

**MID KENT AUDIT**

# **Internal Audit & Assurance Progress Report**

**November 2023**

**Tunbridge Wells Borough  
Council**



# MID KENT AUDIT

## Introduction

1. The Institute of Internal Audit gives the mission of internal audit: to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.
2. The mission and its associated [code of ethics](#) and [Standards](#) govern over 200,000 professionals in businesses and organisations around the world. Within UK Local Government, authority for internal audit stems from the [Accounts and Audit Regulations 2015](#). The Regulations state services must follow the [Public Sector Internal Audit Standards](#) – an adapted and more demanding version of the global standards. Those Standards set demands for our reporting.

## Audit Charter

3. This Committee approved our *Audit Charter* in November 2021, and it remains in place through this audit year. A revised Audit Charter will be presented to the Audit Committee next year.

## Independence of internal audit

4. Mid Kent Audit works as a shared service between Ashford, Maidstone, Swale and Tunbridge Wells Borough Councils. A Shared Service Board including representatives from each council supervises our work based on our collaboration agreement.
5. Within Tunbridge Wells Council during 2023, we have continued to enjoy complete and unfettered access to officers and records to complete our work. On no occasion have officers or Members sought or gained undue influence over our scope or findings.
6. We have worked with full independence as defined in our Audit Charter and Standard 1100. On no occasion have officers or Members sought or gained undue influence over our scope or findings.

## Management response to risk

7. We include the results of our work in the year so far later in this report. In our work we often raise recommendations for management action. During the year so far, management have agreed to act on all recommendations we have raised. We report on progress towards implementation in the section titled *Agreed Actions Follow Up Results*.

# MID KENT AUDIT

8. There are no risks we have identified in our work that we believe management have unreasonably accepted.

## Resource Need

9. We reported in our plan presented to this Committee in March 2023 an assessment on the resources available to the audit partnership for completing work at the Council. That review decided:

*MKA has the skills and expertise to deliver the 2023/24 Audit Plan and it is confirmed that planned audit work will enable a Head of Audit opinion for 2023/24 to be delivered in Spring 2024.*

10. Since March 2023 we have experienced further change within the audit team:
  - The Interim Deputy Head of Audit / Audit Manager left the council in June 2023.
  - Two other members of the team, an Auditor and the Risk and Governance officer also left to pursue other opportunities.
11. The departures since March 2023 and those prior to March, gave rise to an opportunity to consider the structure and capacity of the Mid Kent Audit team. Following a restructure to ensure the service is fit to deliver the services required for each of the partners and to fulfil its statutory responsibilities, a number of appointments have been made.
12. Since August 2023 we have recruited two internal auditors and internally promoted three members of the team. We currently have three vacant posts, one of which is being covered through use of external contractors, who are also resourcing the staffing gap we had in place prior to the recent recruitment exercises.
13. Despite all this change we continue to make progress through the Audit Plan although overall delivery of the plan has been impacted.

# MID KENT AUDIT

## Audit Plan Progress: Closing 2022/23

14. In July, there were two audit engagements, approaching completion that did not finish in time for Committee deadlines. The results of these audits will now feed into the Head of Audit Partnership annual assurance opinion for 2023/24.

Audit Review (b/w 2022/23)	Audit status	Assurance rating	Number of Actions by Priority Rating		
			High	Medium	Low
Private Water Supply	Complete	Sound		3	
Customer Services	Complete	Sound		1	3

## Audit Plan Progress: 2023/24

15. The table below shows current and expected progress through the engagements described in the 2022/23 Audit Plan:

Audit Review	Current position
Debtors (Accounts Receivable)	Work in progress
Treasury Management	Allocated
Social Media	Work in progress
Safeguarding	
Licensing	
CCTV and Monitoring	Work in progress
Contract Management	Work in progress
Complaint Handling	Work in progress
Elections Management	Audit under review
Planning Administration	
Public Health Funerals	Work in progress
Rent Deposit Scheme	
HR Policy Compliance	Allocated
Parking	Allocated
Property Income	Allocated
* Land Charges	
* Cyber Security	Work in progress
* IT Disaster Recovery	Work in progress
* Compliance with Computer Use Policy	
* Council Tax Reduction Scheme	Work in progress
* Business Rates	Work in progress

\* shared service audits, work will include all authorities included in the shared service

16. The Audits that have not been allocated yet will be allocated when resources become available within the team.

# MID KENT AUDIT

## Other work and overall progress

17. The Internal Audit team administer the Risk Management System and provide Risk Management support to officers for Operational Risk Management at Tunbridge Wells, as well as oversight and reporting, to the other organisations in the partnership.
18. The Head of Mid Kent Audit has provided Grant certification work for two funding projects: Changing Places and Homes England funding.
19. The table below also summarises (up to 31<sup>st</sup> October) current days on audit plan progress.

Plan Area	Plan Days	Actual to 31-Oct-23
Risk Based Audits	255	62
Following up of agreed actions	11	4
Consultancy & Member Support	39	9
Risk Management	48	2
Planning	24	4
Counter Fraud & Governance Support	18	1
<b>Total</b>	<b>395</b>	<b>82</b>

20. The significantly lower number of audit days delivered to date is due to the number of vacant posts at the beginning of the year and the natural length of time to get a contractor appointed and delivering audit work. This will balance out towards the end of the year, but there will be an impact on overall plan delivery for 2023/24.

## Agreed Actions Follow Up Results

21. Our approach to agreed actions is to follow up each as it falls due in line with the plan agreed with management when we finish our reporting. We report progress on implementation to Corporate Leadership Team each quarter. This includes noting any matters of continuing concern and where we have revisited an assurance rating (typically after addressing key actions).
22. As detailed in the yearend report in July, work on following up of actions was paused at that time due to resourcing constraints. This work has now resumed and has highlighted some outstanding actions from previous years and some changes that have been required to the process for ensuring actions are completed. In total, we summarise in the table below the current position on following up agreed actions:

# MID KENT AUDIT

	High	Medium	Low	Total
<b>Total actions 2022/23</b>				
Actions agreed	4	16	13	33
Actions cleared	1	4	4	9
Actions not due	0	5	7	12
<b>Outstanding actions 2022/23</b>	<b>3</b>	<b>7</b>	<b>2</b>	<b>12</b>
Outstanding actions 2021/22	0	8	0	8
<b>Total Outstanding actions</b>	<b>3</b>	<b>15</b>	<b>2</b>	<b>20</b>

23. These outstanding actions have been raised with the Management Team who are addressing the concerns we have raised regarding implementation of the outstanding work. An update will be provided to the committee in the yearend report, once the new process has embedded within the organisation.

# MID KENT AUDIT

## Appendix I

### Private Water Supply (November 2023)

The Mid Kent Environmental Health (MKEH) function is regulated by the Private Water Supplies (England) Regulations 2016 and the Private Water Supplies (England) (Amendment) Regulations 2018. We found officers across the partnership were suitably experienced and qualified (where necessary) to deliver its primary functions - registration, risk assessments and sampling.

We found that MKEH function is fulfilling its statutory obligation of annually submitting data to the (DWI). Likewise, we found the MKEH function publishes Private Water Supply information across its three partnership websites. However, we found it to be out of date and does not outline the approved fees and charges applicable.

The MKEH function has produced a number of procedure and guidance notes, which cover the main processes (registration, risk assessments and sampling). We found some of these to be out of date, which was acknowledged by the partnership. We also identified a disparity between the Private Water Supplies records held and those required under Schedule 4 Private Water Supplies (England) Regulations 2016. We found risk assessments are completed, but identified two supply types where one was not carried out within the regulatory five year period. In the main, sampling is completed but through our testing we identified one supply type which has not been sampled. It was also unclear from the records checked and the conversations held with officers, whether the supply type is active or inactive. We also found six supply types had missing or incomplete sampling paperwork.

### Customer Services (November 2023)

We are satisfied that there are appropriate controls in place for the call centre. Our testing confirmed that procedures for recording enquiries and passing to back-office functions was being followed, and that these were being resolved within an appropriate timeframe. Staff have individual training plans and overall, these were being updated and completed.

We found some areas of improvement that could be made with KPIs and the updating of service risks. In addition, an overall formalised Customer Services Policy covering areas like aims and objectives, customer service standards and principles, conduct etc. was not in place and any documentation relating to Customer Services records did not include the last revision/update date.