

## **Audit Committee**

**28 February 2025**

**Internal Audit Progress Update  
Report Period Ended 31  
December 2024**



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## **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 undertaken by Internal Audit during the period 1 April 2024 to 31 December 2024, as part of the Internal Audit Plan for 2024/25.

### **Executive Summary**

- 2 The report provides an overview of performance against the Internal Audit Plan 2024/25 up to 31 December 2024, 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 Those marked with an asterisk are not for publication (Exempt information under Part 3 of Schedule 12a to the Local Government Act 1972, paragraph 3):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 2024/25 to 31 December 2024;
  - (b) Appendix 3 – Final reports issued in the quarter ended 31 December 2024;
  - (c) Appendix 4 – The number of high and medium priority actions raised and implemented in 2024/25 to 31 December 2024;
  - (d) Appendix 5 – Internal Audit performance indicators – progress and performance to 31 December 2024;
  - (e) Appendix 6\* – Overdue Actions as at 31 December 2024; and
  - (f) Appendix 7\* - Limited Assurance Audit opinions issued in the quarter ended 31 December 2024.

\* Reported under Part B (Exempt from Publication) of the Agenda

## **Recommendations**

- 4 Members are asked to note:
- (a) the amendments made to the Internal Audit Plan during quarter one;
  - (b) the work undertaken by Internal Audit during the period ending 31 December 2024;
  - (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 It is a statutory requirement for the council to have assurance from an internal audit function – to provide assurance on the council's internal control environment, risk management and governance arrangements.
- 6 The Internal Audit Plan for 2024/25, covering the period 1 April 2024 to 31 March 2025, was approved by the Audit Committee on 20 May 2024.

## 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 31 December 2024 and, where applicable, also gives the resultant assurance opinion that has been issued.
- 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)	3	0	5	1	9
Chief Executive (CE)	1	1	6	0	4
Children and Young People's Services (CYPS) *Excluding Schools	9	0	9	1	9
Neighbourhoods and Climate Change (NCC)	4	4	4	0	3
Regeneration, Economy and Growth (REG)	5	2	2	1	10
Resources (RES)	8	12	15	5	25
Schools	0	12	7	1	17
<b>TOTAL</b>	<b>30</b>	<b>31</b>	<b>48</b>	<b>9</b>	<b>77</b>

- 9 A summary of the final internal audit reports issued during quarter one is presented in Appendix 3.
- 10 The total number of productive days available during 2024/25 was originally estimated to be 2,856. As at 31 December 2024, the service

had delivered 1,961 productive days, representing 67% of the total estimated planned days for the year. The target to the end of December was for 67.5% to have been delivered, therefore performance was in line with the profiled target.

- 11 As at 31 December, approximately 44% of the audits in the plan had been delivered. During the period the service continued to operate with a vacant Principal Auditor post and unplanned staff absence which was above that provided for in the plan also impacted on capacity.

## Internal Audit activity in the quarter

### Amendments to the Approved Internal Audit Plan

- 12 Eleven reviews were removed from the approved Internal Audit Plan in the quarter.

Service Grouping	Audit	Audit Type	Reason
Regeneration, Economy and Growth	Future High Street Fund	Grant	Grant certification not required during the current year.
Regeneration, Economy and Growth	Community Grants Sample	Grant	Grant certification not required during the current year.
Adult and Health Services	Azeus - Data Quality	Assurance	Cancelled as audit scope conflicts with ongoing AHS project groups and Azeus development.
Adult and Health Services	Azeus - Provision Costing	Assurance	Cancelled as audit scope conflicts with ongoing AHS project groups and Azeus development.
Adult and Health Services	New CQC Inspection Regime	Assurance	Deferred to 2025/26 as no actions arising from the CQC Inspection are due for implementation in 2024/25.
Neighbourhoods and Climate Change	Nature for Climate Peatland (Claim 4)	Grant	No further grant return expected in 24/25
Neighbourhoods and Climate Change	Community Grants Sample	Advice & Consultancy	Audit Advice and Guidance no longer required.
Chief Executives	Corporate Performance		Deferred to 2025/26 audit plan

<b>Service Grouping</b>	<b>Audit</b>	<b>Audit Type</b>	<b>Reason</b>
	Management Framework		
Resources	Recruitment and Selection	Assurance	Service are currently reviewing the process. To be reviewed next year once completed.
Resources	Contract Variations	Assurance	Service under pressure due to the implementation of a new contract management system and it would be beneficial to review the full 24/25 data next year.
Resources	Digital Durham	Assurance	No audit requirement as scheme completed.

13 Six unplanned reviews were added to the Internal Audit Plan in the quarter.

<b>Service Grouping</b>	<b>Audit</b>	<b>Audit Type</b>	<b>Reason</b>
Regeneration, Economy and Growth	North East space cluster development	Grant	Grant certification request from service management.
Regeneration, Economy and Growth	Catering Service - Meadowfield Canteen	Advice & Consultancy	To provide advice and support on the implementation of internal controls
Resources	Fees and Charges – Consumer Protection	Assurance	Moved from NCC plan as part of a review of the strategic audit plan as Corporate Finance are included in the process of reporting all fees and charges .
Resources	Council Tax - 2nd home avoidance	Assurance	A sub-audit of the main Council Tax activity, Advice and guidance work to assist in the development of a process for monitoring changes in second home charges.
Resources	Debtors - Actions following debt referral	Assurance	A sub-audit of the main Debtors activity as agreed with service management.
Resources	Debtors - Works in Default	Assurance	A sub-audit of the main Debtors activity as agreed with service management.

## Outstanding Management Responses to Draft Internal Audit Reports

14 There are no overdue management responses to draft reports.

### Survey Response Rate

15 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 31 December 2024. The average score of 4.9 out of 5 (where 1= Very Poor and 5 = Very Good) is above the average score from 2023/24, which was 4.7.

Service Grouping	Surveys issued	Surveys returned	% returned	Av. score
Adult and Health Services (AHS)	9	7	78	5
Children and Young People's Services (CYPS) *Excluding Schools	6	4	67	4.9
Chief Executive (CE)	4	4	100	5
Neighbourhoods and Climate Change (NCC)	1	1	100	4.3
Regeneration, Economy and Growth (REG)	6	6	100	4.9
Resources (RES)	21	21	100	4.8
Schools	16	10	63	5
<b>TOTAL</b>	<b>63</b>	<b>53</b>	<b>84</b>	<b>4.9</b>

### Responses to Internal Audit Findings and Recommendations

16 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.

17 A summary of progress on the actions due, implemented and overdue, as at 31 December 2024, is given in the table below.

<b>Service Grouping</b>	<b>No. of Actions Due</b>	<b>No. of Actions Implemented</b>	<b>No. Overdue by Original Target Date</b>	<b>No. with Revised Target Date</b>	<b>No. Overdue by Revised Target Date</b>
Adult and Health Services (AHS)	13	13	0	0	0
Chief Executive (CE)	21	17	4	4	0
Children and Young People's Services (CYPS) [Excluding Schools]	46	46	0	0	0
Neighbourhoods and Climate Change (NCC)	32	32	0	0	0
Regeneration, Economy and Growth (REG)	30	29	1	1	0
Resources (RES)	267	251	16	14	7
<b>TOTAL</b>	<b>409</b>	<b>387</b>	<b>21</b>	<b>19</b>	<b>7</b>

18 It is encouraging to note that, of the 409 actions due to be implemented, 387 (95%) have been implemented. Details of the actions that are overdue, following their agreed original target dates, are included at Appendix 6 and will be considered under Part B (Exempt from Publication) part of the Agenda. All of the overdue actions have revised dates for expected implementation.

### **Limited Assurance Audit Opinions**

19 One 'limited assurance' opinion audit was issued in the period. Details of this can be seen in Appendix 7 and will be considered under Part B (Exempt from Publication) part of the Agenda.

### **Performance Indicators**

20 A summary of actual performance, as at the end of December 2024, compared with our agreed targets, is detailed in Appendix 5.

### **Background papers**

- Specific Internal Audit reports issued and working papers.

### **Other useful documents**

- Previous Committee reports.

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**Contact:** Tracy Henderson

Tel: 03000 269668

Nicola Cooke

Tel: 03000 269665

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## **Appendix 1: Implications**

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### **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 2024 TO 31 MARCH 2025

SERVICE GROUPING	SERVICE	AUDIT ACTIVITY	AUDIT TYPE	STATUS	OPINION
<b>2023 / 2024 audits brought forward into plan</b>					
Adult and Health Services	Adult Care	Joint Committee Development	Advice & Consultancy	Final Report	N/A
Adult and Health Services	Public Health	Stop Smoking Service	Assurance	Final Report	Substantial
Adult and Health Services	Adult Care	Extra Care Housing	Assurance	Final Report	Moderate
Adult and Health Services	Adult Care	Azeus Panel Process	Assurance	Final Report	Limited
Childrens and Young People's Services	Children's Social Care	Special Guardianship and Child Arrangement Orders	Follow Up	Final Report	N/A
Childrens and Young People's Services	Children's Social Care	Supervised Spend - Leaving Care Service	Assurance	Final Report	Moderate
Childrens and Young People's Services	Children's Social Care	High Needs Top Up Funding Arrangements in Schools	Assurance	In Progress	
Neighbourhoods and Climate Change	Community Protection Services	Intelligence Handling	Assurance	Final Report	Substantial
Neighbourhoods and Climate Change	Environment	Fleet Management - Hire Process	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Planning and Housing	Homes England	Assurance	Final Report	Substantial
Regeneration, Economy and Growth	Corporate Property and Land	Asset Valuation	Assurance	Final Report	Substantial
Regeneration, Economy and Growth	Economic Development	UK Shared Prosperity Fund	Assurance	Final Report	Substantial
Regeneration, Economy and Growth	Economic Development	Finance Durham	Assurance	Deferred	N/A
Resources	Transactional and Customer Services	Council Tax - Overarching Report	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Council Tax: Quality Assurance & Appeals	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Housing Benefits and Council Tax Reduction - Overarching	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Housing & Council Tax Reduction - Supported Accommodation	Advice & Consultancy	Final Report	N/A
Resources	Transactional and Customer Services	Customer Services Process Review	Advice & Consultancy	In Progress	
Resources	Transactional and Customer Services	Household Support Fund	Advice & Consultancy	Draft Report	
Resources	Procurement, Sales and Business Services	Creditors	Key System	Final Report	Moderate
Resources	Procurement, Sales and Business Services	Creditor Payments - Supplier Masterfile	Key System	Final Report	Moderate
Resources	Procurement, Sales and Business Services	Creditor Payments - Duplicate payment checking process	Key System	Final Report	Substantial
Resources	HR and Employee Services	Payroll - Overarching	Key System	In Progress	
Resources	HR and Employee Services	Payroll - Taxation (PAYE)	Key System	Final Report	Substantial
Resources	HR and Employee Services	Payroll - Allowance Payments	Key System	In Progress	
Resources	Transactional and Customer Services	Debtors	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Debtors - Debt Referrals to services	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Debtors - Knockdown Damage Process	Key System	Final Report	Moderate
Resources	Corporate Finance and Commercial Services	Leases	Advice & Consultancy	Planning and Preparation	
Resources	Procurement, Sales and Business Services	Support for Standard Process using HALO - SLA Charging Process	Advice & Consultancy	Final Report	N/A
Resources	HR and Employee Services	Agency System	Assurance	Final Report	Limited
Resources	Procurement, Sales and Business Services	Tender Opening and Evaluation Processes	Key System	Final Report	Moderate
Resources	Transactional and Customer Services	Deputy and Appointee Team - Personal Allowance Payments	Assurance	Final Report	Moderate
Resources	Corporate Finance and Commercial Services	Section 256 agreements	Assurance	Final Report	N/A
Resources	Digital Services	Change Management	Assurance	Final Report	Moderate
Resources	Digital Services	Active Directory	Assurance	In Progress	
Resources	Digital Services	Platform Security - Virtual Machines	Assurance	Final Report	Moderate
Resources	Corporate Finance and Commercial Services	Credit Union	Advice & Consultancy	Final Report	N/A
Chief Executive Service	Corporate Affairs	Data Quality	Assurance	In Progress	
Chief Executive Service	Legal and Democratic Services	Non-RIPA Surveillance	Assurance	Final Report	Substantial
Chief Executive Service	Legal and Democratic Services	Public Interest Report - Culture and Governance	Advice & Consultancy	Cancelled	
<b>Internal Audit Plan for period from 1st April 2024 to 31 March 2025</b>					
Adult and Health Services	Commissioning	Workforce Development Fund	Assurance	Final Report	N/A
Adult and Health Services	Adult Care	Transition Arrangements Between CYPs & AHS	Assurance	Draft Report	
Adult and Health Services	Commissioning	Commissioning of LD MH Services - Residential Care	Assurance	Final Report	Moderate
Adult and Health Services	Adult Care	County Durham Care & Support - Shared Lives	Assurance	Not yet started	
Adult and Health Services	Adult Care	Adaptations Service	Assurance	In Progress	
Adult and Health Services	Adult Care	Learning Disability Task and Finish Group	Advice and Consultancy	In Progress	
Adult and Health Services	Adult Care	Rolling Respite Care	Assurance	Not yet started	
Adult and Health Services	Public Health	PharmOutcomes - Influenza Vaccination Claims	Assurance	Final Report	Substantial
Adult and Health Services	Public Health	Healthy Start Vitamin Distribution	Assurance	Final Report	Substantial
Adult and Health Services	Commissioning	Commissioning of LD MH Services - Supported Living	Assurance	Final Report	Substantial
Adult and Health Services	Adult Care	CITO System Review	Assurance	Not yet started	
Adult and Health Services	Adult Care	Azeus Board	Assurance	In Progress	
Adult and Health Services	Service Wide	Advice and Guidance - AHS	Advice and Consultancy	In Progress	
Adult and Health Services	Adult Care	Advice and Guidance - AHS Panel-Finance Issues	Advice and Consultancy	In Progress	
Adult and Health Services	Adult Care	SALT - Short and Long Term Care	Assurance	Deferred	
Adult and Health Services	Adult Care	Azeus - Data Quality	Assurance	Cancelled	
Adult and Health Services	Adult Care	Azeus - Provision Costing	Assurance	Cancelled	
Adult and Health Services	Adult Care	New CQC Inspection Regime	Assurance	Deferred	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme	Grant	Not yet started	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme Q1	Grant	Final Report	N/A
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme Q2	Grant	Final Report	N/A
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme Q3	Grant	Final Report	N/A
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Supporting Families Programme Q4	Grant	Not yet started	
Childrens and Young People's Services	Education and Skills	Multiply (UKSPF) Funding	Grant	Final Report	N/A
Childrens and Young People's Services	Children's Social Care	Lifelong Links Programme Grant	Grant	Final Report	N/A
Childrens and Young People's Services	Children's Social Care	PEER Mentoring Grant	Grant	Final Report	N/A
Childrens and Young People's Services	Children's Social Care	Foster Carer Payments	Assurance	In Progress	
Childrens and Young People's Services	Children's Social Care	Placement Resource Panel (PRP) Arrangements	Assurance	Not yet started	
Childrens and Young People's Services	Children's Social Care	Children's Homes	Assurance	Not yet started	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Family Hubs and Start for Life	Grant	Final Report	Substantial
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	One Point Hubs – Intensive Family Support Team	Assurance	In Progress	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Commissioning of Support Services for Children with SEND	Assurance	In Progress	
Childrens and Young People's Services		Caldicott Compliance	Assurance	Not yet started	
Childrens and Young People's Services		Caldicott Group	Advice and Consultancy	In Progress	
Childrens and Young People's Services		Liquidlogic	Assurance	Not yet started	
Childrens and Young People's Services	Education and Skills	School Transport Budget	Assurance	Not yet started	
Childrens and Young People's Services	Education and Skills	Schools - Safe Recruitment and Selection	Advice and Consultancy	In Progress	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Home to School Transport Procurement Workstream	Assurance	In Progress	
Childrens and Young People's Services	Education and Skills	Arrangements for the allocation of SEN funding and its application in schools	Assurance	Not yet started	
Childrens and Young People's Services	Education and Skills	Review of Swimming SLA	Assurance	Not yet started	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	Youth Justice Service	Assurance	In Progress	
Childrens and Young People's Services	Service Wide	Advice and Guidance - CYPs	Advice and Consultancy	In Progress	
Childrens and Young People's Services	Early Help, Inclusion and Vulnerable Children	SALT - Speech, Language and Communication Therapy - Shortage of	Assurance	Deferred	
Childrens and Young People's Services	Children's Social Care	Children's Homes - Procurement Cards	Advice and Consultancy	Deferred	
Neighbourhoods and Climate Change	Highways	Local Transport Capital Block Funding	Grant	Final Report	N/A
Neighbourhoods and Climate Change	Environment	Nature for Climate Peatland (Claim 3)	Grant	Final Report	N/A
Neighbourhoods and Climate Change	Community Protection Services	Pollution Control	Assurance	Planning and Preparation	
Neighbourhoods and Climate Change	Environment	Clean and Green	Assurance	In Progress	
Neighbourhoods and Climate Change	Environment	Durham Crematorium	Assurance	Planning and Preparation	
Neighbourhoods and Climate Change	Environment	Mountsett Crematorium	Assurance	Planning and Preparation	
Neighbourhoods and Climate Change	Community Protection Services	Fees and Charges	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Community Protection Services	Civil Penalties (Civil Sanctions)	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Highways	Space on Highway	Assurance	In Progress	
Neighbourhoods and Climate Change	Community Protection Services	Works in Default	Advice & Consultancy	In Progress	
Neighbourhoods and Climate Change	Environment	Neighbourhood Wardens	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Environment	Utility Bills	Assurance	Not Yet Started	
Neighbourhoods and Climate Change	Service Wide	Advice and Guidance - NCC	Advice & Consultancy	In Progress	
Neighbourhoods and Climate Change	Environment	Nature for Climate Peatland (Claim 4)	Grant	Cancelled	
Neighbourhoods and Climate Change	Partnerships and Community Engagement	Community Grants Sample	Advice & Consultancy	Cancelled	
Regeneration, Economy and Growth	Planning and Housing	FAP and Property Re-Purpose Loans	Assurance	Final Report	Moderate
Regeneration, Economy and Growth	Planning and Housing	Disabled Facilities Grant	Grant	Final Report	N/A
Regeneration, Economy and Growth	Transport & Contract Services	Integrated Transport Block	Grant	Final Report	N/A
Regeneration, Economy and Growth	Transport & 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	Corporate Property and Land	Health & Safety Group	Advice and Consultancy	In Progress	
Regeneration, Economy and Growth	Corporate Property and Land	Asset Management	Assurance	Not yet started	
Regeneration, Economy and Growth	Culture, Sport and Tourism	Consett Empire Theatre	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Culture, Sport and Tourism	Gala Theatre - Box Office	Assurance	Not yet started	
Regeneration, Economy and Growth	Transport & Contract Services	Integrated Passenger Transport Unit – Adult Care Transport	Assurance	Not yet started	

## INTERNAL AUDIT PLAN FOR PERIOD 1 APRIL 2024 TO 31 MARCH 2025

SERVICE GROUPING	SERVICE	AUDIT ACTIVITY	AUDIT TYPE	STATUS	OPINION
Regeneration, Economy and Growth	Transport & Contract Services	Transport Contract Management - Contract Documentation and Invoice Payments	Assurance	Not yet started	
Regeneration, Economy and Growth	Transport & Contract Services	Transport Contract Management - Operator and Driver Verification	Assurance	Planning and Preparation	
Regeneration, Economy and Growth	Service Wide	Advice and Guidance - REG	Advice and Consultancy	In Progress	
Regeneration, Economy and Growth	Transport & Contract Services	Bus Service Improvement Plan Grant	Grant	Final Report	Moderate
Regeneration, Economy and Growth	Transport & Contract Services	Traffic Signal Grant	Grant	Final Report	N/A
Regeneration, Economy and Growth	Inclusive Growth & Partnerships	North East space cluster development	Grant	Draft Report	
Regeneration, Economy and Growth	Corporate Property and Land	Catering Service - Meadowfield Canteen	Advice and Consultancy	Not yet started	
Regeneration, Economy and Growth	Transport & Contract Services	Housing Infrastructure Fund - Newton Aycliffe	Grant	Cancelled	
Regeneration, Economy and Growth	Transport & Contract Services	Future High Street Fund	Grant	Cancelled	
Regeneration, Economy and Growth	Inclusive Growth & Partnerships	Community Grants Sample	Advice and Consultancy	Cancelled	
Regeneration, Economy and Growth	Corporate Property and Land	Surplus Property Process and Procedures	Advice and Consultancy	Deferred	
Resources	Transactional and Customer Services	Council Tax	Key System	In Progress	
Resources	Transactional and Customer Services	Enforcement & Insolvency	Key System	Planning and Preparation	
Resources	Transactional and Customer Services	Business Rates	Key System	In Progress	
Resources	Transactional and Customer Services	Business Rates - Liability including reliefs & exemptions	Assurance	In Progress	
Resources	Transactional and Customer Services	Housing and Council Tax Benefits: Assessment - New Claims & Change in Circumstances	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Welfare Rights	Advice and Consultancy	Not yet started	
Resources	Transactional and Customer Services	County Durham Outreach and Support (CDOS)	Key System	Draft Report	Moderate
Resources	Procurement, Sales and Business Services	Payment Cards Workstream	Advice and Consultancy	In Progress	
Resources	Procurement, Sales and Business Services	Creditor Payments	Key System	Planning and Preparation	
Resources	Procurement, Sales and Business Services	P2P Performance and Improvement Project	Advice and Consultancy	In Progress	
Resources	HR and Employee Services	Payroll: Access to Data - Records	Assurance	Draft Report	Substantial
Resources	HR and Employee Services	Payroll - Overarching	Assurance	Planning and Preparation	
Resources	HR and Employee Services	ResourceLink Programme Board	Advice and Consultancy	In Progress	
Resources	Transactional and Customer Services	Debtors	Key System	Planning and Preparation	
Resources	Transactional and Customer Services	Cash Management	Key System	Planning and Preparation	
Resources	Transactional and Customer Services	Cash Management - Bishop Auckland Town Hall	Key System	Final Report	Moderate
Resources	Corporate Finance and Commercial Services	Direct Debit Payments	Assurance	Final Report	N/A
Resources	Corporate Finance and Commercial Services	VAT	Key System	Planning and Preparation	
Resources	Digital Services	Mobile Phones	Assurance	Planning and Preparation	
Resources	Corporate Finance and Commercial Services	Collection Fund	Key System	Planning and Preparation	
Resources	Corporate Finance and Commercial Services	Fees and Charges – Consumer Protection	Assurance	Not yet started	
Resources	Transactional and Customer Services	Financial Deputies	Assurance	Not yet started	
Resources	Corporate Finance and Commercial Services	Section 256 agreements	Grant	In Progress	
Resources	Corporate Finance and Commercial Services	Section 75 Agreements – Better Care Fund	Grant	Final Report	N/A
Resources	HR and Employee Services	Attendance Management Framework	Assurance	Draft Report	Moderate
Resources	Digital Services	Backup Procedures	Assurance	Final Report	Moderate
Resources	Digital Services	SharePoint	Assurance	Draft Report	Moderate
Resources	Digital Services	Digital Programme	Assurance	Planning and Preparation	
Resources	Digital Services	IT Asset Management	Advice and Consultancy	In Progress	
Resources	Service Wide	Advice and Guidance - Resources	Advice and Consultancy	In Progress	
Resources	Transactional and Customer Services	Council Tax - Refunds	Key System	Final Report	Substantial
Resources	Transactional and Customer Services	Council Tax - 2nd home avoidance	Assurance	In Progress	
Resources	Transactional and Customer Services	Debtors - Actions following debt referral	Assurance	Planning and Preparation	
Resources	Transactional and Customer Services	Debtors - Works in Default	Assurance	In Progress	
Resources	Procurement, Sales and Business Services	Off Contract Spend	Assurance	Planning and Preparation	
Resources	Transactional and Customer Services	Welfare Assistance Scheme	Key System	Deferred	
Resources	Procurement, Sales and Business Services	Procurement Cards	Key System	Deferred	
Resources	HR and Employee Services	Recruitment and Selection	Assurance	Deferred	
Resources	Procurement, Sales and Business Services	Contract Management	Key System	Deferred	
Resources	Procurement, Sales and Business Services	Contract Variations	Key System	Deferred	
Resources	Digital Services	Digital Durham	Grant	Cancelled	
Chief Executive Service	Corporate Affairs	Changing Places Toilets (CPTs)	Grant	Final Report	N/A
Chief Executive Service	Corporate Affairs	Information Governance Group	Advice and Consultancy	In Progress	
Chief Executive Service	Corporate Affairs	Corporate Business Intelligence	Assurance	Not yet started	
Chief Executive Service	Corporate Affairs	Environmental Information Requests	Assurance	Final Report	Moderate
Chief Executive Service	Legal and Democratic Services	Police and Crime Panel Grant	Grant	Final Report	N/A
Chief Executive Service	Legal and Democratic Services	Members Expenses	Assurance	In Progress	
Chief Executive Service	Legal and Democratic Services	RIPA Officers Group	Advice and Consultancy	In Progress	
Chief Executive Service	Legal and Democratic Services	RIPA Officers Group - CF time	Advice and Consultancy	In Progress	
Chief Executive Service	Legal and Democratic Services	Company Governance Group	Advice and Consultancy	In Progress	
Chief Executive Service	Corporate Affairs	Corporate Performance Management Framework	Assurance	Deferred	
Chief Executive Service	Legal and Democratic Services	Electoral Services	Assurance	Deferred	
Chief Executive Service	Legal and Democratic Services	Registrars	Assurance	Planning and Preparation	

**FINAL REPORTS ISSUED IN PERIOD ENDING 31 DECEMBER 2024**

AUDIT AREA	BRIEF DESCRIPTION OF SCOPE OF THE AUDIT	FINAL OPINION
<b>ADULT AND HEALTH SERVICES (AHS)</b>		
Workforce Development Fund	Confirm that grant payments have been made in accordance with the terms of the grant and partnership agreement.	N/A
Commissioning of LD MH Services - Residential Care	Review of the Commissioning Team’s role/remit within the planning/management processes for setting up LD/MH specialist residential care placements and the key processes that have developed from the Specialist Residential Care Review (such as the mechanisms in place to reduce inappropriate specialist residential care provisions).	Moderate
Healthy Start Vitamin Distribution	Review of vitamins and vitamin drops distributed through the Healthy Start scheme in 2024/25.	Substantial
Commissioning of LDMH Services - Supported Living	Review of; <ul style="list-style-type: none"> <li>• The capacity planning/management processes for supported living provision (including void management); and</li> <li>• The supporting arrangements for contracting with supported living providers and the payment of contracted rates.</li> </ul>	Substantial
Azeus Panel Process	Review of the new Azeus panel process with a focus on whether system integration has mitigated the issues that were experienced under the previous process that operated outside of the Azeus system (issues such as service provisions not being updated on Azeus to reflect the agreements made at panel).	Limited
<b>CHILDREN AND YOUNG PEOPLE’S SERVICES (CYPS)</b>		
Supporting Families Programme Q3	Review Of a sample of claims to confirm that the expected checks and quality assurance processes have been undertaken.	N/A
Fun and Food	Follow up audit following a limited assurance audit. From the work undertaken it can be confirmed that all high and medium recommendations have been fully implemented.	N/A
Special Guardianship and Child Arrangement Orders	Follow up audit following a limited assurance audit. From the work undertaken it can be confirmed that: <ul style="list-style-type: none"> <li>• 2 high priority recommendations have been fully implemented</li> <li>• 27 medium priority recommendations have been fully implemented</li> <li>• 2 medium priority recommendations were redundant</li> </ul>	N/A

**AUDIT AREA****BRIEF DESCRIPTION OF SCOPE OF THE AUDIT****FINAL  
OPINION**

<b>REGENERATION, ECONOMY AND GROWTH (REG)</b>		
FAP and Property Re-Purpose Loans	<p>To provide assurance on the management of the risk of:</p> <ul style="list-style-type: none"> <li>• Loans and grants are approved which are not in line with the objectives of the FAP.</li> <li>• Non-compliance with contract procedure rules</li> <li>• Incorrect / unauthorised payments are made when works are not substantiated and complete.</li> <li>• Incorrect / inappropriate accounting for debts raised and repaid</li> <li>• Debts are not recovered</li> <li>• Interest on the loan is incorrectly calculated / inappropriately applied</li> </ul> <p>The authority does not comply with GDPR.</p>	Moderate
Disabled Facilities Grant	Grant Certification	N/A
Bus Service Improvement Plan Grant	Grant Certification	Moderate
Traffic Signal Grant	Grant certification	N/A
<b>CHIEF EXECUTIVES (Chief Execs)</b>		
Environmental Information Requests	Assurance review of the arrangements in place to mitigate the risk non-compliance with the Environmental Information Regulations 2004.	Moderate
<b>RESOURCES (Res)</b>		
Housing Benefits and Council Tax Reduction – Overarching	Overarching assurance review combining the outcomes from individual Council Tax reviews carried out.	Substantial
Housing & Council Tax Reduction - Supported Accommodation	Advice and guidance review of current procedures and documentation utilised by the service for managing new Supported Accommodation providers, the verification of the eligibility of accommodation to be classified as Supported Accommodation and the procedures for the verification of rent and service charges.	N/A

**AUDIT AREA****BRIEF DESCRIPTION OF SCOPE OF THE AUDIT****FINAL  
OPINION**

<b>RESOURCES (Res)</b>		
Deputy and Appointee Team - Personal Allowance Payments	Assurance review of the arrangements in place to mitigate the risk of client's needs not being met and, or financial abuse going undetected.	Moderate
Direct Debit Payments	Assurance review of the arrangements in place to mitigate the risk that unauthorised and / or fraudulent payments could be made.	Substantial
Backup Procedures	Assurance review of the arrangements in place to mitigate the risk that data is unavailable to be recovered in the event of system and/or application damage.	Moderate

	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
<b>ADULT AND HEALTH SERVICES (AHS)</b>					
<b>2022/23</b>					
High	0	0	0	0	0
Medium	4	4	0	0	0
<b>Total</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	0	0	0	0	0
Medium	6	6	0	0	0
<b>Total</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2024/25</b>					
High	0	0	0	0	0
Medium	3	3	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall Total</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CHIEF EXECUTIVE</b>					
<b>2022/23</b>					
High	0	0	0	0	0
Medium	15	15	0	0	0
<b>Total</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	0	0	0	0	0
Medium	5	1	4	4	0
<b>Total</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>0</b>
<b>2024/25</b>					
High	0	0	0	0	0
Medium	1	1	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall Total</b>	<b>21</b>	<b>17</b>	<b>4</b>	<b>4</b>	<b>0</b>
<b>CHILDREN AND YOUNG PEOPLE'S SERVICES (CYPS)</b>					
<b>2022/23</b>					
High	0	0	0	0	0
Medium	19	19	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	2	2	0	0	0
Medium	17	17	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2024/25</b>					
High	0	0	0	0	0
Medium	8	8	0	0	0
<b>Total</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall Total</b>	<b>46</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NEIGHBOURHOODS AND CLIMATE CHANGE (NCC)</b>					
<b>2022/23</b>					
High	9	9	0	0	0
Medium	16	16	0	0	0
<b>Total</b>	<b>25</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	0	0	0	0	0
Medium	5	5	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2024/25</b>					
High	0	0	0	0	0
Medium	2	2	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall Total</b>	<b>32</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REGENERATION, ECONOMY AND GROWTH (REG)</b>					
<b>2022/23</b>					
High	0	0	0	0	0
Medium	7	7	0	0	0
<b>Total</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	2	2	0	0	0
Medium	17	17	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2024/25</b>					
High	0	0	0	0	0
Medium	4	3	1	1	0
<b>Total</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>Overall Total</b>	<b>30</b>	<b>29</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>RESOURCES (RES)</b>					
<b>2019/20</b>					
High	0	0	0	0	0
Medium	105	104	1	1	0
<b>Total</b>	<b>105</b>	<b>104</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>2020/21</b>					
High	0	0	0	0	0
Medium	57	57	0	0	0
<b>Total</b>	<b>57</b>	<b>57</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2021/22</b>					
High	1	1	0	0	0
Medium	15	15	0	0	0
<b>Total</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2022/23</b>					
High	0	0	0	0	0
Medium	15	15	0	0	0
<b>Total</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	1	1	0	0	0
Medium	40	35	5	3	0
<b>Total</b>	<b>41</b>	<b>36</b>	<b>5</b>	<b>3</b>	<b>0</b>
<b>2024/25</b>					
High	6	1	5	5	5
Medium	27	22	5	5	2
<b>Total</b>	<b>33</b>	<b>23</b>	<b>10</b>	<b>10</b>	<b>7</b>
<b>Overall Total</b>	<b>267</b>	<b>251</b>	<b>16</b>	<b>14</b>	<b>7</b>
<b>TOTAL COUNCIL</b>					
<b>2019/20</b>					
High	0	0	0	0	0
Medium	105	104	1	1	0
<b>Total</b>	<b>105</b>	<b>104</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>2020/21</b>					
High	0	0	0	0	0
Medium	57	57	0	0	0
<b>Total</b>	<b>57</b>	<b>57</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2021/22</b>					
High	1	1	0	0	0
Medium	15	15	0	0	0
<b>Total</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2022/23</b>					
High	9	9	0	0	0
Medium	76	76	0	0	0
<b>Total</b>	<b>85</b>	<b>85</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2023/24</b>					
High	5	5	0	0	0
Medium	90	80	9	7	0
<b>Total</b>	<b>95</b>	<b>85</b>	<b>9</b>	<b>7</b>	<b>0</b>
<b>2024/25</b>					
High	6	1	5	5	5
Medium	45	39	6	6	2
<b>Total</b>	<b>51</b>	<b>40</b>	<b>11</b>	<b>11</b>	<b>7</b>
<b>OVERALL TOTAL</b>	<b>409</b>	<b>387</b>	<b>21</b>	<b>19</b>	<b>7</b>



## Performance Indicators as at 31 December 2024

<b>Efficiency</b>		<b>Objective: To provide maximum assurance to inform the annual audit opinion</b>	
<b>KPI</b>	<b>Measure of Assessment</b>	<b>Target &amp; (Frequency of Measurement)</b>	<b>Actual</b>
Productive audit time achieved	% of planned productive time from original approved plan completed.	90% (Annually)	67% as at 31 December 2024
Timeliness of Draft Reports	% of draft reports issued within 20 working days of end of fieldwork/closure interview	100% (Quarterly)	100% (64 out of 64)
Timeliness of Final Reports	% of final reports issued within 10 working days of receipt of management response	100% (Quarterly)	100% (64 out of 64)
Quarterly Progress Reports	Quarterly progress reports issued to Corporate Directors within one month of end of period	100% (Quarterly)	100%
<b>Quality</b>		<b>Objective: To ensure that the service is effective and adding value</b>	
<b>KPI</b>	<b>Measure of Assessment</b>	<b>Target &amp; (Frequency of Measurement)</b>	
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% (53 out of 53) Av. score of 4.9
Customers providing feedback response	% of customers returning satisfaction returns	70% (Quarterly)	84%