the basis of our opinion and the completion of audit work against the plan;
- the scope and ability of audit to complete the audit work;
- audit coverage and findings provided;
- the overall performance and customer satisfaction on audit delivery.

In review of the above the Audit Committee are required to consider the assurance provided alongside that of the Executive, Corporate Risk Management and external assurance including that of the External Auditor as part of the Governance Framework (see appendix 1) and satisfy themselves from this assurance for signing the Annual Governance Statement.

**Robert Hutchins**  
**Head of Devon Audit Partnership**

<b>Contents</b>	<b>Page</b>
Introduction	1
Opinion Statement	2
Value Added	3
Progress Against Plan	4
Summary Audit Results	5
Fraud	7
Professional Standards and Customer Service	8
Appendices	
1 – AGS Assurance Framework	9
2 – Basis for Opinion	10
3 – Audit Authority	11
4 – Summary of Audit Reports & Findings	12
5 – Performance Indicators	28
6 – Customer Service Excellence	29

## Opinion Statement

Overall, based on work performed to date during 2017/18 and our experience from previous years', the Head of Internal Audit's Opinion is of "Significant Assurance" on the adequacy and effectiveness of the majority of the Authority's internal control framework. The exceptions to this are Public Health and Children's Services, where opinions are of 'Limited Assurance' due to the level of audit activity in previous years. However, we acknowledge that engagement has greatly improved along with the level of work in current year, from which assurance can be provided.

*This opinion statement will provide Members with an indication of the direction of travel for their consideration for the Annual Governance Statement see appendix 1. Assurance over arrangement for adult social care is mainly provided by colleagues at Audit South West, the Internal Audit provider for Health Services, who provides a separate letter of assurance.*

The Authority's internal audit plan for the current year includes specific assurance, risk, governance and value added reviews which, together with prior years audit work, provide a framework and background within which we are able to assess the Authority's control environment. These reviews have informed the Head of Internal Audit's Opinion on the details of Internal Audit's opinion on each audit review carried out in 2017/18 to date. If significant weaknesses have been identified in specific areas, these will need to be considered by the Authority in preparing its Annual Governance Statement later in the year when preparing the Statement of Accounts for 2017/18.

In carrying out systems and other reviews, Internal Audit assesses whether key, and other, controls are operating satisfactorily within audit reviews, and an opinion on the adequacy of controls is provided to management as part of the audit report. All final audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified. Implementation of action plans rests with management and these are reviewed during subsequent audits or as part of a specific follow-up.

This statement of opinion is underpinned by:

### Internal Control Framework

The control environment comprises the Council's policies, procedures and operational systems and processes in place to:

- Establish and monitor the achievement of the Council's objectives;
- Facilitate policy and decision making;
- Ensure the economical, effective and efficient use of resources;
- Ensure compliance with established policies, procedures, laws and regulations;
- Safeguard the Council's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption.

During the year, core financial and administrative systems were reviewed by Internal Audit either through specific reviews (e.g. debtors, creditors, payroll & Main Accounting) or generally in the reviews undertaken in respect of directorate systems. The Council's overall internal control framework operated effectively during the year. Where internal audit work has highlighted instances of none or part compliance, none are understood to have had a material impact on the Authority's affairs.

### Risk Management

Risk Management process at Strategic level remains in place and is currently subject to a revised process through an ongoing project, which incorporates inclusion of ICT Continuity and Disaster Recovery, Corporate Business Continuity and Emergency Planning. There remains work to be done to integrate all of this at operational level.

### Governance Arrangements

Governance arrangements have been reviewed in the areas of Transformation, System Implementation, Projects and Equality Impact Assessments and found to be effective with opportunities to improve capacity or alignment to business need in these areas. The Information Security Group continues to provide governance in relation to management of information.

### Performance Management

The Transformation Programme performance is monitored by the Transformation Board. For other contracts, monitoring and governance is variable across the Authority and opportunities for improvement identified. Performance of ICT provision is monitored albeit at a reduced level. The infrastructure relies upon aged components and requires investment.

Full Assurance	Risk management arrangements are properly established, effective and fully embedded, aligned to the risk appetite of the organisation. The systems and control framework mitigate exposure to risks identified & are being consistently applied in the areas reviewed.	Limited Assurance	Inadequate risk management arrangements and weaknesses in design, and / or inconsistent application of controls put the achievement of the organisation's objectives at risk in a number of areas reviewed.
Significant Assurance	Risk management and the system of internal control are generally sound and designed to meet the organisation's objectives. However, some weaknesses in design and / or inconsistent application of controls do not mitigate all risks identified, putting the achievement of particular objectives at risk.	No Assurance	Risks are not mitigated and weaknesses in control, and /or consistent non-compliance with controls could result / has resulted in failure to achieve the organisation's objectives in the areas reviewed, to the extent that the resources of the Council may be at risk, and the ability to deliver the services may be adversely affected.

## Value Added

We know that it is important that the internal audit service seeks to "add value" whenever it can. We obtained feedback from those audited during the year who considered we were able to add value, e.g.:

*'points us in the direction for improvements in control and can also now discuss how other customers may have adapted procedures etc'.*

We believe internal audit activity can add value to the organisation and its stakeholders by:

- providing objective and relevant assurance;
- contributing to the effectiveness and efficiency of the governance, risk management and internal control processes.

We trust that Senior Management has found our engagement, support as a "trusted advisor" effective and constructive in these significantly changing times.

We consider our work has identified specific added value benefits in key areas and in mitigating key risks. For example:-

## Public Health

- combining audit areas and delivery to better suit customer requirements;
- the development of audit plans to cover new and emerging risk.

## Adult Services

- inclusion again of the NRS Joint Equipment Store audit in the planned work in order to provide management with an up to date assurance;
- liaison support in relation to the working relationship between the Council and Audit South West.

## Children's Services

- supporting the organisation in relation to the future of the PARIS system within a routine audit;
- assistance in maintaining the impetus in management action plans to address previously identified risks through an annual and robust follow up exercise;
- assistance in maintaining appropriate engagement with the internal function through regular management liaison meetings;
- development of audit plans to incorporate flexibility to meet changing and developing business demands.

## Corporate Services & Operations, Commercial Services & Transformation

- ongoing support to the transformation programme, including expansion to horizon scanning focussed on Revenue Income Optimisation, fees and charges cost recovery review, project engagement model, review of practices and governance within the Investment Portfolio project, support to the Sefas/Hubmail plan, advice and consultancy role regarding Digitalisation and appraisal of future service delivery models, embedding ethics and culture within Transformation, and formulation of the P3M3 (Portfolio, Programme and Project Management Maturity Model) self-assessment tool;
- additional support in relation to the external audit requirement for benefit subsidy;
- support to the ongoing GDPR project;
- ongoing support to projects, including HR Self Service and FIMS upgrade;
- continued advice, guidance and challenge to the Information Security Group;
- advice and support to the development of risk management and its wider integration with business continuity and Transformation;
- confirmation of Tor Bay Harbour Authority Port Marine Safety Code Compliance;

## Schools

The provision of internal audit's performance data provides a greater focus on schools causing concern in the wider control environment.

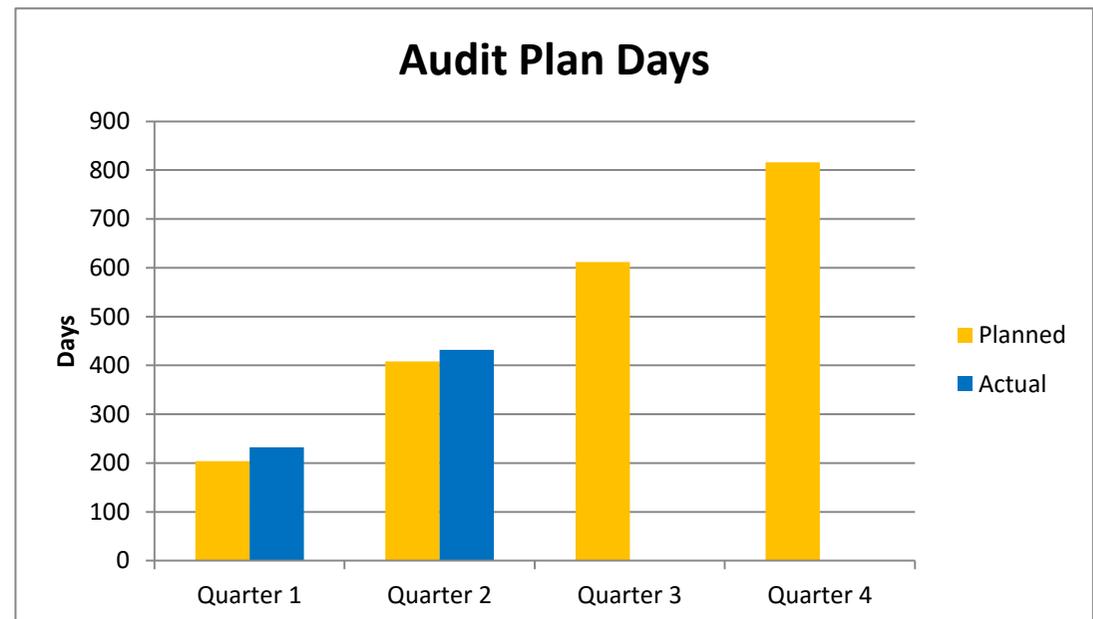
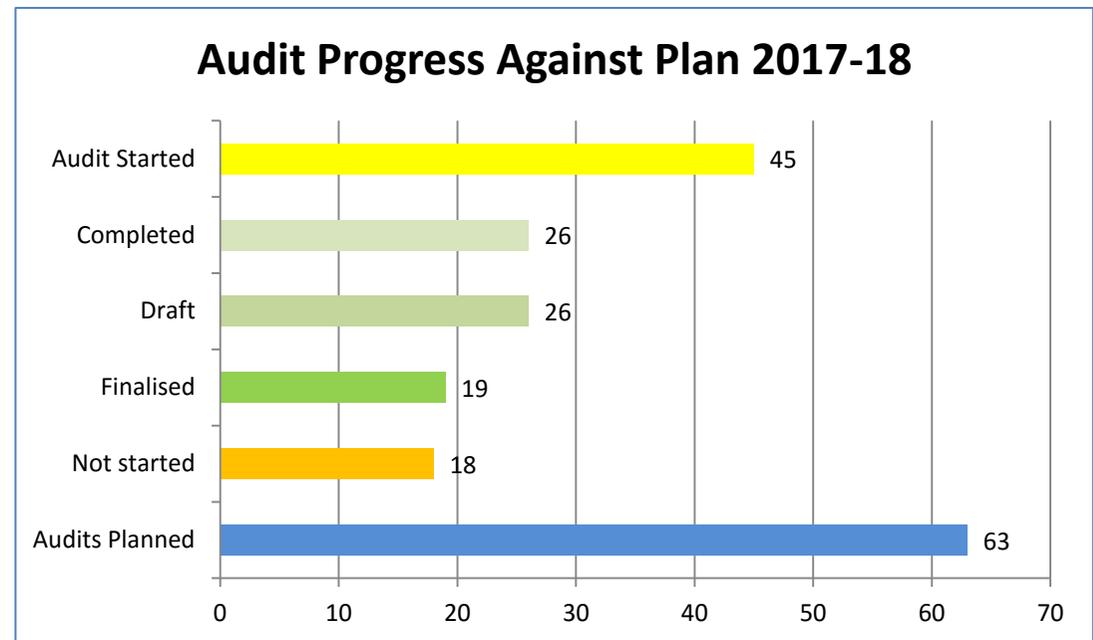
## Progress Against Plan

This report compares the work carried out with the work that was planned through risk assessment, presents a summary of the audit work undertaken, includes an opinion on the adequacy and effectiveness of the Authority's internal control environment and summarises the performance of the Internal Audit function against its performance measures and other criteria. The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

- a comparison of internal audit activity during the year with that planned, placed in the context of internal audit need;
- a summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements; and
- a statement on the effectiveness of the system of internal control in meeting the Council's objectives.

The extent to which our work has been affected by changes to audit plans has not been notable during the first six months of the year. Some of our work supports projects and hence completion will be in accordance with project timescales. The level of irregularity work has been in line with anticipated levels and the need for investigation work has not had an adverse impact on the overall completion of the plan.

The bar charts right show the status of audit progress against plan and audit the days delivered against target planned. The charts demonstrate that progress is largely in line with expectations and that the number of audit days delivered is approximately as that planned.



## Summary audit results

### Children's Services

Based upon audit work completed in 2017/18 and that undertaken in previous years we can comment that the framework of control remains in operation. Whilst the number of audit reviews undertaken within Children's Services continues to increase compared to earlier years the assurance opinion provided for the majority of individual audit reviews in 2016/17 and 2017/18 to date has been one of 'Improvements Required'. However, it is pleasing to note that the results of our annual follow up exercise, which is reported separately, has identified a number of areas where we are now able to give an assurance opinion of 'Good Standard' demonstrating positive movement in the direction of travel for the control environment.

We identified opportunity for wider engagement by the education community outside of the Schools Forum meetings and identified that decision making recording could be improved. Ordinarily forward plan budgeting in relation to the use of the Dedicated Schools Grant (DSG) would be recommended to reduce reactive responses to budget pressures, however we understand that changes in policy and funding by the DfE and lack of detail provided on the new schools funding formula make this unrealistic in this instance.

Although practices in relation to the use of PARIS including quality assurance have changed since the Ofsted visit, we found that they are yet to become embedded. We noted that restrictions in the Paris System functionality result in no provision for formal workflow to enforce staged, accurate and complete data input; as such we cannot provide assurance that data is complete and accurate. Although PARIS is backed up, there is no service business continuity plan which could lead to the inability to operate in the event of an issue requiring invocation of such a plan. We also noted that the PARIS system is only in use by a very small number of Council's, which raises a question as to the effectiveness of the system for this purpose and the priority with the supplier.

### Corporate Services & Operations, Commercial Services & Transformation

In our opinion, and based upon our audit work completed so far during the 2017/18 year, we are able to report that internal controls continue to operate effectively and where recommendations for improvements have been made, action plans have been agreed with management.

Based on audits completed and on indications from previous and on-going work, we are able to report that material systems controls have either been maintained, or improvements are being made to address previously identified weaknesses. Whilst a number of weaknesses exist, management are aware of these issues, and have either accepted the related risk, or are taking action to address them.

The requirement for 40+Testing by the External Auditors in relation to Benefits Subsidy for 2016/17 indicates that quality control processes require strengthening as detailed in our findings.

The Transformation Programme including ICT digitalisation is critical to the organisation; our work found that whilst resource remains small in terms of the core/dedicated team, a new dedicated Finance role is in place and a Senior Transformation role is currently being recruited to; however our concern remains that capacity may not be sufficient given the scale of the programme. Issues identified with TOR2 Commissioning previously forms part of the Transformation project.

EU General Data Protection Regulations (GDPR) /UK Data Protection Bill (DPB) compliance is statutory with effect from May 2018. We found that there remains a need to formally identify / recruit a data protection officer and to fully resource the project to ensure compliance by the deadline.

The project to progress risk management and business continuity processes remains ongoing.

Opportunities exist for improvements in the control and governance framework for Safer Communities Channel Panel, Coroner Service and commissioning work with the TDA. Weaknesses exist in Procurement & Contracting arrangements which are currently being resolved.

Other than the areas detailed above, no significant concerns have been identified from our work, including that on grants, and management have responded positively to any recommendations for improvement.

## Public Health

We are unable to provide an overall opinion due to the limited work undertaken within this directorate area. We can, however, comment that in terms of our audit work completed during 2017/18 and where recommendations have been made, action plans are being agreed with management.

Our public health audit work remains ongoing with a further review to complete in the second half of the year. During this time we will also work with management to prepare an audit plan for 2018/19 that addresses new and emerging risks.

## Adult Services

We are unable to provide an overall opinion due to our limited work undertaken within this directorate area. We can, however, comment that in terms of our audit work completed during 2017/18 and where recommendations have been made, action plans have been agreed with management.

The Adult Services Directorate incorporates both the Joint Commissioning Team functions and those functions provided and audited by the NHS Trust Provider. Assurance over arrangements for adult social care is mainly provided by colleagues at Audit South West, the internal audit provider for Health services. Audit South West provides a separate letter of assurance to the Director of Adult Services and the Council's S151 Officer. Devon Audit Partnership provides support and internal audit input on key areas as agreed with the Director of Adult Services.

Our Adult Services audit work remains ongoing with one further review to complete in the second half of the year. During this time we will also work with management to prepare an audit plan for 2018/19 that addresses new and emerging risks.

## Schools

The overall opinion for the routine school audit visits has been maintained as 'good standard'. In general, the systems and controls in schools mitigate the risks identified in many areas.

The key matters arising from the audits are that:

- Maintenance of the Single Central Record at a school was not fully compliant with 'Keeping Children Safe in Education';
- Information published on a school's website was not compliant with the information required by the Department for Education;
- The standard and content of minutes for a school's Governing Body Recommendations have been made to reduce risks and in other areas, recommendations made serve to strengthen what are reasonably reliable procedures.

The Schools Financial Value Standard is now an established tool for maintained schools as a self-assessment of their local financial management and schools are required to annually submit their self-assessment to their local authority by 31<sup>st</sup> March.

## Fraud Prevention and Detection

Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. Devon Audit Partnership (DAP) have taken on a liaison role with the corporate fraud officer; the key outcomes of this role are the identification and investigation of external frauds.

The Cabinet Office now run the national data matching exercise (National Fraud Initiative – NFI) every two years. The majority of data matching for this involves the investigation of potential external fraud committed against the Authority, i.e. individuals or bodies external to the Council. This area of NFI is now shared with the corporate fraud officer, with advice and assistance from DAP as required and with DAP undertaking the internal matching investigations i.e. Payroll and Creditors.

DAP have assisted the corporate fraud officer in producing the Council Policy on Blue Badge fraud. DAP has continued to undertake an annual monitoring of staff internet use and to date found no significant concerns. This provides assurance that action has been effective and such use remains within policy. The Council's Whistleblowing Inbox is also monitored daily. Periodic fraud bulletins are also produced and published on DAP's website.

**Irregularities** – During the first six months of 17/18, Internal Audit have carried out, or assisted in nine new irregularity investigations. Analysis of the types of investigation and the number undertaken shows the following:-

Issue	Number
Poor Procedures	6
Employee Conduct	1
Misappropriation of Income	1
Financial Irregularities	1

### Summary details as follows:-

The irregularities have included reviewing officer conduct following allegations, reviews of historical records to clarify planning issues, reviews of payments and payroll processes, income anomalies, email review re possible data breach, review of certain arrangements for respite care and a whistleblower review.

### Freedom of Information and Subject Access Requests:-

We were asked to assist with four requests under Freedom of Information and Data Protection requirements.

## Professional Standards and Customer Service

### Conformance with Public Sector Internal Audit Standards (PSIAS)

**Conformance** - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Audit Committee in March 2017. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

**Quality Assessment** – through external assessment December 2016 “DAP is considered to be operating in conformance with the standards”. External Assessment provides independent assurance against the Institute of Internal Auditors (IIA) Quality Assessment & Public Sector Internal Audit Standards (PSIAS). The Head of Devon Audit Partnership also maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

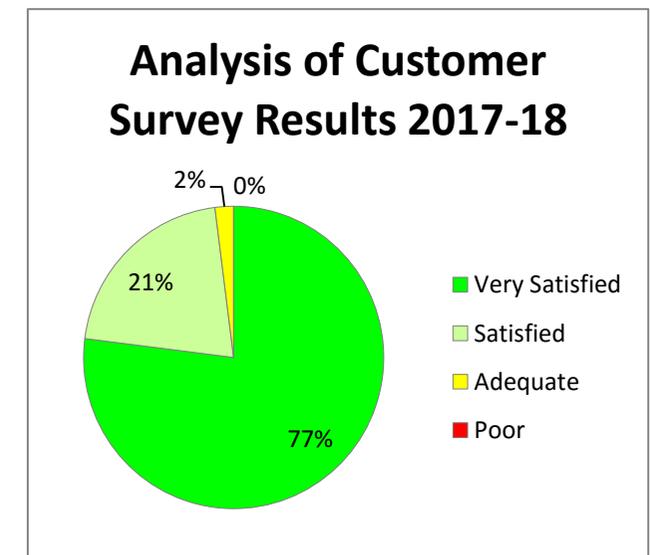
**Improvement Programme** – DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS and quality assurance were included in this development plan and have been completed. This will be further embedded with revision of our internal quality process through peer review. Our development plan is regularly updated and a status report was reported to the Management Board in October 2016.

### Performance Indicators

Overall, performance against the indicators has been very good with improvements made on the previous year (see Appendix 5). We are aware that some of our draft and final reports were not issued to the customer within the agreed timeframes (15 working days for draft report and 10 working days for final report). We continue to review where performance in this area can be improved.

### Customer Service Excellence

In June 2017, DAP was successful in re-accreditation by G4S Assessment Services of the CSE. We continue to issue client survey forms with our final reports and the results of the surveys returned are, although low in number, very good and again are very positive. The overall result is very pleasing, with near 98% being “satisfied” or better across our services, see appendix 6. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.



## Appendix 1 - Annual Governance Framework Assurance

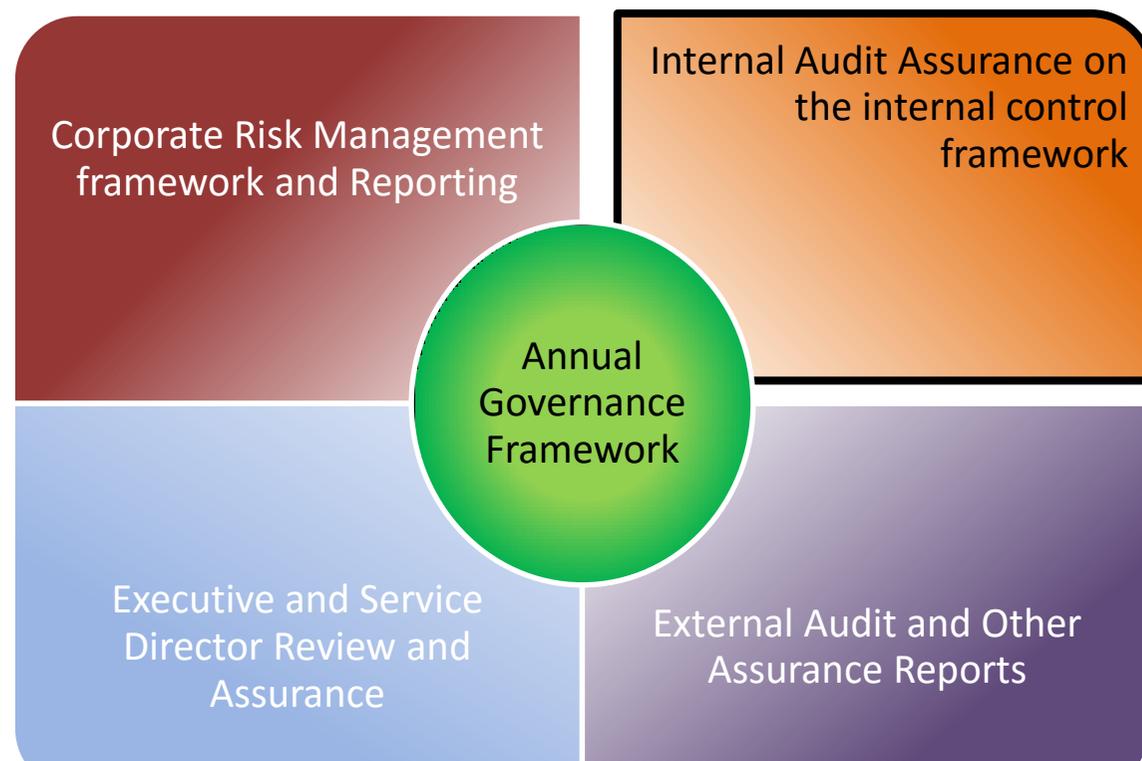
***The conclusions of this report provide the internal audit assurance on the internal control framework necessary for the Committee to consider when reviewing the Annual Governance Statement.***

The Annual Governance Statement provides assurance that

- the Authority's policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:-

- be prepared by senior management and signed by the Chief Executive and Chair of the Audit Committee;
- highlight significant events or developments in the year;
- acknowledge the responsibility on management to ensure good governance;
- indicate the level of assurance that systems and processes can provide;
- provide a narrative on the process that has been followed to ensure that the governance arrangements remain effective. This will include comment upon;
  - The Authority;
  - Audit Committee;
  - Risk Management;
  - Internal Audit;
  - Other reviews / assurance.
- Provide confirmation that the Authority complies with CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*. If not, a statement is required stating how other arrangements provide the same level of assurance



The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chair.

The Committee should satisfy themselves, from the assurances provided by the Corporate Risk Management Group, Executive and Internal Audit that the statement meets statutory requirements and that the management team endorse the content.

## Appendix 2 - Basis for Opinion

The Chief Internal Auditor is required to provide the Council with an opinion on the adequacy and effectiveness of its accounting records and its system of internal control in the Council. In giving our opinion, it should be noted that this assurance can never be absolute. The most that the internal audit service can do is to provide reasonable assurance, formed from risk-based reviews and sample testing, of the framework of governance, risk management and control.

This report compares the work carried out with the work that was planned through risk assessment; presents a summary of the audit work undertaken; includes an opinion on the adequacy and effectiveness of the Authority's internal control environment; and summarises the performance of the Internal Audit function against its performance measures and other criteria. The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

- a statement on the effectiveness of the system of internal control in meeting the Council's objectives;
- a comparison of internal audit activity during the year with that planned;
- a summary of the results of audit activity and;
- a summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements.

The extent to which our work has been affected by changes to audit plans has not been notable this year to date and we anticipate meeting the majority of the original audit plan for Children's Services, Public Health and Adult Services this year. This increase in audit activity is mentioned in our Assurance Opinion on page 3.

In previous years, other service priorities have impacted audit delivery in Children's Services and Public Health, and this continues to impact our Assurance Opinion for these areas.

The overall audit assurance will have to be considered in light of this position.

In assessing the level of assurance to be given the following have been taken into account:

all audits completed during 2016/17, including those audits carried forward from 2014/15;

any follow up action taken in respect of audits from previous periods;

any significant recommendations not accepted by management and the consequent risks;

the quality of internal audit's performance;

the proportion of the Council's audit need that has been covered to date;

the extent to which resource constraints may limit this ability to meet the full audit needs of the Council;

any limitations that may have been placed on the scope of internal audit.

## Appendix 3 - Audit Authority

### Service Provision

The Internal Audit (IA) Service for Devon County Council is delivered by the Devon Audit Partnership (DAP). This is a shared service arrangement between Devon County Council, Torbay Council and Plymouth City Council constituted under section 20 of the Local Government Act 2000. The Partnership undertakes an objective programme of audits to ensure that there are sound and adequate internal controls in place across the whole of the Council. It also ensures that the Council's assets and interests are accounted for and safeguarded from error, fraud, waste, poor value for money or other losses.

### Regulatory Role

There are two principal pieces of legislation that impact upon internal audit in local authorities:

- **Section 5 of the Accounts and Audit Regulations (England) Regulations 2015** which states that ".....a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance....."
- **Section 151 of the Local Government Act 1972**, which requires every local authority to make arrangements for the proper administration of its financial affairs.

### Professional Guidelines

We work to professional guidelines which govern the scope, standards and conduct of Internal Audit as set down in the Public Sector Internal Audit Standards.

DAP, through external assessment, demonstrates that it meets the Public Sector Internal Audit Standards (PSIAS).

Our Internal Audit Manual provides the method of work and Internal Audit works to and with the policies, procedures, rules and regulations established by the Authority. These include standing orders, schemes of delegation, financial regulations, conditions of service, anti-fraud and corruption strategies, fraud prevention procedures and codes of conduct, amongst others.



## Appendix 4 – Summary of audit reports and findings for 2017/18

### Risk Assessment Key

LARR – Local Authority Risk Register score Impact x Likelihood = Total & Level  
 ANA - Audit Needs Assessment risk level as agreed with Client Senior Management  
 Client Request – additional audit at request of Client Senior Management; no risk assessment information available

### Direction of Travel Assurance Key

Green – action plan agreed with client for delivery over an appropriate timescale;  
 Amber – agreement of action plan delayed or we are aware progress is hindered;  
 Red – action plan not agreed or we are aware progress on key risks is not being made.  
 \* report recently issued, assurance progress is of managers feedback at debrief meeting.

## CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION

Risk Area / Audit Entity	Audit Report		Direction of Travel Assurance
	Assurance opinion	Residual Risk / Audit Comment	
<b>Transformation</b>			
Transformation Programme - project 'trusted advisor' role (ANA – Critical) Risk / ANA - Critical	Added Value Status: Ongoing	<p>We have established regular reviews with both the Director of Adult Services and Housing, and the Transformation Programme Manager; this arrangement will be updated as a result of the recent restructure of SLT. As in 2016-17 our support continues to be primarily driven by the requests of the Transformation team; however the nature of our support has, in some instances, needed to be more operational and consultative in terms of undertaking pieces of work to support the programme rather than the traditional audit role.</p> <p>Our support during 2017-18 has included further work on the original horizon scanning with a focus upon Revenue Income Optimisation; we continue to undertake an analysis of the Council's fees and charges in relation to cost recovery; we have undertaken a review of the Transformation projects engagement elements, and enhanced the tracking record through provision of the output of the engagement work in the form of a RACI (Responsible; Accountable; Consulted; Informed) model; we have commenced our review of the Investment Portfolio and will continue with this throughout 2017-18; involvement in the Sefas/Hubmail project continues in line with project requirements; support to the Council's digitalisation project has commenced; we continue to review methods for integration of ethical and cultural issues into the Transformation Programme.</p> <p>The P3M3 assessment templates are in place and a top level assessment will be undertaken following the structure changes within the Transformation Programme.</p> <p>We continue to work with the Programme Manager to establish and define our further input to the project for the remainder of the year, and in addition our intention is to complete a project governance review before the end of the financial year.</p> <p>Transformation Programme resource still remains relatively small in terms of the core team, however a dedicated Finance resource has been recruited and the Council is currently recruiting a Senior Transformation role. Given the scale of the programme and the importance of the budget driver for the organisation, our concern remains that resources allocated to the Transformation programme in relation to the size of the team may not be sufficient.</p>	N/A

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
<b>Material Systems and Grants</b>			
Income Collection Risk / ANA - Medium	High Standard Status: Final	<p>The Income Collection team continues to maintain effective procedures and systems for receiving, recording, allocating and processing income, albeit that these are heavily reliant on reconciling a number of systems, using complex, manual paper based processes. Relevant receipting practices ensure that every transaction is uniquely identifiable and effective reconciliation processes ensure that all income is accounted for accurately.</p> <p>A review of progress against the previously agreed recommendations found that significant progress has now been made in a number of areas, for example controls have been put in place to mitigate the lack of segregation of duty between Administrator and general operational / transactions roles; system access has been improved; income has been incorporated into the FIMS Business Continuity Plan.</p>	
Treasury Management Risk / ANA - Low	Good Standard Status: Final	<p>A comprehensive Treasury Management Strategy is in place and complies with the current CIPFA Code of Practice; however we understand that due to a recent change in the investment approach, an updated Strategy, along with updated Treasury Management Practices (TMPs) will soon be approved.</p> <p>As in previous years, high operational standards continue to be maintained, with only minor issues being identified, though we note that some of these remain outstanding from previous years.</p> <p>Recommendations have been made, mainly to further strengthen existing controls, including: ensuring that TM documentation is sufficiently restricted; drafting a Business Continuity Plan; and ensuring regular team meetings are held to allow important information to be effectively communicated.</p>	
FIMS System Administration Risk / ANA - Critical	Good Standard Status: Final	<p>The control environment relating to FIMS System Administration is robust. There are comprehensive procedures and processes in place and system training is mandatory for users with transactional capability. With the exception of the system administrators, access to the system is appropriately controlled and restricted; and we continue to report the lack of full segregation of duty between the system administration and finance roles.</p> <p>Changes to system parameters as well as system modifications and fixes are effectively controlled, and there are appropriate business continuity arrangements in place. Routine verification processes ensure that the system is operating correctly and that the General Ledger remains properly reconciled to other FIMS modules.</p>	

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
IBS* System Administration Risk / ANA – High *International Business Systems	Good Standard Status: Final	IBS System management and the related control environment are, in the main, being effectively maintained. The acknowledged lack of segregation of duty remains, as do a number of other issues including a lack of robust audit trail retention in relation to parameter changes. We have also recommended that reconciliation and balancing procedures are reviewed as there seems to be some duplication, and hence inefficiency in this area.	
Benefits Risk / ANA - Medium	Good Standard Status: Draft	This year's sample testing approach has not identified many issues in terms of accuracy of processing, and there have been improvements in the application of the RBV framework. At the time of the audit, the QC process was not working effectively. The target number of accuracy checks had not been met for Q2, and we are unable to determine if the target number of checks relating to RBV is being adhered to. There were no checks being undertaken on claims that relate solely to council tax support at the time of the audit, although we have since been informed that these are now being performed; and no training has been undertaken as a result of the QC results found. We understand that this is due to the newly appointed QC officer not having been in post for a sufficient length of time to be able to establish common themes and devise a training schedule accordingly. There are still a number of issues outstanding from previous year, particularly in relation to SE earnings calculations and we have recommended that these are resolved as soon as possible.	
Asset Register Risk / ANA -Medium	Good Standard Status: Final	Access to the asset system (RAM) is appropriately restricted to authorised users, and there are mitigating controls in place to reduce the risk of the lack of separation of duty between system admin rights and input / edit functionality. Sample testing did not identify any issues in terms of the appropriateness of capitalised expenditure, nor the authorisation of disposals, and only a small number of minor issues were identified in terms of the valuation process. The asset register is regularly and effectively reconciled to other relevant systems, including Torbay On-line Asset Database and the General Ledger.	
Grants x 5 Risk / ANA: N/A	Certified Status: Complete	Grants certified comprise; Bus Subsidy, Local Transport Capital Block Funding, Pothole Funding, Local Growth Fund and Troubled Families. A number of minor issues were identified and reported to the relevant funding body.	N/A
Benefit Subsidy Claim – additional 40+ testing. Risk / ANA: N/A	Added Value Status: Complete	A number of minor issues were identified in relation to rent allowance income calculations, and results have been passed over to Grant Thornton.	N/A

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
The following audits are currently in progress: <ul style="list-style-type: none"> <li>General Ledger and Bank Reconciliation (ANA – Medium)</li> <li>Creditors and POP (ANA – High)</li> </ul>		The following audits are not due to commence until the second half of the year: <ul style="list-style-type: none"> <li>Payroll (ANA – Critical)</li> <li>Debtors and Corporate Debt (ANA – High)</li> <li>Council Tax and National Non-Domestic Rates (ANA – Medium)</li> </ul>	
<b>IT Audit</b>			
Corporate Information Management Risk / ANA - Medium	Added Value Status: Final	Assurance was reported in last year's annual report; please refer to that report for details	
Digitalisation - Transformation Risk / ANA - Client Request	Added Value Status: Ongoing	As outlined in the Transformation Programme work above, we are providing support to the Digitalisation element of Transformation. In the initial stages we are looking at reviewing ICT Service Delivery to identify an appropriate model to best support the organisation in delivering both operational savings and service improvements.	N/A
GDPR Project Risk / ANA - Client Request	Added Value Status: Ongoing	We are members of the GDPR project team undertaking a project QA role, and regularly attend project meetings, providing support to the project as requested, which is primarily client request driven. Our key concern is the Council's ability to ensure compliance within the ICO timeframes. We have recommended that both Members and Officers at the highest level must be committed to the delivery of this by May 2018 and the allocation of necessary resources to both achieve and maintain compliance. A Data Protection Officer must be appointed to oversee and actively manage the initial and continued compliance of the regulations for the Authority. The organisation must understand their full 'personal data' lifecycle (including data held by third parties) - how it's collected; stored; where it's located; how it's transferred / shared; and secured; classification; reason for retention whilst being processed by the Authority; and ultimately the method of disposal.	N/A
The following audits are not due to commence until the second half of the year: <ul style="list-style-type: none"> <li>ICT Continuity and Disaster Recovery (ANA – Critical)</li> <li>Website Content Management (ANA – Medium)</li> </ul>		The following audits have been deferred or cancelled at the request of the client: <ul style="list-style-type: none"> <li>Service Strategy (ANA – High)*</li> <li>ICT Knowledge Management (ANA – High)*</li> <li>Service Operation (Service desk data review using IDEA) (ANA – High)*</li> <li>Service Design (ANA – Medium)*</li> <li>Shared Services and Partnership Working (ICT Systems) (ANA – Medium)*</li> </ul> *These audits have been replaced by two new audits, GDPR Project and Digitalisation - Transformation	

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
<b>Other</b>			
Fair Decision Making Risk / ANA - High	Good Standard Status: Final	Assurance was reported in last year's annual report; please refer to that report for details	
TOR2 Commissioning Risk / ANA – Critical	Improvements Required Stratus: Final	Assurance was reported in last year's annual report; please refer to that report for details	
Safer Communities Risk / ANA – Medium	Improvements Required Status: Final	<p>Local processes, protocols and documents have been developed to manage the Channel Panel process. However statutory guidance was updated in 2015 and local guidance requires review and communication to inform Panel and other stakeholders appropriately of changes. Additionally, the protocol for data sharing needs to be finalised and implemented.</p> <p>The Terms of Reference for the Channel Panel requires refinement and oversight responsibility and reporting for the Channel Panel is unclear. Training for Panel members and associated officers should to be assessed and prioritised. In addition, attendance at Panel meetings and core membership need to be improved and enhanced.</p> <p>Support packages are essential to providing relevant support to individual cases, but remains an area where knowledge of what is available is deficient. Other processes, such as the consent pathway, and the mechanism for gathering pre-Panel meeting information, require improvements to process.</p>	
Procurement and Contracting Arrangements Risk / ANA - High	Improvements Required Status: Final	<p>Compliance with Procurement regulations was found to be varied and inconsistent in relation to the directorate examined; ranging from major non-compliance through a clear lack of any formal tender process and contractual arrangement, to contracts that require further clarification to establish compliance e.g. contracts that were established by other Local Authorities within consortium arrangements with no documentation held by Torbay; and contracts established by Devon County Council prior to Torbay obtaining unitary status.</p> <p>Individually a number of contracts will require specific action to establish and maintain compliance. Corporately action is required to enforce the required practices in relation to the Procurement framework and to establish and maintain compliance with regulatory requirements. It is pleasing to note that the Procurement Service has been restructured to better support the Procurement Strategy and this would be further enhanced through establishing a method for enforcing compliance at departmental level.</p>	

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Commissioning by the Council of the Torbay Development Agency (TDA) – Service Level Agreement Risk / ANA - High	Improvements Required Status: Final	<p>The original agreement between the Council and the TEDC from its establishment in 2010 is now out of date, along with the corporate level SLA for the core services delivery. There should be an underlying expectation / direction that services commissioned from the TDA are supported by adequately detailed SLAs to ensure service delivery and payments are managed with due regard to protecting the public purse; we note that this is now being progressed.</p> <p>Additionally, there is a risk that the basis on which commissioned services are priced is not adequately challenged and agreed by individual Services / budget holders and that consideration may not always be given to other providers due to reliance on historic arrangements.</p> <p>The existing arrangements rely heavily on historic agreements and contract pricing methods, which are overdue for review against current priorities.</p> <p>Since completion of the audit, in October 2017 the council and TDA agreed a schedule of rates for work undertaken supported by a signed protocol that outlines the key assumptions for the financial transactions between the Council and the TDA</p>	
Coroner Service Risk / ANA - Low	Improvements Required Status: Draft	<p>Current arrangements for indirect and direct cost recording and recharging by Plymouth City Council were found to be effective and accurate, although there may be advantage in greater use of the case recording system in relation to direct cost recording given the increase in recharging and associated monitoring of costs following the introduction of the new arrangements.</p> <p>Whilst direct costs are checked to source documents, there is no similar checking to source for the indirect costs; such checking will become more important under the new arrangements where invoices and costs will be new and different.</p> <p>The main concern arising from our work is the risk associated with the introduction of the new SLA arrangements given the change in the recharge process / mechanism from the existing practices, as without effective dissemination of requirements there may be over or under recharging. In addition, the changes to arrangements may cause unforeseen budgetary pressure to either of the authorities. For these reasons the overall opinion is Improvements Required.</p> <p>Effective communication of changed arrangements for procurement of services by coroners staff based in Torbay will be necessary to ensure continued compliance with PCC Financial Regulations.</p> <p>It is pleasing to note that arrangements for sensitive cases to be heard locally have been established, and these should be formalised within the SLA.</p>	

**CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION**

Audit Report			
Risk Area / Audit Entity	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Port Marine Safety Code Risk / ANA – Client Request	Added Value  Status: Complete	To the best of our knowledge and belief, and having carried out appropriate checks, in our opinion the Tor Bay Harbour Authority is compliant with the Port Marine Safety Code. It is pleasing to note that progress has been made against the previous year's recommendations although some remain outstanding and have been re-reported.	
HR / Payroll System - new modules implementation project Risk / ANA - Critical	Added Value  Status: Ongoing	We continue to provide support to the project as requested by the client and have provision to attend any project meetings as required. This is very much client driven at this stage of the project. We have provided advice on system changes such as the implementation of scanned documentation to support transactions such as travel and subsistence, and absence fit notes. We will continue to provide support as required throughout 2017-18.	N/A
Torbay Online Asset Database (TOAD) Replacement Risk / ANA - Medium	Added Value  Status: Ongoing	This project has encountered issues within the original tender process due to the nature of the requirements. A subsequent procurement process has been undertaken with the focus being on two key elements; the Asset database and Facilities Management. We continue to maintain contact with the project team and understand that a preferred supplier has been identified and agreement to funding is being sought. We are currently awaiting confirmation from the project team on their requirements of our project support during the remainder of 2017-18.	N/A
FIMS Upgrade Risk / ANA - Medium	Added Value  Status: Ongoing	We are continuing to provide a project QA role. Our involvement to date has included review of project documentation such as the business case and PID and general project management methodologies. We have provided advice in terms of system controls as required by the project lead and will continue to provide support during 2017-18.	N/A
Information Security Group Risks / ANA - N/A	Added Value  Status: Ongoing	We maintain membership of and attendance at the Council's Information Security Group. Our role provides advice, guidance and challenge in terms of active participation within the group. Of concern is the level and nature of data breaches. The resource requirement to investigate and respond to these is significant and currently impacts upon the other operational duties of the team, significantly, the GDPR project.	N/A
<p>The following audits are currently in progress:</p> <ul style="list-style-type: none"> <li>• Spatial Planning - Section 106 - follow up, including Community Infrastructure Levy (ANA – Medium)</li> <li>• Human Resources - Exit Packages (ANA – Medium)</li> <li>• Covert Surveillance of Social Networking Sites (Client Request)</li> <li>• Food Safety, Safety and Licensing (ANA – High)</li> <li>• Concessionary Fares - follow up (ANA – Medium)</li> </ul>		<p>The following audits are not due to commence until the second half of the year:</p> <ul style="list-style-type: none"> <li>• Troubled Families grant (second claim)</li> <li>• Housing Services – follow up (ANA – Low)</li> <li>• Printing Services and Post Room (ANA – Medium)</li> <li>• Parking Services (ANA – High)</li> <li>• Spatial Planning - Development and Planning (ANA – High)</li> <li>• Sports Pitch Leases - follow up (ANA – Medium)</li> <li>• Commissioning and Performance Monitoring of the TDA (ANA – High)</li> </ul>	

## CORPORATE SERVICES & OPERATIONS, COMMERCIAL SERVICES & TRANSFORMATION

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
The following audits have been cancelled at the request of the client: <ul style="list-style-type: none"> <li>Transport Infrastructure Highways Network Asset Valuations (ANA – High)*</li> </ul>			
		*Replaced by new Covert Surveillance of Social Networking Sites audit	

## PUBLIC HEALTH

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Commissioned Services - Contracts Management and Monitoring (Drugs & Alcohol and Public Health Nursing including 0-5 Activities - Health Visitors)  <i>Note: this audit was planned as two separate audits but was completed as a single combined audit.</i>	Good Standard  Status: Final	<p>The current Public Health Services Contract has been let in accordance with approved Council and statutory requirements. Effective working relationships with the Procurement team and Legal Services ensure that compliance is maintained.</p> <p>Contract management arrangements are effective, and supported by detailed contract service specifications, quality outcomes indicators, timely data provision, and a quality review meetings (QRM) process. Public health team officers ensure the QRM process is adhered to and performance outcomes are reviewed.</p> <p>Financial Regulations are followed in relation to contract payments, and payments are accurate and timely in accordance with the Contract terms as amended by a Variation to Contract. Payments are monitored against the contract and budget. PHE 'ring fenced' funding should be used solely for Public Health benefits, however accounting transactions impact the effectiveness of the related budget monitoring.</p> <p>The service is currently undertaking a re-commissioning review across the three main areas. The re-commissioning work will seek to ensure that the services continue to meet existing needs, and / or develop to meet the changing needs of the Council, users and other stakeholders, as well as ensuring continued compliance with Public Procurement Regulations. However, venturing into new commissioning models does not come without risk and we have made recommendations regarding the commissioning of public health and substance misuse services.</p>	N/A*

The following audit is not due to commence until the second half of the year:

- Public Health / NHS Links (ANA – High)

**ADULT SERVICES**

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
NRS Joint Equipment Store – follow up Risk / ANA - Low	Good Standard Status: Final	<p>Good progress has been made since the last audit was undertaken in 2015-16. Of the seventeen recommendations made in the original report, we are pleased to report that eleven have now been implemented, and five part implemented. Those issues that remain include:</p> <ul style="list-style-type: none"> <li>• technical issues within the virtual budget monitoring spreadsheets are preventing them from being utilised this year;</li> <li>• a number of clients' dates of birth remain as the default, and therefore incorrect on the iRIS database;</li> <li>• a final decision on removing erroneous data on legacy equipment from the database is yet to be taken</li> <li>• the review of specials stock in terms of deciding which can be placed in the main catalogue and which should be recycled has yet to be undertaken</li> <li>• the review of stock management and recording stock movements at peripheral stores has not yet begun.</li> </ul> <p>For the last two issues, the Authority is awaiting the appointment by Torbay and South Devon NHS Foundation Trust of a Lead Occupational Therapist, part of whose role it will be to undertake these reviews.</p>	
Commissioning and Performance Management (non-Integrated Care Organisation) Risk / ANA – High	Good Standard Status: Draft	<p>Commissioning needs are changing due to continuing budgetary pressures and we found good liaison between Adult Services and the Procurement team ensuring ongoing compliance with regulations; the initial stage of reviewing future need has begun.</p> <p>Contractual arrangements in place for non-ICO services are supported in the main by detailed and robust contract specifications including performance management requirements.</p> <p>Performance is subject to monitoring arrangements by commissioning officers, although we did identify the need to consistently record this monitoring on a quarterly basis in line with contract requirements. We also noted the intention to formalise regular performance reporting to senior management and the Social Care Programme Board. Other recommendations have been made to address specific contract issues, but do not suggest control weaknesses.</p> <p>Payments for services are accurate and timely, and where necessary reviewed and adjusted to match the Council's changing needs, with appropriate supporting contract variation approval.</p>	

The following audits are not due to commence until the second half of the year:

- Care Act – Better Care Fund / Section 256 monies (ANA – Critical)

## CHILDREN'S SERVICES

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
Business Processes / Workforce Strategy Risk / ANA: High	Good Standard Status: Final	Assurance was reported in last year's annual report; please refer to that report for details.	
Torbay Safeguarding Children Board (TSCB) Risk / ANA: Critical, Ofsted	Improvements Required Status: Final	Assurance was reported in last year's annual report; please refer to that report for details.	
Looked After Children - Referrals Risk / ANA: Medium, Ofsted	Improvements Required Status: Final	Assurance was reported in last year's annual report; please refer to that report for details.	
Schools' Forum / use of DSG Risk / ANA: Medium	Improvements Required Status: Draft	<p>There are a number of processes in operation which align to expected practice and associated guidelines. Forum meetings are reasonably well attended by the educational community and the Local Authority (LA), with a good level of information provided by the LA to forum members to allow preparatory review, scrutiny and challenge. We identified opportunity for wider engagement from the education community via their representatives feeding into the meetings. Challenge and associated decision making is not appropriately recorded and is itself at risk of subsequent challenge and potential invalidation.</p> <p>As required by associated guidance, forum documentation is available publicly on the Torbay website; however the information was very difficult to locate and therefore not easily accessible. In our opinion, it would benefit from a more structured dedicated communications provision that is well signposted so to be visible to the public.</p> <p>Although budget information provided to the forum by the LA is comprehensive, it is in effect short term and does not currently provide a means for long term forecasting and planning. Ordinarily a long term approach would be recommended to provide a more strategic and less reactive approach to budget pressures. However we understand that ongoing changes in policy and funding by the DfE and lack of detail provided on the new schools funding formula make implementation of this type of approach unrealistic. Whilst the forum challenges budget positions, we felt that the timeliness of remediating action in relation to a significant increase in overspend was, in our opinion, delayed, however we do recognise that it was dealt with given the constraints outlined above</p>	
PARIS - Case Recording / Data Quality / Business Use Risk / ANA: Critical, Ofsted	Improvements Required Status: Draft	There have been a number of practices put in place following the last Ofsted visit, in particular the performance framework including a Quality Assurance (QA) process; however our review of the reports and the level of outstanding items would suggest that this is not yet fully embedded. The system itself appears complex in terms of the background database structure and associated data	

**CHILDREN'S SERVICES**

Risk Area / Audit Entity	Audit Report		
	Assurance opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
		<p>fields, and also the system functionality has no formal process workflow to enforce staged, accurate and complete data input. As such our concern is that data completeness and accuracy cannot be fully assured.</p> <p>Logical system access controls are reasonably well managed, although the user leaver process would benefit from enhancement to provide a more robust approach. From a business continuity perspective, the system data is subject to regular back up; however a service business continuity plan was not evident; a lack of which increases the risk of the service areas ability to operate in the event of an issue requiring BCP invocation occurring.</p> <p>There may be a need to consider whether Paris is an appropriate system for use within Children's Services. We understand that Torbay Council is one of a very small number of council's in the UK that use Paris for Children's Services; that in itself raises question as to the effectiveness of the system for this purpose and the priority with the Supplier. The pending strategic organisation changes within the Service area also impact the potential in relation to continued use of the system in relation to integration issues both from a system and back office processing perspective.</p> <p>The lack of adequate engagement, communication and provision of supporting data regarding the use of Dragon Speak, PDA technology and mobile devices made formulation of a robust assurance opinion in this area of the service problematic. This has therefore resulted in a lack of audit assurance and associated recommendation in this regard.</p>	
Grants x 1 Risk / ANA: N/A	Certified  Status: Complete	Grants certified comprise; Troubled Families first claim.	N/A
The following audits are currently in progress: <ul style="list-style-type: none"> <li>Children's Services Medium Term Financial Strategy / Improvement Plan (ANA – High)</li> <li>School Transport Provision (ANA – High)</li> <li>Education Services ROI CIPFA Return (Client Request)</li> <li>Legal Care Proceedings (ANA – Medium)</li> <li>Placement Activity (ANA – Medium, Ofsted)</li> </ul>		The following audits are not due to commence until the second half of the year: <ul style="list-style-type: none"> <li>Adoption (ANA – Medium)</li> <li>Contracted Services (Information, Advice, Guidance) (ANA – Medium)</li> <li>Section 17 Payments (ANA – Medium)</li> <li>Early Help Strategy (ANA – Medium)</li> </ul>	
The following audits have been deferred or cancelled at the request of the client: <ul style="list-style-type: none"> <li>Early Years / Children's Centre Contract (ANA – Medium)*</li> </ul>			
Schools Financial Value Standards (SFVS)	Good Standard	SFVS Dedicated Schools Grant Chief Finance Office assurance statement for 2016/17 submitted to the Department for Education.	

<b>CHILDREN'S SERVICES</b>			
<b>Audit Report</b>			
<b>Risk Area / Audit Entity</b>	<b>Assurance opinion</b>	<b>Residual Risk / Audit Comment</b>	<b>Direction of Travel Assurance</b>
Maintained Schools audit programme	Good Standard	The overall opinion for the routine school audit visits has been maintained as 'good standard' (refer to summary data below). The provision of internal audit's performance data provides a greater focus on schools causing concern in the wider control environment.	
<b>Maintained Schools Summary Data</b>			<b>Assurance Opinion</b>
<p><b>The key matters arising from the audits are:</b></p> <ul style="list-style-type: none"> <li>• Maintenance of the Single Central Record at one school was not fully compliant with 'Keeping Children Safe in Education';</li> <li>• Information published on a school's website was not compliant with the information required by the Department for Education;</li> <li>• The standard and content of minutes for a school's Governing Body.</li> </ul>			Good Standard

## Appendix 5 – Performance Indicators

There are no national Performance Indicators in existence for Internal Audit, but the Partnership does monitor the following Local Performance Indicators LPI's:

<b>Local Performance Indicator (LPI)</b>	<b>2015/16</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2017/18</b>
	<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Full Year Target</b>	<b>Six Month Actual</b>
Percentage of Audit plan Commenced (Inc. Schools)	100%	100%	100%	99%	100%	68%
Percentage of Audit plan Completed (Inc. Schools)	93%	97%	93%	96%	93%	34%
Actual Audit Days as percentage of planned (Inc. Schools)	95%	101%	95%	113%	95%	53%
Percentage of fundamental / material systems reviewed annually	100%	100%	100%	100%	100%	On target
Percentage of chargeable time	65%	69%	65%	70%	65%	66%
Customer Satisfaction - % satisfied or very satisfied as per feedback forms	90%	99%	90%	98%	90%	98%
Draft Reports produced within target number of days (currently 15 days)	90%	87%	90%	85%	90%	85%
Final reports produced within target number of days (currently 10 days)	90%	94%	90%	100%	90%	96%
Average level of sickness absence (DAP as a whole)	2%	2%	2%	3.2%	2%	3.2% *
Percentage of staff turnover (DAP as a whole)	5%	5%	5%	21%	5%	7% **
Out-turn within budget	Yes	Yes	Yes	Yes	Yes	Yes

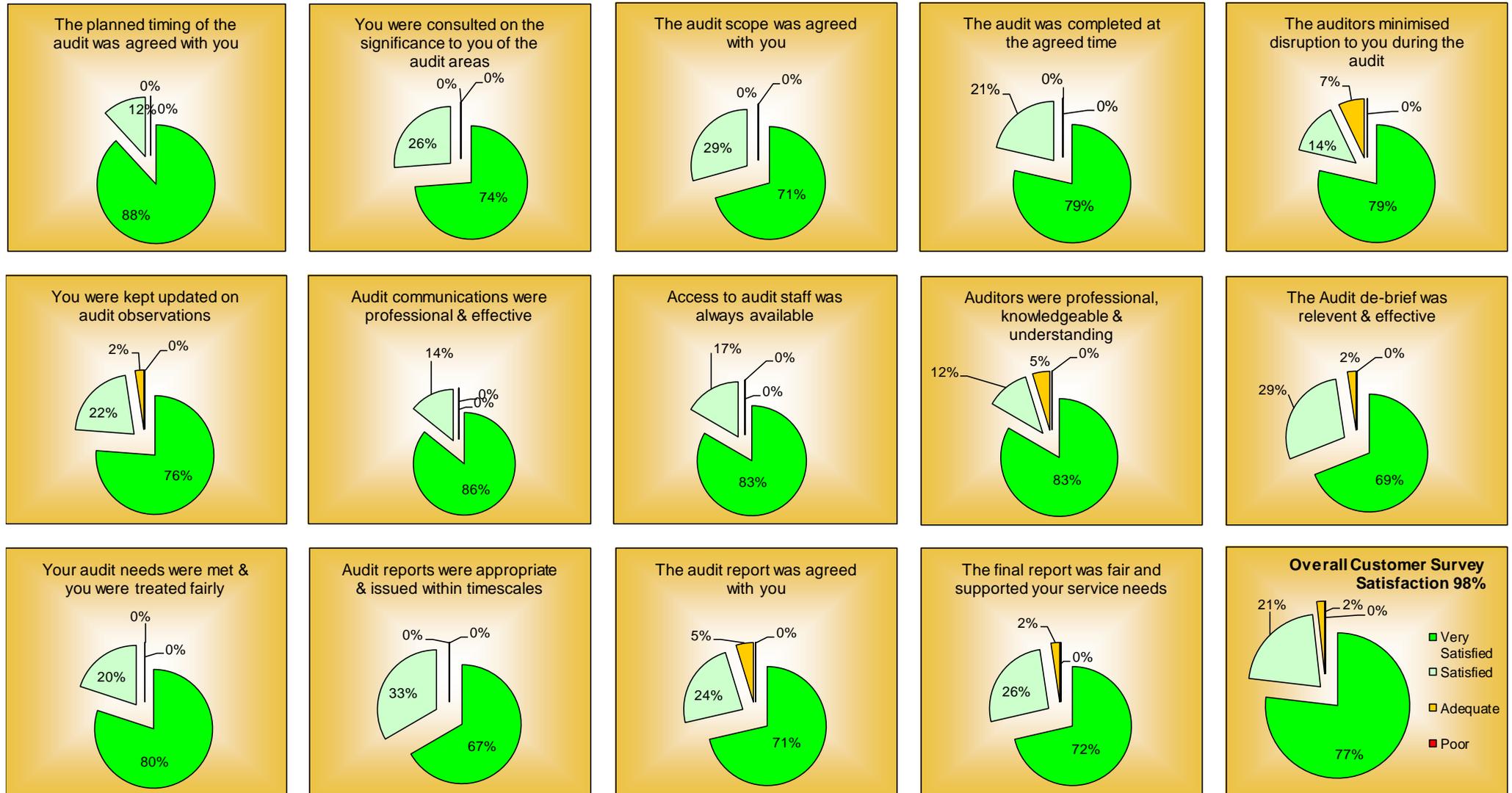
\* Sickness relates to DAP overall

\*\* Staff turnover relates to 2 starters and 2 leavers

Overall, performance against the indicators has been maintained; certain areas of the audit plan relate to project work and will not be complete until the end of the year and analysis demonstrates that draft reports are now usually issued in line with performance targets.

# Appendix 6 - Customer Service Excellence

## Customer Survey Results April – September 2017



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<b>Devon Audit Partnership</b>	<b>Confidentiality and Disclosure Clause</b>
<p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at <a href="mailto:robert.hutchins@devonaudit.gov.uk">robert.hutchins@devonaudit.gov.uk</a> .</p>	<p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.</p> <p>This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.</p>