

Internal Audit and Counter Fraud

Quarter 2 - Progress Report 2018/19

CONTENTS

1. Summary of Completed Audits
2. Counter Fraud and Investigation Activities
3. Action Tracking
4. Amendments to the Audit Plan
5. Internal Audit Performance

1. Summary of Completed Audits

Occupational Health

- 1.1 Occupational Health (OH) is the branch of medicine that deals with the health of people in their workplace or in relation to their job. In addition to SCC's internal employee offer as of 1st April 2016, the council has appointed Team Prevent; an external provider of Occupational Health Services in relation to supporting employee wellbeing.
- 1.2. The core services offered by Team Prevent include, but are not limited to:
- Pre-employment health assessments;
 - Occupational Health referrals;
 - Ill health retirement assessment; and
 - Wellbeing Zone – online support.
- 1.2 The overall objective of the audit was to form a view on the effectiveness of the Occupational Health Services the council provides to its employees, including an assessment of the following key control objectives:
- Occupational Health Programmes and resources are devised to improve employee attendance and well-being;
 - Service Managers are aware of the Occupational Health reporting and referral process and are using the service effectively;
 - The recording and monitoring of all Occupational Health referrals; assessments and outcomes is robust with appropriate data protection and information governance arrangements are in place;
 - Record of attendance and outcomes from Occupational Health and well-being referrals is made available to appropriate stakeholders, and that action plans and change is a positive outcome of all work undertaken; and
 - Reviews of employee health and wellbeing data, identify trends and take action as appropriate.
- 1.4 We were able to provide an overall opinion of **Reasonable Assurance** in respect of the internal control environment. We identified that the overall feedback from the cohort of managers selected for testing indicates that the initial telephone triage and appointment notifications are received in a timely manner and the outcomes are helpful to them.
- 1.5 We identified areas where the current service level agreement either had no performance measurement (for example, whilst there are set time frames for appointments to be made within, there is no measurement of when the appointments actually take place) or where guidance on S:Net varied from the contract (for example, the number of working days after a

referral when the appointment would take place). We also identified from the Team Prevent dashboard metrics that there has been a marked increase in the time taken from an individual's first day of absence to a subsequent the OH referral.

- 1.6 In response to these issues, a range of improvement actions have been agreed with management as part of a formal action plan.

Procure to Pay (2017/18)

- 1.7 The council procures goods and services from a variety of suppliers for which payments are made on a daily basis. Procure to Pay (P2P) sits within Business Operations Service and is carried out by three teams – Data Management Team (DMT), Buying Solutions Team (BST) and the Payments Team (PT). In the eleven months preceding this audit, the council procured £1.34bn of goods and services through this route.
- 1.8 A number of staffing and operational changes had affected the P2P service following corporate restructuring in 2017/18.
- 1.9 The objectives of this audit were to provide assurance that key controls were in place to:
 - Manage and implement changes to process effectively;
 - Update the policies and procedures following these changes;
 - Clarify staff roles and responsibilities;
 - Ensure compliance by staff against expected processes;
 - Ensure management information and reports were regular and comprehensive; and
 - Ensure previous audit recommendations have been implemented as expected.
- 1.10 We were able to provide an overall opinion of **Reasonable Assurance** in respect of the internal control environment. The expected key controls were in place, and detailed procedure notes were mostly in place, though some areas still required updating. The majority of routine operational activity was being undertaken as expected. We were able to provide assurance that expected controls around VAT checking, BACS payments and identification of duplicate payments were in place.
- 1.11 We identified some areas for improvement: parked invoices of around £30k in value were found, the majority of which were in Children's, Families and Learning Directorate (CFL). These occur when purchase orders are not raised before services are commissioned, where goods delivered are not receipted, or where a discrepancy exists between the initial purchase order and the invoice received. Often, parked invoices are a consequence of non-compliant behaviour by officers in the services placing orders.

- 1.12 Additionally, the level of Goods Received Not Invoiced (GRNI) within CFL stood at 60%. This requires the Payments Team to provide quarterly 'housekeeping' reports to CFL and meet with finance staff to resolve, which is time-consuming.
- 1.13 In response to these findings, a range of remedial actions have been agreed with management as part of a formal action plan.

Payroll (2017/18)

- 1.14 The audit of the Payroll process is primarily to ensure that the correct payment of salary is made to the correct employee at the right time. The payroll service provides services to council employees, to schools, and to other external agencies.
- 1.15 This audit was a carry-forward from the 2017/18 audit plan, and was able to provide an opinion of **Reasonable Assurance** over the key controls in place, including:
- The payroll function complies with legislation and financial regulations;
 - There are written and up to date procedures which are easily accessible by staff;
 - There is segregation of duties between payroll preparation and payment;
 - Access to payroll data is restricted to appropriate staff;
 - All changes to the payroll are requested on approved documentation and appropriately authorised;
 - There are sufficient validation and authorisation checks prior to the running of the payroll;
 - There are adequate measures to ensure payroll is run on time and is correct prior to release; and
 - Data is correctly posted to SAP and is reconciled on a regular basis.
- 1.16 One key finding of the audit was that a number of employees in the sample tested had breached the current Working Time Regulations (WTR), which prescribes an average of 48 hours per week (over a 17 week period) for the hours an employee can be required to work, though individuals may choose to work longer by opting out. Whilst a policy around WTR was due to have been implemented by the council in 2016/17 it was not in place at the time of audit, and a number of staff were identified to have been working in excess of the prescribed hours without a formal opt-out in place.
- 1.17 In response to this finding, and a lower priority issue around pension opt-out, remedial actions have been agreed with management as part of a formal action plan.

Apprenticeship Levy

- 1.18 Central government introduced an apprenticeship levy in April 2017 requiring all employers with an annual payroll of more than £3million to pay into the levy at a rate of 0.5% of total payroll costs. The council deposited £1.3m into their Digital Apprenticeship Service account to spend on apprenticeship training, including a further top up of 10% from central government. Each monthly deposit expires after 24 months if not utilised.
- 1.19 A levy is also applied to maintained Surrey schools. Surrey County Council manages both schemes separately with Children’s Schools and Family Directorate taking on the responsibility to promote and monitor school employees.
- 1.20 In addition to the levy charges, the government has also set a statutory target for public sector organisations for 2.3% of their workforce to comprise of employees undertaking an apprenticeship.
- 1.21 The purpose of this audit was to provide assurance that key controls were in place to meet key objectives around the calculation of apprenticeship levy; having effective monitoring and reporting arrangements in place to generate accurate management information and achieve value for money; and that the organisation has an apprenticeship strategy in place with clear strategic objectives to meet our public sector targets.
- 1.22 Based on our review, we were able to determine that the expected controls were in place and so gave an opinion of **Reasonable Assurance** for this system, making a total of just 3 low priority recommendations for improvement.

Highways Contract (Lot 5) follow-up

- 1.23 Surrey County Council’s Highways service manages the Lot 5 (Flood Prevention) contract, which includes responsibility for cyclical and reactive gully cleansing, soakaway cleansing, catchpit cleansing and maintenance of an electronic asset register for drainage assets. Lot 5 was awarded to Kier who subsequently appointed a subcontractor to deliver Lot 5 on its behalf.
- 1.24 The original report of January 2017 recorded an audit opinion of Significant Improvement Needed (equivalent to Minimal Assurance) and made 9 recommendations in total, 6 of them High Priority.
- 1.25 This follow-up audit forms part of the agreed Internal Audit Plan for 2018/2019.
- 1.26 Based on this follow up review we have been able to provide **Reasonable Assurance** over the degree to which the agreed actions from the last audit have been implemented. This represents

an improvement in the controls because the service has made good progress against seven of the nine actions agreed as part of the previous audit and these actions have been fully implemented.

- 1.27 Overall, on the basis that the governance manual will be updated imminently, and the strategy for new contractors will consider lessons learnt from the current contract, we are now satisfied with the arrangements in place to manage the contract.

Better Care Fund / Better Care Fund Schemes

- 1.28 The Better Care Fund (BCF) is a national programme designed to incentivise the NHS and local government to work more closely around people, placing their wellbeing as the focus of health and care services.
- 1.29 We completed two audits around BCF activity during the year: the first looking at compliance with reporting requirements to the NHS Executive and DCLG and robustness around planning, submission and approval processes; the second examining ten CCG-managed schemes to ensure governance arrangements were effective in delivering the expected outcomes against agreed BCF objectives.
- 1.30 With regard to the first of these audits, we were able to give an opinion of **Substantial Assurance**. Planning was deemed effective and well-coordinated, there were effective reporting arrangements in place and it is evident that appropriate scrutiny of BCF activity is undertaken at local group and county-wide board level. We made a low level recommendation about the frequency of meetings being determined more formally.
- 1.31 With regard to the second audit, we gave an opinion of **Reasonable Assurance**. Overall we concluded that CCG-managed schemes are clearly contributing to BCF plans and there were adequate arrangements in place to manage delivery. We made low priority recommendations to improve timeliness of funding reviews, and reporting of non-financial performance, both of which were accepted within an agreed action plan.

Member Expenses

- 1.32 The audit of member expenses was part of the agreed 2018/19 plan and was undertaken to provide assurance that appropriate arrangements are in place to help ensure:
- All claims are properly authorised and only for eligible expenditure within the guidance;
 - All claims are correctly calculated and paid; and
 - Claims are retained with supporting receipts.

- 1.33 The guidance for members in this area is comprehensive and clear, and whilst the system is heavily reliant on the integrity of the claiming member there was evidence of proportionate validation done by officers within Democratic Services.
- 1.34 We identified some minor procedural weaknesses, including the late submission of claims, a lack of VAT receipts being attached for fuel purchases (as required under rules set down by HMRC), and claims which lacked sufficient detail to identify the official duty they related to.
- 1.35 We agreed some actions for improvement with Democratic Services management, and consequently were able to give an opinion of **Reasonable Assurance**.

Surrey Local Assistance Scheme (SLAS)

- 1.36 SLAS is a discretionary fund launched by the council in 2013. It helps Surrey residents in crisis who are unable to meet their immediate, short-term needs in an emergency situation. The scheme can also provide assistance to set up home in the community where no other funds are available.
- 1.37 This audit followed a case in 2017 when significant control weaknesses in relation to pre-paid cards used by the fund led to a financial loss to the council. As a result, this audit was undertaken to ensure that robust processes were in place relating to the ordering, receipt, storage, allocation, reconciliation and monitoring of pre-paid cards. Additionally, the audit examined the use of travel warrants and the processes surrounding the purchase of white goods.
- 1.38 The previously identified control weaknesses have now been addressed and robust processes embedded within the team. Testing demonstrated that the risk of card misuse by clients has been minimised by reconciliation and monitoring processes.
- 1.39 Consequently, we were able to give an overall opinion of **Substantial Assurance** for this area.

Contact Bank Supervisors

- 1.40 The Child and Family Contact Service Team manages approximately 142 bank contact supervisors, whose role is to work flexibly to ensure pre-arranged court ordered contacts between children and family, hospital appointments and/or other settings are made.
- 1.41 An audit of mileage claims from this team was added to the agreed 2018/19 annual plan after the volume and size of mileage claims paid to this team was identified in the 2017/18 employee expenses audit: in 2017/18, a total of £317k was paid in total to this cohort of staff.

- 1.42 The audit assessed the controls and governance arrangements in place that underpinned payments made to these bank staff, covering both travel expenses and time incurred.
- 1.43 Guidance to the Contact Team was last updated in March 2018 and was found to be complete and clear. Testing of claims submitted by different bank staff in the year were supported by receipts where necessary and were found to reconcile back to records for contacts held both in local teams and on the Children's Services case management software (LCS).
- 1.44 The audit identified that the contracts of employment were, however, inconsistent between these workers with regard to referencing their place of employment, which should prescribe how their travel claims are calculated. Furthermore, travel expenses for these cohort of staff were being paid without a home to office deduction being made, contrary to HMRC guidance.
- 1.45 Consequently, we were able to draw a conclusion of **Reasonable Assurance** for this review, with actions being agreed with management to address the findings identified.

Prevent

- 1.46 The Counter Terrorism and Security Act 2015 places a statutory duty on the council to have regard to prevent people from being drawn into terrorism. This is known as the Prevent duty. Surrey County Council has established a multi-agency Prevent Partnership Group to address this duty within appropriate governance arrangements, which sits within the CFL directorate.
- 1.47 Although this audit was scheduled for summer 2018 the service has recently undertaken a self-assessment exercise against a Home Office toolkit, which allows for a structured review of Prevent duties against statutory requirements and which mirrors the intended scope of our audit.
- 1.48 The completed toolkit assessment was presented to the Prevent Executive Group in September in order to agree an action plan including ownership and timelines for actions as appropriate.
- 1.49 In light of this self-assessment, we were able to take assurance that the service was actively reviewing governance arrangements and objectively assessing them against good practice in order to improve controls and processes. Consequently, although a 'no opinion' position statement was issued for this audit based upon the current service review, we will follow-up the outcomes from the toolkit assessment later in the year.

Procurement Due Diligence

- 1.50 The purpose of this audit was to provide assurance around Procurement processes to mitigate and manage risks across the council's contracts in terms of them independently verifying a

supplier’s capability to deliver fully against their contract. This audit was originally part of the 2017/18 agreed audit plan, and was carried forward into 2018/19 for completion.

1.51 The scope of the audit was to ensure that core due diligence checks were undertaken, namely that suppliers:

- are financially viable and able to fulfil their obligations;
- have the capacity, capability, expertise and motivation to deliver against contract;
- have a strong understanding of the contract conditions, deliverables and requirements; and
- have appropriate guarantees in place (e.g. performance bonds and insurance).

1.52 For the majority of contracts reviewed we were able to find sufficient evidence to show appropriate due diligence was applied ahead of the contract being let. However, records to evidence these checks were sometimes missing or incomplete.

1.53 We also identified that there is ongoing implementation throughout 2018/19 of financial viability checks across all Orbis partners by the Procurement service, as well as work to improve ongoing contract management through uprating the Key Supplier Alert Dashboard by the Commercial Insight Team.

1.54 We were able to draw a conclusion of **Reasonable Assurance** for this review, with actions being agreed with management to address the findings identified.

Disaster Recovery

1.55 In June 2018, the Council completed the first move of its data centre and hosted applications to the new ORBIS data centre in Redhill. This process involves the relocation of servers to the new site.

1.56 The objective of the review was to establish the current provision of disaster recovery across the following three systems hosted by the Council:

- Exchange;
- Active Directory; and
- Liquid Logic.

The audit also considered the extent to which the recovery provision was understood and documented and the adequacy of staff training provided to support it.

- 1.57 As a result of our work, we were able to provide **Reasonable Assurance** that controls were operating as intended. A small number of areas for improvement were identified. These included the need to:
- remove inconsistencies in formal documentation and definition of the overarching and individual disaster recovery processes;
 - review and update policies and overarching documents that support the identification of the council's critical systems and the response to supporting disaster recovery incidents to reflect changes to critical requirements of the authority; and
 - strengthen the documentation of risks and event responses to reduce the risk of error when or loss of critical data, when recovering key systems, and the speed at which recovery can occur.
- 1.58 These areas have been discussed with management who have agreed a full review of the Disaster Recovery arrangements will be commissioned to provide strategic review and coordination, taking into account all of the findings identified in the report and to ensure IT&D provide a disaster recovery response that remains fit for purpose.

Orbis Budget Management

- 1.59 The Orbis Partnership is responsible for delivering services from a joint operating budget, which is shared by the three partnership authorities, in accordance with an Inter Authority Agreement (IAA).
- 1.60 We carried out an audit of the joint operating budget in 2016/17, when the partnership only included East Sussex County Council (ESCC) and Surrey County Council (SCC) and gave an opinion of substantial assurance; the second highest of the five opinions available at the time.
- 1.61 The gross Orbis joint operating budget for 2018/19 is £76.4m, with income budgeted at £13.8m, leaving a net budget of £62.6m. Each Council contributes to the net budget on a ratio of 55% (Surrey County Council (SCC), 24% East Sussex County Council (ESCC) and 21% Brighton and Hove City Council (BHCC)). This is the agreed contribution ratio (ACR), as defined by the IAA.
- 1.62 The purpose of this new audit was to provide assurance that:
- governance structures, including roles and responsibilities, are clearly defined, understood and effective;
 - adequate and timely management information is available that facilitates effective decision making;

- budget management reports contain materially accurate and timely information to facilitate effective budget management;
- the operating costs of Orbis are identified and apportioned across the three Orbis partners on a consistent basis and are clearly understood. Mechanisms are in place to ensure that all income and expenditure is matched to the correct Orbis partner; and
- mechanisms are in place to ensure that changes to costs for one partner that are material can be measured and reflected fairly in the agreed contribution ratio.

1.63 In undertaking this work, whilst areas of good practice were identified, we found a number of opportunities for improvement in control and we were, therefore, only able to provide an audit opinion of **Partial Assurance**. The opinion has reduced because managers, who have been managing budgets on an Orbis-wide basis, have had less clarity in their budget reports. This has particularly been the case where their budgets combine both Orbis costs and costs that are managed by Orbis officers, but are specific to sovereign authorities.

1.64 The key areas for improvement identified were to ensure that:

- clearer information is available for budget managers who hold budgets allocated on an Orbis-wide basis;
- the new budget monitoring tool includes commitments for non-staffing spend in order to strengthen budget managers’ understanding of the overall position; and
- a mechanism is implemented to measure the level of service provided to the constituent authorities which, in turn, will increase opportunities to demonstrate value for money being delivered to each sovereign authority.

1.65 Actions have been agreed with management to address these issues. Significant effort has been put into providing an integrated budget and a unified approach to budget monitoring across the Orbis partnership. With the integration of Brighton & Hove City Council budgets only coming into effect in April 2018, the combined budgets and use of the new monitoring tool are still in their infancy and it is expected that they will continue to develop and improve. A follow-up audit will be carried out in 2019/20 to ascertain that progress has been made.

Other Audit Work

Children’s and Adults Care Assessments

1.66 During the first quarter of 2018/19 we were commissioned by the Chief Executive to undertake a process and controls review of care assessments within Children’s and Adult’s Directorates. This was a significant piece of work looking into the current systems used for assessing and approving care packages, and accurately forecasting future costs.

- 1.67 We have concluded our fieldwork in Children’s Services, and a draft report is currently being finalised with management. This will be issued in Quarter Three and it is apparent that a range of fundamental control weaknesses exist in this area. Issues and solutions to them have been discussed with management and we will focus ongoing efforts on working with management to provide advice, support and challenge to ongoing process redesign.
- 1.68 An exercise to undertake a similar review within Adult Social Care is currently underway and is also due to formally report in Quarter 3.

Grant certification

1.69 We have completed the certification of grant returns for financial year 2017/18 for the council:

- Local Transport Capital Block Funding (Pothole Action Fund)
- Local Transport Capital Block Funding (Integrated Transport and Highways Maintenance)
- Local Transport Capital Block Funding (National Productivity Investment Fund)
- Local Transport Capital Block Funding (Flood Resilience Fund)
- Sport England funding

and also the following certification for 2018/19 year:

- Troubled Families (Payment By Results) claim period June-September 2018

2. Counter Fraud and Investigation Activities

Proactive Counter Fraud Work

- 2.1 The Orbis IA structure came into effect from 1st April 2018. The integrated structure was designed to deliver resilience, flexibility and quality; specialisms; and sustain a strong sovereign focus.
- 2.2 A key strand of the structure was the formation of a counter fraud team that would deliver specialist fraud resource across the partnership.
- 2.3 Work to date has focussed on the following areas:

Priority	Progress to date
Reactive investigations	The counter fraud team is responsible for assessing and evaluating fraud referrals received by each sovereign partner, and then leading on subsequent investigations. The team have implemented a coordinated approach to assessing and logging referrals and adopted consistent

	<p>procedures for recording investigations.</p> <p>During the 6-month period to date, there have been several investigations across the partnership, some previously reported in our Quarter One progress report, which have been resourced through sovereign audit teams supported by advice and direction from the counter fraud team.</p>
NFI Exercise	<p>The biennial NFI exercise is due for submission in October 2018. The counter fraud team have taken on responsibility for the coordination and submission of datasets at each authority. The NFI Key Contacts are members of the counter fraud team to ensure a consistent approach is followed and good practice is shared across all partners.</p> <p>Results from the matching exercise are due in late January 2019 at which point the counter fraud team will liaise with partner authorities to review and investigate flagged matches.</p>
Counter Fraud Policies	<p>Each Orbis partner has in place a counter fraud strategy that sets out their commitment to preventing, detecting and deterring fraud. The counter fraud team will review the sovereign strategies and align with best practice to ensure a robust and consistent approach to tackling fraud. As a priority the Anti Money Laundering policies have been reviewed and updated to reflect recent changes in legislation.</p>
Fraud Risk Assessments	<p>Fraud risk assessments have been consolidated to ensure that the current fraud threat has been considered and mitigating actions identified.</p>
Fraud Response Plans	<p>The Fraud Response Plans take into consideration the fraud risk assessments and emerging trends across the public sector and provide a proactive counter fraud programme. These are being reviewed and aligned to deliver an efficient and effective programme of work across the Orbis partners. This will include an increased emphasis on data analytics.</p>
Fraud Awareness	<p>The team have been rolling out a programme of fraud awareness workshops to help services identify the risk of fraud and vulnerabilities in their process and procedures. Workshops have been delivered to several teams across the partners from a mix of services.</p>
Coordinate Counter Fraud Activities with District & Borough partners	<p>Recent initiatives have taken place with D&B partners that have delivered increased collection of Council Tax & Business Rates across Surrey. Benefits from this approach will be shared with ESCC & BHCC to promote closer working and a similar approach to joint working.</p>

2.4 The following areas have been identified as priorities for the second half of the year:

- Continued refresh of Fraud Risk Assessments
- Roll out of proactive programmes and data analytics (shaped by Fraud Response Plans)

- Continue Fraud Awareness Workshops to raise awareness to risk of fraud and promote the counter fraud team
- Launch of an Orbis-wide Fraud Survey to coincide with Fraud Awareness Week
- Joint working with D&Bs to target increased Council Tax and Business Rates collection

2.5 From the reactive investigation work, the following can be drawn out as emerging threats:

- Conflict of interest – there have been several cases across the Orbis partners where external interests have conflicted with Officers paid employment and been either undeclared or inadequately managed.
- Procurement controls – internal audit have identified a number of cases where procurement controls have operated poorly. A briefing paper summarising recent issues will be shared with SOG shortly.

2.6 The developments set out above are driven by a desire to implement a coordinated counter fraud response across Orbis partners that delivers a professional and expert fraud service. Although here have been several challenges in the first year the team are on track for delivering the key priorities identified.

Summary of Completed Investigations

2.7 Whilst audit work has been undertaken in Quarter 2 on irregularity work, no investigations reached a conclusion in the period. A summary of the completed work will form part of the Quarter 3 progress update to committee.

3. Action Tracking

3.1 All high priority actions agreed with management as part of individual audit reviews are subject to action tracking. As at the end of quarter 2, taking a rolling year into account, 100% of high priority actions due had been implemented.

4. Amendments to the Audit Plan

4.1 In accordance with proper professional practice, the Internal Audit plan for the year remains under regular review to ensure that the service continues to focus its resources in the highest priority areas based on an assessment of risk. Through discussions with management, the following reviews have been added to the audit plan during the second quarter:

- Transformation Programme
- Local Transport Capital Block Funding (Integrated Transport and Highways Maintenance)

- Local Transport Capital Block Funding (National Productivity Investment Fund)
- Local Transport Capital Block Funding (Flood Resilience Fund)
- Support to Customer Relations team for a specific referral

4.2 Through the same process, audits could either be removed or deferred from the audit plan and, where appropriate, considered for inclusion in the 2019/20 plan as part of the overall risk assessment completed during the annual audit planning process. During Quarter 2, we have taken the opportunity to review available internal audit resources for the year in light of a recent staff resignation and some long term sickness absences within the service. Whilst we are proactively managing the situation and remain confident of being able to achieve sufficient coverage to provide the annual internal audit opinion, there remains a high risk that we will be unable to deliver all of the planned audit days by 31 March 2019. In such circumstances, it is necessary to re-prioritise our work and therefore the following audits have formally been removed/deferred from the plan:

- Ethical Procurement
- Transition from Children’s Service to Adult Social Care
- Substance Abuse
- Impact of Savings Plans
- Traffic Management
- Surrey Wildlife Trust
- Schools Data Analysis

5. Internal Audit Performance

5.1 In addition to the annual assessment of internal audit effectiveness against Public Sector Internal Audit Standards (PSIAS), the performance of the service is monitored on an ongoing basis against a set up agreed key performance indicators as set out in the following table:

Aspect of Service	Orbis IA Performance Indicator	Target	RAG Score	Actual Performance
Quality	Annual Audit Plan agreed by Audit Committee	By end April	G	Approved by Audit Committee on 12 April 2018
	Annual Audit Report and Opinion	By end July	G	2018/19 Annual Report and Opinion approved by Audit Committee on 26 July 2018
	Customer Satisfaction Levels	90% satisfied	G	100%

Aspect of Service	Orbis IA Performance Indicator	Target	RAG Score	Actual Performance
Productivity and Process Efficiency	Audit Plan – completion to draft report stage	90%	A	42.9% completed to draft report stage by end of Q1 (against a Q1 target of 45%)
Compliance with Professional Standards	Public Sector Internal Audit Standards	Conforms	G	January 2018 – External assessment by the South West Audit Partnership gave an opinion of ‘Generally Conforms’ – the highest of three possible rankings
	Relevant legislation such as the Police and Criminal Evidence Act, Criminal Procedures and Investigations Act	Conforms	G	No evidence of non-compliance identified
Outcome and degree of influence	Implementation of management actions agreed in response to audit findings	95% for high priority agreed actions	G	100%
Our staff	Professionally Qualified/Accredited	80%	G	85% ¹

Appendix B

Audit Opinions and Definitions

Opinion	Definition
Substantial Assurance	Controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Reasonable Assurance	Most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Partial	There are weaknesses in the system of control and/or the level of non-compliance

¹ Includes 1 part-qualified staff

Assurance	is such as to put the achievement of the system or service objectives at risk.
Minimal Assurance	Controls are generally weak or non-existent, leaving the system open to the risk of significant error or fraud. There is a high risk to the ability of the system/service to meet its objectives.

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