

Dorset Council

Report of Internal Audit Activity

Progress Report 2024/25 – July 2024

Executive Summary

As part of our update reports, we will provide an ongoing opinion to support our end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating previously identified significant risks.

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SWAP is an internal audit partnership covering 24 organisations. Dorset Council is a part-owner of SWAP, and we provide the internal audit service to the Council.

For further details see:
<https://www.swapaudit.co.uk/>



Audit Opinion, Significant Risks, and Audit Follow Up Work

Audit Opinion:

This is our first update report for 2024/25 financial year.

Our live Rolling Plan dashboard available through our audit management system AuditBoard [AuditBoard | Login \(auditboardapp.com\)](#), and specifically the Audit Coverage (*which can be found on the first tab of the dashboard or on page 3 below*), reflects the outcomes of recent reviews completed. Based on these recent reviews, we recognise that generally risks are well managed. We have identified some gaps, weaknesses and areas of non-compliance however, we have reasonable to high levels of confidence that the agreed actions will be implemented and as such are able to offer a **reasonable opinion**.

Since our last progress report in April 2024, we have not issued any **Limited** assurance opinions on the areas and activities we have been auditing.

In order to provide more up to date information, we have introduced an enhancement to the rolling plan dashboard where we will be including links to final one-page reports for Limited and No assurance audits from the Completed tab. We have also developed a SWAP Executive dashboard, available through AuditBoard and accessed in the same way as the Rolling Plan dashboard which provides more information on our audits. The dashboard provides a high level summary of our work that has been concluded. Additionally, it provides a visualisation and status of all priority 1 and 2 actions.

Significant Corporate Risks

Update on Response to Climate Emergency

In April, we reported that all actions that were due had been completed. The remaining one priority 1 and one priority 2 actions are not due until 30th April 2025, so we will undertake another formal follow up nearer that time to allow the actions to become embedded.

Update on Premises related Health and Safety

Two of the three remaining outstanding actions have been completed, with a revised due date of 31st December 2024 for the last action which is in progress. The Head of Assets and Property has acknowledged that

Executive Summary

implementation of all actions has taken significantly longer than was originally anticipated and whilst there is still some progress to be made on implementing the last action, we believe that sufficient action has been taken by the service to mitigate the significant corporate risk. We will continue to monitor the implementation of the remaining action, but we will no longer be formally reporting this to the committee as a Significant Corporate Risk. Members will of course be able to monitor updates to that one remaining action through the Executive dashboard. The detailed follow up report can be found on page 8.

Follow Up of Agreed Audit Actions

The numbers of overdue actions that we report will now include all priority 1's and 2's from all audits, rather than just those from Limited and No assurance opinion audits. We will also report the number of actions with revised due dates, where the original due date has passed and graphs for these can be found on page 5. There are 17 actions that have passed their original due date where a revised date has been agreed and 21 overdue actions where either the original date or the revised date has passed.

It is disappointing to see that the numbers of both overdue actions and those with revised timescales are high, but we are in contact with officers to ensure that actions are implemented in a timely way. Further details on outstanding actions can be found by viewing the Management Actions tab of the SWAP Executive dashboard which is stored in AuditBoard and can be viewed by clicking on this link [AuditBoard | Login \(auditboardapp.com\)](#)

Following the last Committee where a number of questions were raised around outstanding actions and high priority actions with revised due dates, we agreed with the outgoing Chair that we would provide more information around overdue actions, including those that have revised timescales applied to them. Appendix B on page 9 shows all actions where the original agreed deadline is over six months ago.

Internal Audit Plan Progress 2024/25

Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation’s risk profile effectively.

For those areas where no audit coverage is planned, assurance should be sought from other sources to provide a holistic picture of assurance against key risks.



SWAP Internal Audit Plan Coverage

The table below, captures our audit coverage, mapped against the Authority’s corporate risk themes since November 2022 when we started using our audit management system, AuditBoard. Furthermore, we have then overlaid the audit assurance outcomes of those risk areas that we have reviewed. As you will see we have provided some level of recent audit work across all of the corporate risk themes. It is possible on the dashboard to also view coverage of our recent audit work mapped by Corporate Priorities, Directorates, SWAP Top 10 Risk Themes, and Core Areas of Recommended Assurance. The audits that make up the coverage can be viewed by right clicking in the coverage cell, select drill through and audit details.

Strategic Risk	Coverage (Completed Audits)	Average Opinion of Completed Audits
DC R01 - Finance	Good	Reasonable
DC R02 - Compliance	Adequate	Reasonable
DC R03 - Health, Safety, Wellbeing	Adequate	Reasonable
DC R04 - Communities	Adequate	Reasonable
DC R05 - Digital & Technology	Some	Reasonable
DC R06 - Safeguarding	Some	Limited
DC R07 - Transformation	Some	Limited
DC R08 - Workforce	Some	Limited
DC R09 - Political & Leadership	Some	Limited
DC R10 - Service Delivery	Adequate	Limited

Coverage	Description
Good	Good audit coverage completed
Adequate	Adequate audit coverage completed
Some	Some aspects of audit coverage completed
In Progress	Some aspects of audit coverage in progress
None	No audit coverage to date

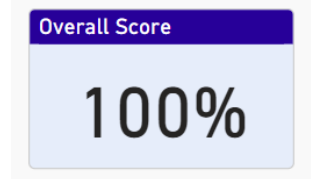
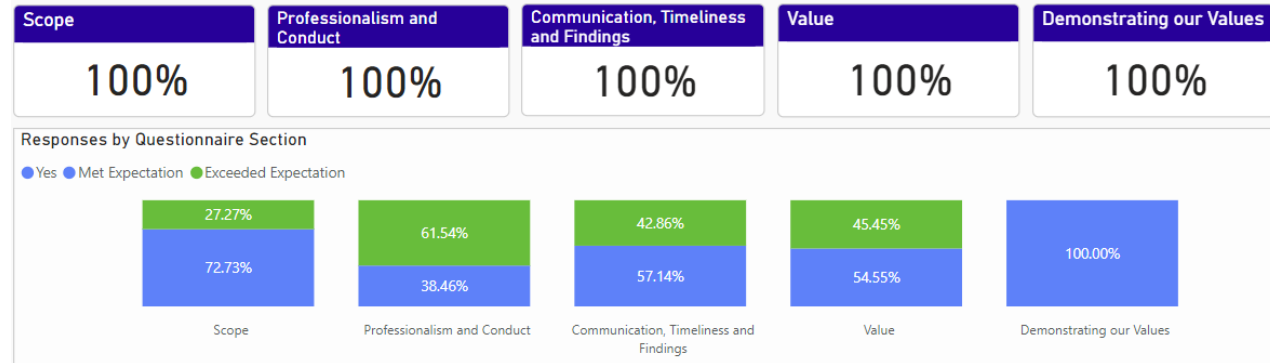
Assurance	Description
Substantial	Sound system of governance, risk management and controls exist
Reasonable	Generally sound system of governance, risk management and control in place
Limited	Significant gaps, weaknesses or non-compliance were identified
No Assurance	Fundamental gaps, weaknesses or non-compliance identified

Internal Audit Plan Progress 2024/25

We review our performance to ensure that our work meets our clients' expectations and that we are delivering value to the organisation.

SWAP Performance Measures

Performance scores from post audit questionnaires:

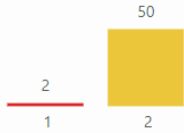


Internal Audit Plan Progress 2024/25

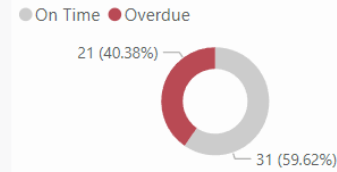
We monitor the Council's performance for implementation of agreed actions.

Outcomes from Follow Up Audit Work

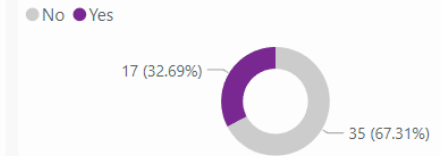
Open Management Actions by Priority



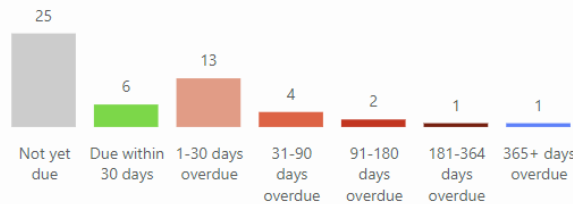
Open Overdue Management Actions



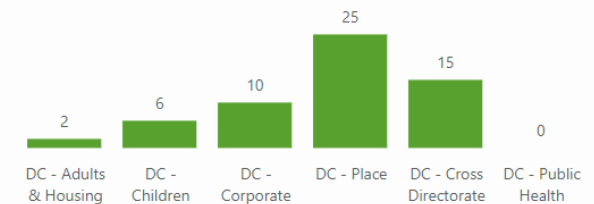
Open Management Actions with Revised Due Dates



Open Management Actions by Due date



Open Management Actions by Directorate



Internal Audit Plan Progress 2024/25

Added Value

‘Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.’



Added Value

Cifas

The use of the Cifas data sharing service continues to bring benefits. Since our last update Financial Agents and Power of Attorneys; and housing register applications are now being run through the database. Potential new areas include checking of senior officers, and re-checks of staff and contractors. ICT Services are also running a project to see if it is possible to use Application Programming Interface (API) between Mosaic and Cifas to upload data directly which would enable a real time search of all Adult Service Users to identify deceased cases. Previously agreed areas continue to be run through the database with matches being identified and action taken where necessary.

Data Analytics

Data analytics, which has been used to inform audit findings and to provide additional insight has been undertaken for the Delivery of Support for Carers, Establishment Control and Dignity at Work (Place) audits.

Newsletters and updates

SWAP regularly produces a newsletter and other relevant updates for partners such as fraud bulletins, which provide information on topical issues of interest.

The role of SWAP as the internal auditors for Dorset Council is to provide independent assurance that the Council’s risk management, governance and internal control processes are operating effectively. In order for senior management and members to be able to appreciate the implications of the assurance provided within an audit report, SWAP provide an assurance opinion. The four opinion ratings are defined as follows:

Assurance Definitions	
No Assurance	The review identified fundamental gaps, weaknesses or non-compliance, which require immediate action. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Limited	The review identified significant gaps, weaknesses or non-compliance. The system of governance, risk management and control requires improvement to effectively manage risks to the achievement of objectives in the area audited
Reasonable	The review highlighted a generally sound system of governance, risk management and control in place. We identified some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Substantial	The review confirmed a sound system of governance, risk management and control, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

In addition to the assurance definitions above we also provide an ‘**assurance dial**’ which indicates on a range of high medium or low where within the range of that assurance a particular audit assurance sits.



As can be seen in this example the assurance provided is low limited as the dial is sitting on the lower end of the limited scale. It could equally have been a medium limited assurance where the dial sits midway or high limited when it is sitting at the upper end close to the reasonable assurance.

The Committee is able to view a record of all internal audit work on the Rolling Plan dashboard held in AuditBoard, including work in progress and all completed work that would have previously been reported to the Committee in a table form. To provide the Committee with additional insight we include our one-page audit report in full for Limited assurance audits.

Premises Health and Safety Further Follow Up Review – Final Report – June 2024



Follow Up Audit Objective

To provide assurance that agreed actions to mitigate against risk exposure identified within the 2022/23 Limited opinion audit of Premises Related Health and Safety report have been implemented.

Follow Up Progress Summary

	Complete	In Progress	Not Started	Summary
Priority 1	2	0	0	2
Priority 2	5	1	0	6
Priority 3	1	0	0	1
Total	8	1	0	9

Follow Up Assessment

The original audit was completed and reported in September 2022 and received a Limited assurance opinion. A follow up was carried out in June 2023 where seven actions remained outstanding. This further follow up audit has found that whilst one action is still in progress the other two have been completed. Key findings have been summarised below.

Follow Up Scope

Testing has been performed in relation to all priority 1 and 2 actions and supporting evidence obtained to support implementation of actions.

Key Findings

The Property Service team have progressed with the agreed actions and as such we have closed off the priority one and one of the priority two actions, the remaining priority two action is still in progress.

There has been significant work completed on the premises health and safety policies. There is now a management action plan which runs alongside the policy which details the council's actions to comply with the policies. There is also a process in place for the policies to be regularly reviewed and updated when necessary. Work has also been completed to ensure tenants conform with the council's expectations concerning health and safety. Through a system called Zetasafe, the tenants are able to upload documents to demonstrate conformance with premises health and safety, they can also record noncompliant things in there which will alert the service to where there is work needed. The service will then program the work when they feel it needs to be addressed and then complete accordingly.

The work the service has completed on the premises health and safety is such that we have concluded that we can lower our risk assessment from High to a medium risk for the council, meaning it is no longer considered a significant corporate risk. Therefore, we will follow up the remaining action through our normal follow up process.

Further Follow Up Required

The outstanding action is due to be implemented by 31st December 2024. A summary of the key findings from our review will be presented to the Audit and Governance Committee on 22nd July 2024. Going forward, we will follow up the remaining action through our normal follow up process and close off the action once the relevant work has been completed.

Audit Title	Priority	Timescale	Revised Date	Original Timescale	Months overdue
Premises Health & Safety	2	31/12/2024	Yes	28/02/2023	16
Data Quality & Information Governance	2	30/06/2023	No	30/06/2023	12
Risk Management	2	31/08/2024	Yes	31/07/2023	11
Risk Management	2	31/08/2024	Yes	31/07/2023	11
Risk Management	2	31/08/2024	Yes	31/07/2023	11
Risk Management	2	31/08/2024	Yes	31/07/2023	11
Effectiveness of Manager Self Service	2	31/03/2024	Yes	30/09/2023	9
Effectiveness of Manager Self Service	2	31/07/2024	Yes	30/09/2023	9
Effectiveness of Manager Self Service	2	31/07/2024	Yes	30/09/2023	9
Effectiveness of Manager Self Service	2	31/07/2024	Yes	30/09/2023	9
Debt Recovery - Access to Data for Collaborative Working	2	30/06/2024	Yes	31/10/2023	8
SEND Transport	2	30/11/2024	Yes	31/10/2023	8
SEND Transport	2	30/11/2024	Yes	30/11/2023	7
Data Quality & Information Governance	2	30/09/2024	Yes	30/11/2023	7