

Audit Committee

27 November 2023

**Internal Audit Progress Update
Report Period Ended 30
September 2023**



Report of Paul Darby, Corporate Director of Resources

Electoral division(s) affected:

Countywide.

Purpose of the Report

- 1 To provide Members of the Audit Committee with an update on the work that was carried out by Internal Audit during the period 1 April 2023 to 30 September 2023, as part of the Internal Audit Plan for 2023/24.

Executive Summary

- 2 The report provides an overview of performance against the Internal Audit Plan 2023/24, and aims to:
 - (a) Provide a high level of assurance, or otherwise, on internal controls operating across the Council that have been subject to an Internal Audit of systems and processes;
 - (b) Advise of any issues where controls need to be improved in order to effectively or better manage risks;
 - (c) Advise of other types of audit work carried out such as grant certification or advice and consultancy reviews where an assurance opinion on the control environment may not be applicable;
 - (d) Advise of any amendments to the Internal Audit Plan previously agreed;
 - (e) Track the progress of responses to Internal Audit reports and the implementation of agreed audit recommendations;
 - (f) Advise of any changes to the audit process; and
 - (g) Provide an update on performance against the key performance indicators agreed as part of the Audit Plan.

- 3 The appendices attached to this report are summarised below. Those marked with an asterisk are not for publication (Exempt information under Part 3 of Schedule 12a to the Local Government Act 1972, paragraph 3):
- (a) Appendix 2 – Performance against the Internal Audit Plan 2023/24;
 - (b) Appendix 3 – Final reports issued in the quarter ended 30 September 2023;
 - (c) Appendix 4 – The number of high and medium priority actions raised and implemented in 2023/24;
 - (d) Appendix 5 – Internal Audit performance indicators;
 - (e) Appendix 6* – Overdue Actions.

Recommendations

- 4 Members are asked to note:
- (a) the amendments made to the Internal Audit Plan during quarter two;
 - (b) the work undertaken by Internal Audit during the period ending 30 September 2023;
 - (c) the performance of the Internal Audit Service during the period; and
 - (d) the progress made by service managers in responding to the work of Internal Audit.

Background

- 5 As an independent consultancy service, the Council's Internal Audit Team strives to continue to add value and improve the organisation's operations as well as providing objective assurance to service managers and the Council.
- 6 The Internal Audit Plan for 2023/24, covering the period 1 April 2023 to 31 March 2024, was approved by the Audit Committee on 23 May 2023.

Progress against the Internal Audit Plan

- 7 A summary of the approved Internal Audit Plan for each Service Grouping, updated to include work in progress and any audits brought forward from last year's plan, is attached at Appendix 2. The appendix illustrates the status of each audit as at 30 September 2023 and, where applicable, also gives the resultant assurance opinion.
- 8 A summary of the status of audits is illustrated in the table below:

Service Grouping	Not Started	Preparation and Planning	In Progress	Draft Report	Final Report / Complete
Adult and Health Services (AHS)	6	6	2	1	6
Chief Executive (CE)	1	0	0	0	1
Children and Young People's Services (CYPS) *Excluding Schools	5	5	8	0	5
Neighbourhoods and Climate Change (NCC)	9	2	4	0	2
Regeneration, Economy and Growth (REG)	5	3	1	0	8
Resources (RES)	24	9	20	4	7
Schools	10	14	14	8	21
TOTAL	60	39	49	13	50

- 9 A summary of the final internal audit reports issued during quarter two is presented in Appendix 3.

- 10 The total number of productive days available during 2023/24 was originally estimated to be 3,152.
- 11 As at 30 September 2023, the service had delivered 1,322 productive days, representing 42% of the total estimated planned days for the year. The target to the end of September was for 45% to have been delivered, therefore performance was 3 percentage points below the profiled target.
- 12 As at 30 September, approximately 30% of the audits in the plan had been delivered.
- 13 As the Committee will be aware, the service has faced ongoing staffing recruitment and retention challenges over the last 18 months.
- 14 All vacant posts have now been recruited to; however, a significant amount of ongoing training has been required during the period as new staff have joined the team. This, together with the school holiday period, has had an impact on the number of audits being delivered and completed to draft report stage during the period.

Internal Audit activity in the quarter

Amendments to the Approved Internal Audit Plan

- 15 Ten reviews were removed from the approved Internal Audit Plan in the quarter.

Service Grouping	Audit	Audit Type	Reason
Adult and Health Services (AHS)	Review of Commissioning arrangements with Medequip	Assurance	Cancelled at request of service
Children and Young People's Services (CYPS)	Turnaround Programme (Youth Justice)	Grant	Cancelled at request of service
Children and Young People's Services (CYPS)	Placement Resource Panel (PRP) Arrangements	Assurance	Deferred at request of service
Children and Young People's Services (CYPS)	Local Adoption Governance	Assurance	Cancelled at request of service
Children and Young People's Services (CYPS)	One Point Hubs and Family Centres	Assurance	Deferred to 2024/25

Service Grouping	Audit	Audit Type	Reason
Children and Young People's Services (CYPS)	Children's Homes - Procurement Cards	Assurance	Deferred to 2024/25, however the service is being provided with ongoing internal audit support during 2023-24 to strengthen controls in place within the homes.
Neighbourhoods and Climate Change (NCC)	SME Power	Grant	The scheme has ended and no more verifications are required.
Regeneration, Economy and Growth (REG)	Milburngate Development Governance	Assurance	Service request to defer the assurance review to 2024/25 as the housing company has not yet been established.
Regeneration, Economy and Growth (REG)	Policies and Procedures for due diligence on new tenants	Advice and Consultancy	Service request to defer the advice and consultancy review to 2024/25 due to key staff vacancies in both the Corporate Property and Land team and Business Durham.
Resources (RES)	Business Support Links to Payroll and Employee Services (PES)	Advice and Consultancy	Service request to defer the advice and guidance review to 2024/25 to allow the impact of a planned restructure to be embedded.

16 Two unplanned reviews were added to the Internal Audit Plan in the quarter.

Service Grouping	Audit	Audit Type	Reason
Regeneration, Economy and Growth (REG)	Active Travel Funding Project	Grant	Service request to add the grant certification.
Resources (RES)	Gifts and Hospitality	Assurance	Service request for an assurance review to supplement the annual review undertaken by the Head of Legal and Democratic Services.

Outstanding Management Responses to Draft Internal Audit Reports

17 There are no overdue management responses to draft reports.

Survey Response Rate

18 The table below sets out the response rate and average score, by Service Grouping, for the customer satisfaction surveys issued during the period up to 30 September 2023. The average score of 4.7 out of 5 (where 1= Very Poor and 5 = Very Good) is the same as the average score from 2022/23.

Service Grouping	Surveys issued	Surveys returned	% returned	Av. score
Adult and Health Services (AHS)	11	9	82	5.0
Children and Young People's Services (CYPS) *Excluding Schools	1	0	0	N/A
Chief Executive (CE)	0	0	N/A	N/A
Neighbourhoods and Climate Change (NCC)	1	1	100	5.0
Regeneration, Economy and Growth (REG)	2	2	100	4.7
Resources (RES)	6	6	100	4.8
Schools	19	10	53	4.2
TOTAL	40	28	70	4.7

Responses to Internal Audit Findings and Recommendations

19 Details of the numbers of High and Medium priority ranked recommendations that have been raised and those that are overdue, by Service Grouping, are presented in Appendix 4.

20 A summary of progress on the actions due, implemented and overdue, as at 30 September 2023, is given in the table below.

Service Grouping	No. of Actions Due	No. of Actions Implemented	No. Overdue by Original Target Date	No. with Revised Target Date	No. Overdue by Revised Target Date
Adult and Health Services (AHS)	11	10	1 (9%)	1	0
Chief Executive (CE)	9	9	0 (0%)	0	0
Children and Young People's Services (CYPS) [Excluding Schools]	58	58	0 (0%)	0	0
Neighbourhoods and Climate Change (NCC)	33	33	0 (0%)	0	0
Regeneration, Economy and Growth (REG)	17	17	0 (0%)	0	0
Resources (RES)	216	214	2 (1%)	2	0
TOTAL	344	341	3 (1%)	3	0

21 It is encouraging to note that, of the 344 actions due to be implemented, 341 (99%) have been implemented. Details of the actions that are overdue, following their agreed original target dates, are included at Appendix 6. All of the overdue actions have revised dates for expected implementation.

Limited Assurance Audit Opinions

22 There were no 'limited assurance' opinion audits issued in the period.

Performance Indicators

23 A summary of actual performance, as at the end of September 2023, compared with our agreed targets, is detailed in Appendix 5.

Background papers

- Specific Internal Audit reports issued and working papers.

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Appendix 1: Implications

Legal Implications

The Accounts and Audit Regulation 2015 (Part 2, Section 5) states 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 audit standards or guidance.

Furthermore, Internal Audit assists the Corporate Director of Resources in fulfilling their duties under Section 151 of the Local Government Act 1972 which requires each Local Authority to make arrangements for the proper administration of their financial affairs.

Finance

There are no direct financial implications associated with this report.

Internal Audit work has clear and direct effects, through recommendations made, to assist in improving value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

Consultation

All Corporate Directors and Heads of Service.

Equality and Diversity / Public Sector Equality Duty

None.

Climate Change

There are no direct implications on climate change as a result of this report, however the Internal Audit Service ensures that it considers climate change and sustainability in the recommendations that are made.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The key risk is that actions agreed in audit reports to improve the control environment and assist the Council in achieving its objectives are not implemented. To mitigate this risk, a defined process exists within the Service to gain assurance that all actions agreed have been implemented on a timely basis. Such assurance is reflected in reports to the Audit Committee. Where progress has not been made, further action is agreed and overseen by the Audit Committee to ensure action is taken.

Procurement

None.

INTERNAL AUDIT PLAN FOR PERIOD 1 APRIL 2023 TO 31 MARCH 2024

SERVICE GROUPING	SERVICE	AUDIT ACTIVITY	AUDIT TYPE	STATUS	OPINION
2022 / 2023 audits brought forward into plan					
Adult and Health Services	Adult Care	Azeus - Finance Process	Advice & Consultancy	Final Report	N/A
Adult and Health Services	Adult Care	Azeus - Panel Process	Advice & Consultancy	Final Report	N/A
Adult and Health Services	Adult Care	Azeus - System Upgrade Testing Methodology	Advice & Consultancy	Final Report	N/A
Adult and Health Services	Commissioning	Continuing Health Care and Funded Nursing Care	Assurance	Final Report	Moderate
Adult and Health Services	Adult Care	Section 117 payments	Assurance	Final Report	Moderate
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme - Claim 4	Grant	Final Report	N/A
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	High Needs Budget	Follow Up	Final Report	N/A
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Children in Need	Assurance	Final Report	Substantial
Regeneration, Economy and Growth	Corporate Property and Land	Asset Valuation	Assurance	Final Report	Moderate
Regeneration, Economy and Growth	Culture, Sport and Tourism	CLUK Income Share Agreement	Assurance	Final Report	Substantial
Resources	Digital Services	Active Directory	Assurance	Planning and Preparation	
Resources	Digital Services	ICT Purchasing	Assurance	Draft Report	
Resources	Digital Services	Incident Management	Assurance	Draft Report	
Resources	Transactional and Customer Services	Council Tax: Valuation	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Business Rates - Valuation	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Housing Benefits and CTR - Overarching	Key System	Final Report	Substantial
Resources	Procurement, Sales and Business Services	Creditor Payments - Overarching	Key System	In Progress	
Resources	Procurement, Sales and Business Services	Creditors - Retrospective POs	Key System	In Progress	
Resources	Procurement, Sales and Business Services	Creditors - Receipting of goods	Key System	In Progress	
Resources	Transactional and Customer Services	Financial Assessments	Key System	In Progress	
Resources	HR and Employee Services	Payroll - Preparation - Temporary input	Key System	Draft Report	
Resources	Corporate Finance and Commercial Services	Short Term Investments	Assurance	Final Report	Substantial
Resources	Corporate Finance and Commercial Services	Section 256 agreements	Grant	In Progress	
Resources	Legal and Democratic Services	External Legal Fees	Advice & Consultancy	Final Report	N/A
Internal Audit Plan for period from 1st April 2023 to 31 March 2024					
Adult and Health Services	Commissioning	Approval and Payment of Commissioned Services - Panel arrangements for p	Assurance	Not Yet Started	
Adult and Health Services	Commissioning	Commissioning of Learning Disability Services	Assurance	Planning and Preparation	
Adult and Health Services	Commissioning	Commissioning of Mental Health Services	Assurance	Planning and Preparation	
Adult and Health Services	Adult Care	Azeus - Governance Board	Advice & Consultancy	In Progress	
Adult and Health Services	Adult Care	Workforce Development Fund	Grant	Final Report	
Adult and Health Services	Adult Care	Pathways	Assurance	Draft Report	
Adult and Health Services	Adult Care	Joint Committee Development	Advice & Consultancy	In Progress	
Adult and Health Services	Adult Care	New CQC Inspection Regime	Assurance	Not Yet Started	
Adult and Health Services	Commissioning	Commissioning of Domiciliary Care	Assurance	Planning and Preparation	
Adult and Health Services	Public Health	Public Health Claims Processed Via Pharmoutcomes	Assurance	Planning and Preparation	
Adult and Health Services	Public Health	Stop Smoking Service	Assurance	Planning and Preparation	
Adult and Health Services	Public Health	Provider Selection Regime (Procurement)	Advice & Consultancy	Not Yet Started	
Adult and Health Services	Public Health	Healthy Start Vitamin Distribution	Assurance	Not Yet Started	
Adult and Health Services	Adult Care	Extra Care Housing	Assurance	Planning and Preparation	
Adult and Health Services	Adult Care	CITO System Review	Assurance	Not Yet Started	
Adult and Health Services	Adult Care	Azeus	Assurance	Not Yet Started	
Adult and Health Services	Commissioning	Review of Commissioning arrangements with Medequip	Assurance	Cancelled	
Chief Executive	Corporate Affairs	Changing Places Toilets	Grant	Final Report	N/A
Chief Executive	Corporate Affairs	Data Quality	Assurance	Not Yet Started	
Children and Young People's Services	All Services	Caldicott Compliance	Assurance	Planning and Preparation	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme - Q1	Grant	Final Report	N/A
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Family Hubs and Start for Life	Grant	Final Report	N/A
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme - Q2	Grant	Cancelled	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme - Q3	Grant	Planning and Preparation	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme - Q4	Grant	Planning and Preparation	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Special Guardianship and Child Arrangement Orders	Follow Up	Not Yet Started	
Children and Young People's Services	Children's Social Care	Placement Resource Panel (PRP) Arrangements	Assurance	Deferred	
Children and Young People's Services	Children's Social Care	Local Adoption Governance	Assurance	Cancelled	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Children's Homes Review of Financial Procedures	Advice & Consultancy	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supervised Spend - Leaving Care Service	Assurance	Not Yet Started	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	One Point Hubs and Family Centres	Assurance	Deferred	
Children and Young People's Services	Children's Social Care	Children's Homes - Procurement Cards	Advice & Consultancy	Deferred	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Fun and Food	Assurance	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Aycliffe Secure Services	Assurance	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Disability Commissioning Arrangements (Short Breaks)	Assurance	Planning and Preparation	
Children and Young People's Services	All Services	Caldicott Compliance	Assurance	Not Yet Started	
Children and Young People's Services	All Services	Caldicott Group	Advice & Consultancy	In Progress	
Children and Young People's Services	Children's Social Care	Liquidlogic - ContrOCC - Manual Payments	Assurance	Not Yet Started	
Children and Young People's Services	Education and Skills	Schools Financial Value Standard (SFVS)	Assurance	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	High Needs Top Up Funding Arrangements in Schools	Assurance	Not Yet Started	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Home to School Transport - Procurement Workstream	Advice & Consultancy	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Home to School Transport - Procurement Bid Analysis	Advice & Consultancy	In Progress	
Children and Young People's Services	Education and Skills	Governor Training	Advice & Consultancy	In Progress	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme	Grant	Planning and Preparation	
Children and Young People's Services	Early Help, Inclusion and Vulnerable Children	Turnaround Programme (Youth Justice)	Grant	Cancelled	
Neighbourhoods and Climate Change	Community Protection Services	Intelligence Handling	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Carbon Emissions Performance	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Carbon Connects	Grant	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Carbon Connects	Grant	Cancelled	
Neighbourhoods and Climate Change	Environment	SMEPower (Claim 7)	Grant	Cancelled	
Neighbourhoods and Climate Change	Environment	Nature for Climate Peatland (Claim 1)	Grant	In Progress	
Neighbourhoods and Climate Change	Environment	Nature for Climate Peatland (Claim 2)	Grant	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Durham Crematorium	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Mountsett Crematorium	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Fuel Stocks and Stores	Assurance	Final Report	Substantial
Neighbourhoods and Climate Change	Environment	Fleet Management - Hire Process	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Domestic Vehicle Charging Working Group	Advice & Consultancy	In Progress	
Neighbourhoods and Climate Change	Environment	Trade Waste	Assurance	In Progress	
Neighbourhoods and Climate Change	Environment	Replacement Processes for Business Energy Efficiency Project (BEEP)	Advice & Consultancy	Not Yet Started	
Neighbourhoods and Climate Change	Highways	Local Transport Capital Block Funding	Grant	Final Report	N/A
Neighbourhoods and Climate Change	Highways	Stores Management	Assurance	Planning and Preparation	
Neighbourhoods and Climate Change	Highways	Highways Permits	Advice & Consultancy	Planning and Preparation	
Neighbourhoods and Climate Change	Partnerships and Community Engagement	Community Grants - Review of Funding Processes	Advice & Consultancy	In Progress	
Neighbourhoods and Climate Change	All Services	Additional Audit Support - NCC	Advice & Consultancy	Not Yet Started	
Regeneration, Economy and Growth	Corporate Property and Land	Milburngate Development Governance	Assurance	Deferred	
Regeneration, Economy and Growth	Corporate Property and Land	Policies and Procedures for due diligence on new tenants	Advice & Consultancy	Deferred	
Regeneration, Economy and Growth	Economic Development	Finance Durham	Assurance	Not Yet Started	
Regeneration, Economy and Growth	Planning and Housing	Financial Assistance Policy and Property Re-Purpose Loans	Assurance	Not Yet Started	
Regeneration, Economy and Growth	Planning and Housing	Homes England	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Corporate Property and Land	Asset Valuation	Assurance	Not Yet Started	
Regeneration, Economy and Growth	Corporate Property and Land	Surplus property process and procedures	Advice & Consultancy	Not Yet Started	
Regeneration, Economy and Growth	Corporate Property and Land	Bishop Auckland Heritage Action Zone - Project Manager	Grant	Final Report	N/A
Regeneration, Economy and Growth	Corporate Property and Land	Bishop Auckland Heritage Action Zone - Heritage Skills	Grant	Final Report	N/A
Regeneration, Economy and Growth	Corporate Property and Land	Bishop Auckland Heritage Action Zone - Community Engagement	Grant	Final Report	N/A
Regeneration, Economy and Growth	Corporate Property and Land	Bishop Auckland Heritage Action Zone - Conservation Area Grant Scheme	Grant	Deferred	
Regeneration, Economy and Growth	Culture, Sport and Tourism	Gala Stage School	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Economic Development	UK Shared Prosperity Fund	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Planning and Housing	Disabled Facilities Grant	Grant	In Progress	
Regeneration, Economy and Growth	Transport and Contract Services	Local Transport Capital Block Funding	Grant	Final Report	N/A
Regeneration, Economy and Growth	Transport and Contract Services	Bus Subsidy Ring Fenced Grant	Grant	Final Report	N/A
Regeneration, Economy and Growth	Planning and Housing	Home Upgrade Grant (HUG) 2	Grant	Final Report	N/A
Regeneration, Economy and Growth	Transport and Contract Services	Active Travel Funding Project	Grant	Not Yet Started	
Resources	Corporate Finance and Commercial Services	Budgetary Control and Financial Reporting	Key System	Not Yet Started	
Resources	Procurement, Sales and Business Services	Contract Management	Assurance	Planning and Preparation	
Resources	Transactional and Customer Services	Business Rates - Billing & Refunds	Key System	Not Yet Started	
Resources	Transactional and Customer Services	Housing Benefits: Overpayment Recovery	Key System	Planning and Preparation	
Resources	Transactional and Customer Services	Deputy and Appointees - Personal Allowance Payments	Assurance	Not Yet Started	
Resources	Corporate Finance and Commercial Services	Section 256 Agreements	Grant	Not Yet Started	
Resources	Corporate Finance and Commercial Services	Better Care Fund (Section 75)	Grant	Not Yet Started	
Resources	Corporate Finance and Commercial Services	Leases	Advice & Consultancy	In Progress	
Resources	Digital Services	Information Governance Group	Advice & Consultancy	In Progress	
Resources	Digital Services	Information Management	Assurance	Not Yet Started	
Resources	Digital Services / Corporate Affairs	Information Management - BI Data Ingestion	Assurance	In Progress	
Resources	Digital Services	CRM - Internal Management and Governance	Assurance	In Progress	
Resources	Digital Services	Change Management	Assurance	Not Yet Started	
Resources	Digital Services	Platform Security	Assurance	Not Yet Started	
Resources	Digital Services	Vulnerability Management	Assurance	In Progress	

INTERNAL AUDIT PLAN FOR PERIOD 1 APRIL 2023 TO 31 MARCH 2024

SERVICE GROUPING	SERVICE	AUDIT ACTIVITY	AUDIT TYPE	STATUS	OPINION
Resources	Digital Services	Active Directory	Advice & Consultancy	Not Yet Started	
Resources	Digital Services	Digital Strategy	Assurance	Not Yet Started	
Resources	Digital Services	Third Party Access	Assurance	Draft Report	
Resources	Digital Services	Digital Durham	Grant	Final Report	N/A
Resources	Digital Services	IT Asset Management	Advice & Consultancy	In Progress	
Resources	HR and Employee Services	Payroll - Overarching	Key System	Not Yet Started	
Resources	HR and Employee Services	ResourceLink Programme Board	Advice & Consultancy	In Progress	
Resources	HR and Employee Services	Payroll - Taxation/PAYE	Key System	Not Yet Started	
Resources	HR and Employee Services	Payroll - Preparation - Permanent Input	Key System	Planning and Preparation	
Resources	HR and Employee Services	Payroll - Agency System	Key System	Planning and Preparation	
Resources	Legal & Democratic Services	Police and Crime Panel	Grant	Final Report	N/A
Resources	Legal & Democratic Services	RIPA Officers Group	Advice & Consultancy	In Progress	
Resources	Legal & Democratic Services	Company Governance Group	Advice & Consultancy	In Progress	
Resources	Legal & Democratic Services	RIPA Compliance	Assurance	Not Yet Started	
Resources	Legal & Democratic Services	Tender Opening Arrangements	Assurance	Planning and Preparation	
Resources	Legal & Democratic Services	Public Interest Report - Culture and Governance	Advice & Consultancy	Not Yet Started	
Resources	Procurement, Sales and Business Services	Support for standard process using HALO. SLA charging process.	Advice & Consultancy	Not Yet Started	
Resources	Procurement, Sales and Business Services	Creditors	Key System	Not Yet Started	
Resources	Procurement, Sales and Business Services	Petty Cash and Payment Cards workstream	Advice & Consultancy	In Progress	
Resources	Procurement, Sales and Business Services	Procurement Cards	Assurance	Deferred	
Resources	Procurement, Sales and Business Services	Business Support links to Payroll and Employee Services (PES)	Advice & Consultancy	Deferred	
Resources	Transactional and Customer Services	Business Rates - Overarching	Key System	Not Yet Started	
Resources	Transactional and Customer Services	Business Rates - Recovery	Key System	In Progress	
Resources	Transactional and Customer Services	Housing Benefits and Council Tax Reduction - Overarching	Key System	Not Yet Started	
Resources	Transactional and Customer Services	Housing Benefits and Council Tax Reduction - Supported Accommodation	Advice & Consultancy	Not Yet Started	
Resources	Transactional and Customer Services	Council Tax - Overarching	Key System	Not Yet Started	
Resources	Transactional and Customer Services	Council Tax - Recovery	Key System	In Progress	
Resources	Transactional and Customer Services	Council Tax - QA and Appeals	Key System	Planning and Preparation	
Resources	Transactional and Customer Services	Cash Management	Key System	In Progress	
Resources	Transactional and Customer Services	Cash Management - Community Coaches	Key System	In Progress	
Resources	Transactional and Customer Services	Cash Management - Spennymoor Education Centre	Key System	In Progress	
Resources	Transactional and Customer Services	Debtors	Key System	Not Yet Started	
Resources	Transactional and Customer Services	BACS Submissions	Assurance	Planning and Preparation	
Resources	Transactional and Customer Services	Customer Services process review	Advice & Consultancy	Planning and Preparation	
Resources	Transactional and Customer Services	Household Support Fund	Advice & Consultancy	Not Yet Started	
Resources	All Services	Additional Audit Support	Advice & Consultancy	Not Yet Started	
Resources	Legal & Democratic Services	Gifts and Hospitality	Assurance	Not Yet Started	

FINAL REPORTS ISSUED IN PERIOD ENDING 30 SEPTEMBER 2023

AUDIT AREA	BRIEF DESCRIPTION OF SCOPE OF THE AUDIT	FINAL OPINION
ADULT AND HEALTH SERVICES (AHS)		
Workforce Development Fund	Confirm that grant payments have been made in accordance with the terms of the grant and partnership agreement.	N/A
Continuing Health Care and Funded Nursing Care	Review of the process for setting up CHC and FNC care packages and the arrangements in place for recouping recharges from the NHS ICB for any applicable CHC and FNC care packages.	Moderate
Section 117 payments	Review of the process for setting up Section 117 care packages and the payment arrangements in place for Section 117 care packages.	Moderate
Pathways - Durham	A review of the arrangements in place at pathways for; <ul style="list-style-type: none"> •Income & billing •Ordering/ procurement & creditor invoicing •Procurement card purchases •One Touch wallet module (recording system for the management of Service User monies) •Governance of the Amenity Fund •Asset management 	Substantial
Pathways - Peterlee		Substantial
Pathways - Spennymoor		Substantial
Pathways - Newton Aycliffe		Substantial
Pathways - Stanley		Substantial
CHILDREN AND YOUNG PEOPLE'S SERVICES (CYPS)		
Multiply (UKSPF) Funding	Verification of grant claim	N/A
Children in Need	Review of the processing of Section 17 Children's Finance Request forms and the related payments and purchases by Families First and Children in Care teams.	Substantial

REGENERATION, ECONOMY AND GROWTH (REG)		
Competition Line UK Income Share Agreement	Assurance review to verify income received and the subsequent payments made to Competition Line regarding the Income Share Agreement	Substantial
Local Transport Capital Block Funding Integrated	Grant Certification	N/A
Bus Subsidy Ring Fenced Grant	Grant Certification	N/A
Home Upgrade Grant (HUG) 2	Grant Certification	N/A

RESOURCES (Res)		
Council Tax: Valuation	Assurance review of the arrangements in place to mitigate against the risks of: <ul style="list-style-type: none"> • Failure to adhere to legislation, best practice, and/or procedures. • Records and accounts are not updated to record new and amendments to properties. • Valuation Office amendments are not processed in a timely manner • Property records are incorrectly input or updated 	Substantial
Business Rates - Valuation	Assurance review of the arrangements in place to mitigate against the risks of: <ul style="list-style-type: none"> • Failure to adhere to legislation, best practice, and/or procedures. • Records and accounts are not updated to record new and amendments to properties. • Valuation Office amendments are not processed in a timely manner. • Property records are incorrectly input or updated. 	Substantial
External Legal Fees	Advice and guidance review to determine the extent to which external legal services are sourced in accordance with the Council's Contract Procedure Rules.	N/A
Digital Durham	Grant certification	N/A

CHIEF EXECUTIVES		
Changing Places Toilets (CPTs)	Grant certification	N/A

	Actions Due	Actions Implemented	Overdue Actions by original target date	Number of Actions where the original target has been revised	Overdue Actions following a revised target date
ADULT AND HEALTH SERVICES (AHS)					
2020/21					
High	0	0	0	0	0
Medium	4	3	1	1	0
Total	4	3	1	1	0
2021/22					
High	0	0	0	0	0
Medium	1	1	0	0	0
Total	1	1	0	0	0
2022/23					
High	0	0	0	0	0
Medium	4	4	0	0	0
Total	4	4	0	0	0
2023/24					
High	0	0	0	0	0
Medium	2	2	0	0	0
Total	2	2	0	0	0
Overall Total	11	10	1	1	0
CHIEF EXECUTIVE					
2022/23					
High	0	0	0	0	0
Medium	9	9	0	0	0
Total	9	9	0	0	0
2023/24					
High	0	0	0	0	0
Medium	0	0	0	0	0
Total	0	0	0	0	0
Overall Total	9	9	0	0	0
CHILDREN AND YOUNG PEOPLE'S SERVICES (CYPs)					
2021/22					
High	2	2	0	0	0
Medium	36	36	0	0	0
Total	38	38	0	0	0
2022/23					
High	0	0	0	0	0
Medium	19	19	0	0	0
Total	19	19	0	0	0
2023/24					
High	0	0	0	0	0
Medium	1	1	0	0	0
Total	1	1	0	0	0
Overall Total	58	58	0	0	0
NEIGHBOURHOODS AND CLIMATE CHANGE (NCC)					
2021/22					
High	0	0	0	0	0
Medium	9	9	0	0	0
Total	9	9	0	0	0
2022/23					
High	9	9	0	0	0
Medium	15	15	0	0	0
Total	24	24	0	0	0
2023/24					
High	0	0	0	0	0
Medium	0	0	0	0	0
Total	0	0	0	0	0
Overall Total	33	33	0	0	0
REGENERATION, ECONOMY AND GROWTH (REG)					
2021/22					
High	0	0	0	0	0
Medium	5	5	0	0	0
Total	5	5	0	0	0
2022/23					
High	0	0	0	0	0
Medium	7	7	0	0	0
Total	7	7	0	0	0
2023/24					
High	2	2	0	0	0
Medium	3	3	0	0	0
Total	5	5	0	0	0
Overall Total	17	17	0	0	0
RESOURCES (RES)					
2019/20					
High	0	0	0	0	0
Medium	116	115	1	1	0
Total	116	115	1	1	0
2020/21					
High	0	0	0	0	0
Medium	61	61	0	0	0
Total	61	61	0	0	0
2021/22					
High	1	1	0	0	0
Medium	18	17	1	1	0
Total	19	18	1	1	0
2022/23					
High	0	0	0	0	0
Medium	17	17	0	0	0
Total	17	17	0	0	0
2023/24					
High	1	1	0	0	0
Medium	2	2	0	0	0
Total	3	3	0	0	0
Overall Total	216	214	2	2	0
TOTAL COUNCIL					
2019/20					
High	0	0	0	0	0
Medium	116	115	1	1	0
Total	116	115	1	1	0
2020/21					
High	0	0	0	0	0
Medium	65	64	1	1	0
Total	65	64	1	1	0
2021/22					
High	3	3	0	0	0
Medium	69	68	1	1	0
Total	72	71	1	1	0
2022/23					
High	9	9	0	0	0
Medium	71	71	0	0	0
Total	80	80	0	0	0
2023/24					
High	3	3	0	0	0
Medium	8	8	0	0	0
Total	11	11	0	0	0
OVERALL TOTAL	344	341	3	3	0

Performance Indicators as at 30 September 2023

Efficiency		Objective: To provide maximum assurance to inform the annual audit opinion	
KPI	Measure of Assessment	Target & (Frequency of Measurement)	Actual
Productive audit time achieved	% of planned productive time from original approved plan completed.	90% (Annually)	42% as at 30 September 2023
Timeliness of Draft Reports	% of draft reports issued within 20 working days of end of fieldwork/closure interview	100% (Quarterly)	100% (45 out of 45)
Timeliness of Final Reports	% of final reports issued within 10 working days of receipt of management response	100% (Quarterly)	100% (41 out of 41)
Quarterly Progress Reports	Quarterly progress reports issued to Corporate Directors within one month of end of period	100% (Quarterly)	100%
Quality		Objective: To ensure that the service is effective and adding value	
KPI	Measure of Assessment	Target & (Frequency of Measurement)	
Recommendations agreed	% of recommendations made compared with recommendations accepted	95% (Annually)	100%
Post Audit Customer Satisfaction Survey Feedback	% of customers scoring audit service satisfactory or above (3 out of 5) where 1 is poor and 5 is very good	100% (Quarterly)	100% (28 out of 28) Av. score of 4.7
Customers providing feedback response	% of customers returning satisfaction returns	70% (Quarterly)	70%