

Thurrock Council

Standards & Audit Committee

Internal Audit Progress Report 2022/23

Date of Committee: 24th November 2022

Introduction

The internal audit plan for 2022/23 was presented to the Standards & Audit Committee on 10th March 2022.

Table showing reports issued as Final, in Draft and Work in Progress (WIP)

Assignment	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Audits to address specific risks					
Housing Voids	Final	Green	0	2	1
Taxi Licencing	WIP	N/A	N/A	N/A	N/A
Council Tax	WIP	N/A	N/A	N/A	N/A

Work and other issues for which no reports are generated

We have now implemented an upgraded version of our Teammate audit working papers software. This involved training and user testing by the staff and feedback to the supplier on any issues around the reporting process.

As had been previously reported, during the pandemic we lost a Senior Internal Auditor and an Internal Auditor. As a result of this, 1 of the remaining Internal Auditors was successful in being promoted following interviews for the vacant Senior Internal Auditor post. This left the service with 2 Internal Auditor vacancies.

This meant that as at April 2022, the service consisted of the Chief Internal Auditor and 2 Senior Internal Auditors. However, at the end of March 2022, 1 of the Senior Internal Auditors was headhunted through LinkedIn and left at the end of May 2022. The second Senior Auditor handed in her notice on 19th May 2022 and formally retired at the end of August 2022. However, as she worked term-time only, her last working day was in mid-July.

The 2 Internal Auditor posts were successfully filled in September 2022 after 2 unsuccessful recruitment campaigns where no suitable candidates applied. These Internal Auditors received training on the new Teammate system in late October.

In respect of the Senior Internal Auditor posts, the first recruitment started in June and an offer was made to 1 of the candidates who accepted and was due to start on Monday 3rd October. However, on 29th September, this candidate withdrew their acceptance. A further recruitment covering both the vacant Senior Internal Auditor roles was undertaken during October but there were no suitably qualified candidates, so the roles have been readvertised. We are also working with the HR Advisors to identify the costs involved in targeting the recruitment to sector specific publications if the current recruitment is not successful.

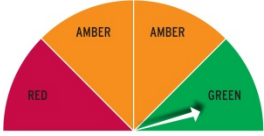
Changes to the Annual Plan

As can be seen from table above, and for the reasons identified in respect of resources, little work has been started in 2022/23. However, with the 2 new Internal Auditors now in post and trained on the audit software, reviews have now restarted.

We have also started discussions with Directors on a new approach which will see us agree our plans and report more frequently to Directors Board. An email was sent to all the members of Directors Board requesting that over the next month or two, I meet with each of them individually (in person or on Teams) to determine what are the key risks to their services and how we can use the internal audit service to provide them with assurance around the services they provide. I will then cascade this approach down to the Assistant

Directors and Strategic Leads and pick up on their concerns. I will also pick up on any issues arising from the Best Value Review, Improvement and Recovery Plan, Corporate Risk Register and External Auditors. From these various sources, I will develop a 6-month plan for presentation to DB in February 2023 and the Standards & Audit Committee in March 23. Having a 6-month plan should also reduce the amount of ad hoc work that we have to carry out as we can react more quickly to changing risks and priorities.

Key Findings from Internal Audit Work

Assignment: Housing Voids	Opinion: Green	
<p>Headline Findings: Our review of the Housing Voids identified 2 medium and 1 low recommendation around the adequacy of the control framework. The review looked at the following risks:</p> <ul style="list-style-type: none"> There may not be comprehensive void management policies and procedures in place resulting in void properties not being returned to the council housing stock in a timely manner and poor performance in turnaround times which impacts adversely on rental income and potential temporary accommodation costs. Void properties may not be inspected promptly and repairs may not be monitored effectively leading to poor workmanship and tenants' complaints. 		
Action and Response	Responsible Officer	Date
<p>Action – If tenants move out without giving the required notice, unless there is an agreement with the council, they should be liable for the total weekly payment. This will provide the service with sufficient time to prepare work schedules and pre-allocate the property in a timely manner.</p> <p>Response - The policy requires 4 weeks' notice to end a tenancy, or 2 weeks' notice in the case of internal transfers within TBC stock.</p> <p>There may be occasions when the surrender of keys without notice or before the end of the notice period is agreed. This will be applied on a case-by-case basis and decisions will be made using a person-centred approach.</p> <p>On these occasions the liability of rent will continue until the end of the week in which vacant possession was given.</p> <p>Possession of keys will allow property inspection to determine vacant possession and to allow for property inspection.</p> <p>The voids process will reflect this approach.</p>	<p>Tenancy and Neighbourhoods Service Manager</p>	<p>October 22</p>
<p>Action – Pre-termination inspections should be carried out as soon as notice is received. This will ensure the tenant undertakes repairs they are responsible for before they leave. This should also reduce the turnaround time on void properties, thereby maximising income generation.</p> <p>Response - Our new void process has now been implemented and this incorporates the pre-termination inspections. These are carried out at the earliest opportunity.</p>	<p>Tenancy and Neighbourhoods Service Manager/ Voids Team Leader</p>	<p>Complete</p>