

# DAP - Internal Audit Half Year Report 2023-24

Plymouth City Council  
Audit & Governance Committee

November 2023

Official



**Support, Assurance and Innovation**

## Introduction

This report provides a summary of the performance against the internal audit plan to date for the 2023/24 financial year, summarising our main findings and recommendations aimed at improving controls where our work has been finalised.

The key objective of the Devon Audit Partnership (DAP) is to support the Council and provide assurance on the adequacy, security and effectiveness of the systems and controls operating across the organisation.

The Internal Audit plan for 2023/24 was presented to, and approved by, the Audit and Governance Committee in March 2023. However, with the rapid pace of change in local government, we continue to liaise with the management to “flex” the plan as appropriate to ensure that our work focusses on those areas which add most value to the Council in these challenging times.

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

## Expectations of the Audit and Governance Committee from this half year report

Members are requested to consider:

- the assurance statement within this report,
- the completion of audit work against the plan,
- the scope and ability of audit to complete the audit work,
- any audit findings provided,
- the overall performance and customer satisfaction on audit delivery, and
- review and approve the in-year changes to the audit plan.

In review of the above the Audit Committee are required to consider the assurance provided alongside that of the Executive, Corporate Risk Management and external assurance including that of the External Auditor as part of the Governance Framework and satisfy themselves from this assurance that the internal control framework continues to be maintained at an adequate level to mitigate risks and inform the Executive for governance requirements.

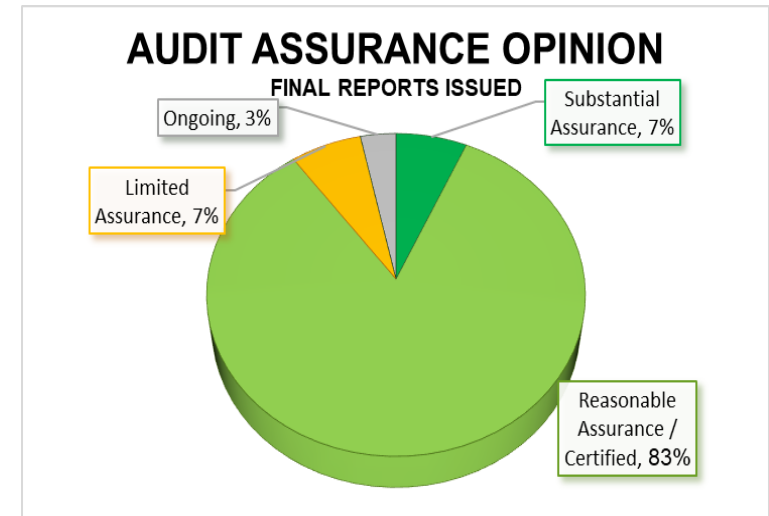
**Tony Rose**  
**Head of Devon Audit Partnership**

## Opinion Statement

**Overall, based on work performed to date during 2023/24 and our experience from the current year progress and previous years' audit, the Head of Internal Audit's mid-year assurance opinion is "Reasonable Assurance" on the adequacy and effectiveness of the Authority's internal control framework.**

Work included in the 2023/24 audit plan includes assurance, risk, governance and value-added engagements which, together with prior years audit work, provide a framework and background within which we assess the Authority's control environment. Should any significant weaknesses be identified in specific areas, these would need to be considered by the Authority when preparing its Annual Governance Statement later in the year.

When undertaking reviews, we assess whether key, and other, controls are operating satisfactorily and that exposure to risk is minimised. An opinion on the adequacy of the control environment is provided to management as part of the audit report. All audit reports include an action plan detailing the management responses to be taken to address any risk and control issues identified during a review. Progress with the implementation of each action plan is tracked by Internal Audit with the Finance Service incorporating the outcome of that work into the Audit Actions Review report. The outcomes of the implementation of management actions at the end of Quarter 1 was presented to Audit and Governance Committee in September. The next exercise is planned for Quarter 3 and the results will be brought before this Committee in March 2024.



|                              |                                                                                                                                                                                                                                                                                |                          |                                                                                                                                                                                                                                                                                                          |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Substantial Assurance</b> | A sound system of governance, risk management and control exists across the organisation, with internal controls operating effectively and being consistently applied to support the achievement of strategic and operational objectives.                                      | <b>Limited Assurance</b> | Significant gaps, weaknesses or non-compliance were identified across the organisation. Improvement is required to the system of governance, risk management and control to effectively manage risks and ensure that strategic and operational objectives can be achieved.                               |
| <b>Reasonable Assurance</b>  | There are generally sound systems of governance, risk management and control in place across the organisation. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of some of the strategic and operational objectives. | <b>No Assurance</b>      | Immediate action is required to address fundamental control gaps, weaknesses or issues of non-compliance identified across the organisation. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of strategic and operational objectives. |

## Review of Audit Coverage

Reasonable progress continues to be made in delivering the 2023/24 Internal Audit Plan. Of the work in the current audit plan 74% is in progress or has been completed, with 90% of final reports providing at least Reasonable Assurance (this includes grants certified).

Audit of Key Financial Systems commenced in Quarter 2, including Housing Benefits and Payroll. We have also completed our audit of the purchasing and Creditors Systems and having considered the redesign of the self-service procurement process for low value procurements (below £5k) due to go live on 1<sup>st</sup> November, we are currently incorporating this into our audit work to inform the overall audit opinion. The remaining Key Financial System audits will be undertaken across Quarter 3 and into Quarter 4.

Plymouth City Council need to ensure sufficiency of places for all children including those with SEND within its maintained sector and academies. There are occasions when it is necessary to commission external SEND educational provision to meet the diverse and complex needs of children and young people with SEND. With an increasing demand, the Council's High Needs Budget is under extreme pressure from the increased cost of externally commissioned placements and the associated cost of the transport and with continued rising demand. The Council needs to ensure its SEND Strategy and delivery processes effectively ensure that the unique needs of every child and young person with SEND receives the highest quality education and support they deserve whilst ensuring value for money and financial sustainability is achieved. Linked to this our reviews of externally commissioned SEND educational provision are progressing following initial delays due to the Ofsted visit. The first area of review, SEND Governance, has been completed and the draft report has been issued to management for consideration. The audit work is mostly complete for the second area of review, Decision Making, from which the draft report will be issued following conclusion of our internal quality assurance.

Use of Direct Payments has been evaluated to ensure expenditure is in line with legislation, policy and agreements and they are regularly reviewed and monitored. Direct Payments (DPs) are a way of delivering council funded support to people who are eligible, by allowing them to receive a payment to purchase their own services rather than receiving a service arranged by the council on the service users' behalf. Direct Payment expenditure was found to be in accordance with Direct Payment legislation, however, annual reviews were not being undertaken in accordance with statutory timescales increasing the risk that council funded support through direct payments may not be meeting the individual needs of service users.

The number of grants received by the Council that require our certification remains high. All 14 grants audited in the year to date have been certified as being in accordance with the requirements of the relevant grant determination. We continue to provide advice to those responsible for delivery of grant funded projects to ensure compliance with grant funding conditions. DAP will soon be undertaking work to identify if there are grant opportunities being taken in one partner that may be relevant to others. Once complete the findings will be shared. In addition, we have audited five Families with a Future (Payment by Results) monthly claims and three Life Chances Fund Pause Programme claims.

During Quarters 3 and 4 meetings will be scheduled with Directors and the S151 Officer to revisit the audit plan to ensure that the work performed in the second half of the year best reflects the rapidly changing environment that the Council is operating in. This may result in a “re-focus” of audit coverage.

A table showing the status of planned, unplanned and deferred audits and their associated reported executive summaries is contained at Appendix 1.

## Fraud Prevention and Detection

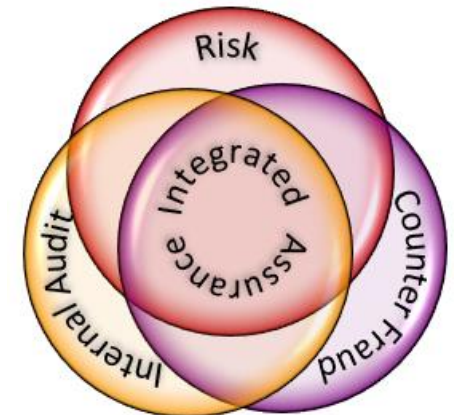
Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. The Cabinet Office runs a national data matching exercise, The National Fraud Initiative (NFI), every two years. Data matches from the latest data matching exercise in 2022-23 have now been returned and are being actioned by both PCC and DAP staff in order to provide maximum assurance that potential fraud losses are minimised. Details of this and other fraud prevention and detection work undertaken in 2023/24 are reported in the Counter Fraud 2023/24 Half Year Report and Update. The next national data matching exercise is due in September 2024 and Devon Audit Partnership will continue as the point of contact between the Cabinet Office and the Council for this mandatory biannual exercise in fraud prevention and detection.

## Integrated Assurance

Collaboration between the Audit Team and the Counter Fraud Team continues to evolve and strengthen with auditors becoming more aware of fraud risks and fraud investigators having a greater understanding of systems and controls.

This joined up approach help to continue to provide the highest level of assurance possible and, for the Council to minimise fraud loss to the lowest level possible.

The Counter Fraud Team Manager has prepared a separate report for this Committee where more information can be found on the work being undertaken.



## Appendix 1

### Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023

| Areas of Review               | Status / Progress                                               | Assurance Opinion   | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------|-----------------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customer and Corporate</b> |                                                                 |                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Theme Risk                    | <b>Registration Office – Income Collection Controls 2022/23</b> | Final Report issued | <b>Reasonable Assurance</b><br>Reported in the Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Theme Risk                    | <b>Income Collection Governance 2022/23</b>                     | Draft Report Issued | <b>Reasonable Assurance</b><br>The reduction in back-office support services used to administer the Council's income collection has had an impact on some of the governance arrangements within the Finance Service/ Function, as well as its operational capacity. Further impacts to the Council have been a failure to resource income collection related contract management activities and industry standards compliance.<br><br>The controls required to collect, process and deposit income are long established, were found to remain largely intact and as would be expected. However, the overall level of assurance is undermined by the direct impacts of the necessary rationalisation of the organisation. The review found that all these non-technical controls were severely eroded, undermining overall governance.<br><br>DAP recognise that the Council can't allocate resources to all the problems and risks it faces and, therefore, observations have been made in order that management can reflect on what actions can reasonably be taken in line with available resources and the Council's priorities. Where appropriate the risks identified should be added to risk management activities. |
| Theme Risk                    | <b>Themes and Trends Debt Collection Overview 2023/24</b>       | Draft Report Issued | <b>Added Value</b><br>With finite resources resulting from the need to continually meet with the Councils financial challenges, management have had no option but to prioritise key aspects of service delivery. This has inevitably resulted in some tasks having a lower priority and an increase in backlogs. The financial impact of this situation becomes clearer when individual findings relating to debt collection and recovery are extracted and viewed collectively. Currently, the recovery of unpaid debt spans several                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review       |                                    | Status / Progress           | Assurance Opinion            | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------|------------------------------------|-----------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                       |                                    |                             |                              | <p>teams. For Council Tax, Business Rates and Sundry Debtors, the software systems are configured to automatically produce reminders and in the case of Council Tax and Business Rates, this continues through to summons stage. However, when income recovery reaches a point where human intervention is needed, there is a resource shortfall.</p> <p>Management are faced with complex workplace decisions and need to consider what if anything may work better going forward.</p>                                                                                                                                                                                                                                                                                                                                                                                             |
| Theme Risk            | <b>Intelligent Automation (IA)</b> | Fieldwork Complete under QA | -                            | <p>Whilst there are risks associated with the use of Intelligent Automation (IA) the greatest risk to the Council is in not optimising all technological opportunities available to it. The use of intelligent automation provides opportunities to increase efficiency, improve quality and, importantly, reassign staff from low level menial repetitive tasks to undertaking higher value tasks.</p> <p>The creation of a suitable platform to deliver and use IA provides additional benefits presented by the need to analyse end-to-end processes and, how data is held. To achieve this, there must be a top down appreciation of the opportunities presented and resources required.</p> <p>DAP have been working with Project Leads to help ensure that risks are understood, mitigated and managed. The draft report is pending discussion with the Project Officers.</p> |
| Theme Risk            | <b>Purchasing Cards 2023/24</b>    | In Progress                 | -                            | <p>The objective of this audit is to provide an assurance opinion on the effectiveness of the Purchasing Card system within Plymouth Council. The audit is to make sure that the purchasing card system is used appropriately, financial data is complete and reliable, opportunities for fraud minimised and users adhere to relevant policies and regulations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Core Assurance</b> | <b>Treasury Management 2022/23</b> | Final Report Issued         | <b>Substantial Assurance</b> | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                         | Status / Progress           | Assurance Opinion            | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------|-----------------------------------------|-----------------------------|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Core Assurance  | <b>Main Accounting System 2022/23</b>   | Final Report Issued         | <b>Substantial Assurance</b> | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Core Assurance  | <b>Business Rates 2022/23</b>           | Final Report Issued         | <b>Reasonable Assurance</b>  | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Core Assurance  | <b>Debtors 2022/23</b>                  | Final Report Issued         | <b>Limited Assurance</b>     | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Core Assurance  | <b>Payroll 2023/24</b>                  | In Progress                 | -                            | The objective of this audit is to provide an assurance opinion on the adequacy and effectiveness of internal controls operating to ensure the Councils payroll and resulting payments and deductions are accurate and timely, financial data is complete and reliable and opportunities for fraud minimised.                                                                                                                                                                                                                                                 |
| Core Assurance  | <b>Purchasing and Creditors 2023/24</b> | Fieldwork Complete under QA | -                            | The audit work is mostly complete and having considered the redesign of the self-service procurement process for low value procurements (below £5k), due to go live on 1st November, we are currently incorporating this into our audit work to inform the overall audit opinion. The scope and objective of this audit was to provide an assurance opinion on the effectiveness of internal controls operating to ensure payments made are appropriate, accurate and timely, financial data is complete and reliable and opportunities for fraud minimised. |
| Core Assurance  | <b>Debtors 2023/24</b>                  | Not Started                 | -                            | Planned Q3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Core Assurance  | <b>Main Accounting System 2023/24</b>   | Not Started                 | -                            | Planned Q4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Core Assurance  | <b>Council Tax 2023/24</b>              | Not Started                 | -                            | Planned Q3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Core Assurance  | <b>Business Rates 2023/24</b>           | Not Started                 | -                            | Planned Q3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Core Assurance  | <b>Housing Benefits 2023/24</b>         | In Progress                 | -                            | The objective of this review is to provide an assurance opinion on the effectiveness of internal controls and procedures in place for the calculation, payment and recording of Housing Benefit and Council Tax Support.                                                                                                                                                                                                                                                                                                                                     |



**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review           |                                                         | Status / Progress   | Assurance Opinion    | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------|---------------------------------------------------------|---------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Core Assurance            | Treasury Management 2023/24                             | Not Started         | -                    | Planned Q4                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| ICT                       | NCSC Cyber Assessment Framework                         | In Progress         | -                    | Work is being undertaken to provide assurance on the effectiveness of the approach taken by the Council in utilising the Cyber Assessment Framework (CAF). The framework represents a new approach for managing cyber threats and creating an appropriate level of cyber resilience. The review will look to add value wherever possible and, whilst not a granular review, will record DAP's assessment of how risks are currently mitigated, and CAF principles met. |
| ICT                       | User / Account Management                               | Not Started         | -                    | Planned Q3                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| ICT                       | IT Asset Management 2023/24                             | Not Started         | -                    | Planned Q3                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| ICT                       | Cyber Security (Patch Management) 2023/24               | In Progress         | -                    | The focus of our work is on the processes in place to ensure that patches are applied in a timely manner and ensure that known vulnerabilities do not represent a risk to the Council's corporate network and it's information assets.                                                                                                                                                                                                                                 |
| Advice                    | Corporate Information Management 2023/24                | In Progress         | -                    | Continued participation with the Council's Information Lead Officer Group (ILOG) and Devon Information Security Partnership (DISP).                                                                                                                                                                                                                                                                                                                                    |
| Unplanned                 | Additional Holiday Pay - Back Pay (Corporate) July 2023 | Final Report Issued | Reasonable Assurance | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                          |
| Unplanned                 | Additional Holiday Pay - Back Pay (Schools) July 2023   | Final Report Issued | Reasonable Assurance | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Childrens Services</b> |                                                         |                     |                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Follow Up                 | Special Guardianship Orders 2023/24                     | Draft Report Issued | Limited Assurance    | Reported in the Progress Report to Audit and Governance Committee September 2023.<br><br>The draft report was issued on 29 <sup>th</sup> June 2023 and discussed with management on 5 <sup>th</sup> July 2023 where it was agreed management responses would be provided to audit by 14 <sup>th</sup> July, we still await the                                                                                                                                         |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                                                         | Status / Progress   | Assurance Opinion        | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------|-------------------------------------------------------------------------|---------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 |                                                                         |                     |                          | <p>management response from Childrens Services to finalise this audit report.</p> <p>In March 2021, we report an opinion of “Limited Assurance” for Special Guardianship Orders. A follow up audit has been undertaken and the overall audit opinion remains "Limited Assurance". Whilst improvements and/or plans for improvements have been made in some areas, associated risks are not yet sufficiently mitigated due to some significant weaknesses in the internal control framework.</p> <p>The Head of Service is to undertake a review of Special Guardianships. This should clarify roles and responsibilities and provide ownership for the whole process ensuring a joined-up approach between Children, Young People and Families (CYPF), Client Financial Services Team (CFST) and Finance and maintaining good communication between stakeholders.</p>                                                                                                                                                                                                                                                                                                |
| Theme Risk      | <b>SEND Governance - Externally Commissioned Educational Placements</b> | Draft Report Issued | <b>Limited Assurance</b> | <p>SEND governance has been enhanced through the development and implementation of the recently updated SEND Strategy 2023-26. However, an overall audit opinion of ‘Limited Assurance’ is given for SEND governance, as it is not yet evident that arrangements are embedded and integrated, due to:</p> <ol style="list-style-type: none"> <li>1. The SEND Strategy 2023-26 not yet being formally published and being too early to evaluate delivery progress and outcomes.</li> <li>2. Absence of clear and well-documented commissioning plans for SEND services is a notable concern.</li> <li>3. Lack of a SEND Communication Strategy/Plan:</li> <li>4. Risk management arrangements not being in place, the risks, barriers and uncertainties, to delivering the SEND Strategy have not been identified or captured in a risk log/register to enable mitigating action and allocation of resources to be determined.</li> </ol> <p>It is recognised that the SEND Strategy 2023-26 does include a range of priorities, including a refresh of the Local Offer, and implementation of joint commissioning and communication plans. It is imperative that</p> |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                                                                            | Status / Progress | Assurance Opinion | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------|--------------------------------------------------------------------------------------------|-------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 |                                                                                            |                   |                   | sufficient leadership, capacity and resources are available to start to deliver on these priorities and that an appropriate risk management framework is implemented, including the setting of an appropriate risk appetite, to support the effective management of SEND service delivery risks and opportunities, enabling resources to be effectively allocated, significantly strengthening PCC SEND Governance.                                                                                                                                |
| Theme Risk      | <b>SEND Decision Making - Externally Commissioned Educational Placements</b>               | In Progress       | -                 | The focus of this review is to evaluate the effectiveness of Strategic and Operational decision making in planning, allocating and contracting externally commissioned educational placements for Children with Special Educational Needs (SEN).                                                                                                                                                                                                                                                                                                   |
| Theme Risk      | <b>SEND Commissioning and Contracting - Externally Commissioned Educational Placements</b> | In Progress       | -                 | For this audit we are looking to establish and evaluate the effectiveness of the overall system of internal control for the commissioning and contracting of appropriate external educational placements for Children with Special Educational Needs (SEN) as agreed by Panel or through an Executive Decision by the Head of Service or Panel Chair.                                                                                                                                                                                              |
| Theme Risk      | <b>SEND Monitoring and Evaluation - Externally Commissioned Educational Placements</b>     | In Progress       | -                 | The final piece of work on this important service area will be to establish and evaluate the review, evaluation, monitoring and reporting of overall SEND provisions and individual SEND contract provision arrangements in place to measure, continually assess and improve the effectiveness of externally commissioned educational placements. Our work will focus on the externally commissioned educational element of the SEND provision and will consider each of Plymouth City Councils Local Offer areas; Primary, Secondary and Post 16. |
| Theme Risk      | <b>Childrens Social Care Payments</b>                                                      | Not Started       | -                 | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Theme Risk      | <b>Childrens Review Programme</b>                                                          | Not Started       | -                 | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Theme Risk      | <b>Joint Funding Arrangements</b>                                                          | Not Started       | -                 | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                                       | Status / Progress   | Assurance Opinion        | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| Core Assurance  | Families with a Future (Payment by Results) Quarter 1 | Complete            | <b>Certified</b>         | <p>This was the final claim for payments by results under the old “Troubled Families” framework and the first under the new national Supporting Families Outcome” framework. In accordance with DLUHC programme guidance three monthly payment by results claims have been sample checked and verified prior to submission and we certified the first quarterly claim by the 28<sup>th</sup> of June 2023 deadline.</p> <p>The Council target for 2023/24 is to achieve successful outcomes for 571 families, Payment By Results (PBR) were claimed for 66 (12%) families, resulting in £52,800 of funding to the Council.</p> |
| Core Assurance  | Families with a Future (Payment by Results) Quarter 2 | Complete            | <b>Certified</b>         | <p>In accordance with DLUHC programme guidance two monthly payment by results claims have been sample checked and verified prior to submission and we certified the second quarterly claim by the 28<sup>th</sup> of September 2023 deadline. The Council target for 2023/24 is to achieve successful outcomes for 571 families. Quarter 2 PBR’s claimed were claimed for 66 (12%) families, resulting in £52,800 of funding to the Council.</p> <p>Overall PBR’s claimed to 30<sup>th</sup> September totalled 132 (23% of target), resulting in £105,600 of funding to the Council.</p>                                      |
| Core Assurance  | Families with a Future (Payment by Results) Quarter 3 | In Progress         | -                        | DAP are currently checking and verifying the October 2023 payment by results claim.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Core Assurance  | Families with a Future (Payment by Results) Quarter 4 | Not Started         | -                        | Planned Quarter 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>People</b>   |                                                       |                     |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Theme Risk      | Client Financial Services 2022/23                     | Final Report Issued | <b>Limited Assurance</b> | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                                                | Status / Progress       | Assurance Opinion           | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------|----------------------------------------------------------------|-------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Theme Risk      | <b>Analysis of Domiciliary Care provider Returns 2022/23</b>   | Final Report issued     | <b>Reasonable Assurance</b> | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                          |
| Theme Risk      | <b>Care Act Adult Social Care Reforms</b>                      | Deferred                | <b>N/A</b>                  | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                          |
| Theme Risk      | <b>Direct Payments 2023/24</b>                                 | Draft Report Issued     | <b>Reasonable assurance</b> | Overall there is 'Reasonable Assurance' that Direct Payment expenditure is in accordance with Direct Payment legislation. However, failure to comply with statutory regulations and meet PCC performance targets to undertake annual reviews, along with ineffective monitoring and oversight to ensure client contributions towards care are made, there is 'Limited Assurance' that council funded support through direct payments is meeting the individual needs of service users. |
| Theme Risk      | <b>Adult Social Care Payments</b>                              | Not Started             | -                           | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                |
| Theme Risk      | <b>Eclipse Project and Social Care IT Board</b>                | In Progress and Ongoing | <b>Value Added</b>          | Provision of real-time support and challenge to the Eclipse Project Board and additional formal advice. The Adults Eclipse Project went 'Live' in July 2023.                                                                                                                                                                                                                                                                                                                           |
| Theme Risk      | <b>Deprivation of Liberty Safeguards – Transfer to Eclipse</b> | In progress             | -                           | Audit terms of reference have been issued for agreement. The proposed scope and objective of this work is to provide assurance on the migration of Deprivation of Liberty Safeguards (DoLS) management information into the Eclipse System.                                                                                                                                                                                                                                            |
| Core Assurance  | <b>Life Chances Fund (Pause Programme) 2022/23 Quarter 4</b>   | Complete                | <b>Certified</b>            | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                          |
| Core Assurance  | <b>Life Chances Fund (Pause Programme) 2023/24 Quarter 1</b>   | Complete                | <b>Certified</b>            | The 2023/24 first quarterly claim was checked and verified in September 2023. Sample checks were performed on the outcomes reported for Cohorts 1 and 2 of the Pause Programme, for the period 1 <sup>st</sup> April 2023 to 30 <sup>th</sup> June 2023, prior to payment to the service being approved. This programme works with women who have experienced or are at risk of,                                                                                                       |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review         |                                                                    | Status / Progress           | Assurance Opinion | Residual Risk / Audit Comment                                                                                                                                                                                                                                                  |
|-------------------------|--------------------------------------------------------------------|-----------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                         |                                                                    |                             |                   | repeated pregnancies that result in children needing to be removed from their care. The model aims to give women the opportunity to “pause”, take control of their lives and break free from destructive cycles.                                                               |
| Core Assurance          | <b>Life Chances Fund (Pause Programme) 2023/24 Quarter 2</b>       | Complete                    | Certified         | The 2023/24 second quarterly claim was checked and verified in October 2023. Sample checks were performed on the outcomes reported for Cohorts 3 and 4 of the Pause Programme, for the period 1st July to 30th September 2023, prior to payment to the service being approved. |
| Core Assurance          | <b>Life Chances Fund (Pause Programme) 2023/24 Quarter 3</b>       | Not Started                 | -                 | Planned Q4                                                                                                                                                                                                                                                                     |
| Grant certification     | <b>DLUH&amp;C Disabled Facilities Grant</b>                        | Fieldwork Complete Under QA | -                 | In accordance with DLUH&C Disabled Facilities Capital grant conditions we undertook the audit of the statement of grant usage. Grant funding of £2.814m was awarded to Plymouth City Council for 2022/23.                                                                      |
| Advice                  | <b>Service agreements for the purchase of care home placements</b> | Complete                    | Advice provided   | Identification of key risks and further points for consideration for the proposed change in procedure.                                                                                                                                                                         |
| Advice                  | <b>Residential care home cashflow risk</b>                         | Complete                    | Advice provided   | Consideration of feedback on proposed management action to mitigate associated risks.                                                                                                                                                                                          |
| <b>Executive Office</b> |                                                                    |                             |                   |                                                                                                                                                                                                                                                                                |
| Theme Risk              | <b>Risk Management</b>                                             | In progress                 | -                 | Work will continue across the year to continuously assess awareness of and compliance with the Risk and Opportunity Management Strategy. Findings to be shared with the Head of Governance, Performance & Risk to inform ongoing work in this area.                            |
| Theme Risk              | <b>Electoral Registration – Trusted Advisor Support</b>            | Not Started                 | -                 | DAP continue to maintain a relationship in reviewing pre-election QA process and in tracking ongoing service improvement tasks. Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                        |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review                             |                                                                                     | Status / Progress   | Assurance Opinion           | Residual Risk / Audit Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|-------------------------------------------------------------------------------------|---------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Office of Director for Public Health</b> |                                                                                     |                     |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Theme Risk                                  | <b>Event Safety Advisory Group (ESAG)</b>                                           | Not Started         | -                           | Planned Q4<br>The Public Protection Service have requested work to be undertaken relating to the operation of the ESAG to from assurance on the transparency and consistency when discussing PCC run events and to check that the risk of legal challenge is sufficiently mitigated.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Place</b>                                |                                                                                     |                     |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Theme Risk                                  | <b>Commercial Properties</b>                                                        | Final Report Issued | <b>Reasonable Assurance</b> | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Theme Risk                                  | <b>Issuing, Appeals and Cancellations of Penalty Charge Notices (PCN's) 2023/24</b> | Draft Report Issued | <b>Limited Assurance</b>    | <p>Civil Enforcement Officers (CEO's) using handheld devices are responsible for the issuing of PCN's, policies and procedures are in place but are not always consistently adhered to. Development of procedures at different times along with modernisation across working practices has resulted in them becoming out of date.</p> <p>Appeals against PCN's are submitted to the Council via Firmstep, this generally works well with a satisfactory level of evidence held to support either the subsequent cancellation of the PCN or the upholding of the charge. However, there is a lack of demonstrable evidence maintained to support "spoiled" PCN's and a lack of clarity among the team as to when it is appropriate to spoil a PCN.</p> <p>Refresher and update training is to be considered alongside the review of procedural guidance to ensure that action required is understood and consistently taken.</p> |
| Theme Risk                                  | <b>Capital Programme Governance</b>                                                 | Not Started         | -                           | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Theme Risk                                  | <b>Plymouth and South Devon Freeport Governance</b>                                 | Not Started         | -                           | Audit need requirements to be discussed with Directors and S151 as part of Quarter 3 audit plan review.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review     |                                                                                              | Status / Progress | Assurance Opinion | Residual Risk / Audit Comment                                                 |
|---------------------|----------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------------------------------------------------------------------|
| Risk Theme          | Safety at Sports Grounds                                                                     | Removed           | N/A               | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - Northern Corridor Junction Improvements Grant Certification              | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - Eastern Corridor Strategic Cycle Network Grant Certification             | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - Charles Cross Grant Certification                                        | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - Plymouth Railway Station Grant Certification                             | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - Oceansgate Phase 1 Grant Certification                                   | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Growth Fund - 5G Smart Sound Grant Certification                                       | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Get Building Fund - National Marine Park Grant Certification                           | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |
| Grant Certification | SWLEP Get Building Fund - Plymouth International and City Business Parks Grant Certification | Complete          | Certified         | Reported in Progress Report to Audit and Governance Committee September 2023. |



**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review     |                                                                                      | Status / Progress | Assurance Opinion | Residual Risk / Audit Comment                                                                                                                                                                                                  |
|---------------------|--------------------------------------------------------------------------------------|-------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grant Certification | <b>SWLEP Get Building Fund - Concourse Phase 2, Brunel Plaza Grant Certification</b> | Complete          | <b>Ongoing</b>    | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                  |
| Grant Certification | <b>BEIS Home Upgrade Grant Phase 2 Grant Certification</b>                           | Complete          | <b>Certified</b>  | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                  |
| Grant Certification | <b>DFT LA Major Schemes Forder Valley Link Road Grant Certification</b>              | Complete          | <b>Certified</b>  | Reported in Progress Report to Audit and Governance Committee September 2023.                                                                                                                                                  |
| Grant Certification | <b>DFT Integrated Transport Block 2023-24</b>                                        | Complete          | <b>Certified</b>  | In accordance with DFT Integrated Transport Block 2022/23 grant conditions we undertook the annual audit of the statement of grant usage. Grant funding of £1.959m was awarded to Plymouth City Council for 2022/23.           |
| Grant Certification | <b>DFT Highway Maintenance Needs Element 2023-24</b>                                 | Complete          | <b>Certified</b>  | In accordance with DFT Highways Maintenance Needs Element 2022/23 grant conditions we undertook the annual audit of the statement of grant usage. Grant funding of £1.290m was awarded to Plymouth City Council for 2022/23.   |
| Grant Certification | <b>DFT Highways Maintenance Incentive Element 2023-24</b>                            | Complete          | <b>Certified</b>  | In accordance with DFT Highways Maintenance Incentive Element 2022/23 grant conditions we undertook the annual audit of the statement of grant usage. Grant funding of £323k was awarded to Plymouth City Council for 2022/23. |
| Grant Certification | <b>DFT Pothole Action Fund 2023-24</b>                                               | Complete          | <b>Certified</b>  | In accordance with DFT Pothole Action Fund 2022/23 grant conditions we undertook the annual audit of the statement of grant usage. Grant funding of £1.290m was awarded to Plymouth City Council for 2022/23.                  |
| Grant Certification | <b>BEIS Home Upgrade Grant Phase 1</b>                                               | In Progress       | -                 | In accordance with BEIS Home Upgrade Phase 1 grant conditions we are undertaking an audit of the project closure statement of grant usage. Grant funding of £2.254m was awarded to Plymouth City Council.                      |
| Grant Certification | <b>BEIS Local Authority Delivery Scheme Phase 3</b>                                  | In Progress       | -                 | In accordance with BEIS Local Authority Delivery Scheme Phase 3 grant conditions we are undertaking an audit of the project closure statement                                                                                  |

**Assurance Opinion and Extract Executive Summaries for audit work completed since 1st April 2023 up to 16<sup>th</sup> October 2023**

| Areas of Review |                                                 | Status / Progress | Assurance Opinion | Residual Risk / Audit Comment                                                                                                                        |
|-----------------|-------------------------------------------------|-------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 |                                                 |                   |                   | of grant usage. Grant funding of £1.752m was awarded to Plymouth City Council.                                                                       |
| Advice          | <b>BEIS Home Upgrade Grant Phase 2 Delivery</b> | In Progress       | Advice provided   | Provision of advice to Officers on project governance and project delivery assurance framework to ensure compliance with grant funding requirements. |
| Advice          | <b>South West Devon Waste Partnership</b>       | In Progress       | -                 | DAP continue its participation with the Partnership, attending Project Executive meetings.                                                           |

**Devon Audit Partnership**

The Devon Audit Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high-quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.

The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at [tony.d.rose@devon.gov.uk](mailto:tony.d.rose@devon.gov.uk)

## Appendix 2 - Audit Standards and Customer Delivery

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

**PSIAS Conformance** - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Governance Committee in March 2023. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) and are undergoing review and revision. The proposed new standards which are likely to take effect in 2024 and this document helps clarity and raise awareness of the audit committee's governance roles and responsibilities in respect of this. [IIA Document – Draft Standards](#).

**Quality Assessment** - the Head of Devon Audit Partnership maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

**External Assessment** - The PSIAS states that a quality assurance and improvement programme must be developed; the programme should be informed by both internal and external assessments.

An external assessment must be conducted at least once every five years by a suitably qualified, independent assessor. For DAP this was recently conducted at the end of 2021 by the Head of Southwest London Audit Partnership, and the Chief Internal Auditor of Orbis (a partnership organisation covering Brighton and Hove, East Sussex, and Surrey County Council).

The assessment result was that *“Based on the work carried out, it is our overall opinion that DAP **generally conforms**\* with the Standards and the Code of Ethics”*. The report noted that *“As a result of our work, a small number of areas where partial conformance was identified. These were minor observations, none of which were significant enough to affect the overall opinion”*. DAP is actively addressing these improvement areas.

\* **Generally Conforms** – This is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards

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

### Customer Service Excellence

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during January 2023. This accreditation is a UK-wide quality mark which recognises organisations the prioritise customer service and are committed to continuous improvement.

During the year we have issued client survey forms for some of our reports, and the results of the surveys returned were very good / positive. The overall result is very pleasing, with near 97% being "satisfied" or better across our services (see Appendix 7). It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.

