INTERNAL AUDIT AND COUNTER FRAUD

PROGRESS REPORT

AUDIT COMMITTEE

13 January 2025

1. Introduction

The role of the Internal Audit function is to provide Members and Management with independent assurance that the control, risk and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives. The work of the Internal Audit team should be targeted towards those areas within the Council that are most at risk of impacting on the Council's ability to achieve its objectives.

Upon completion of an audit, an assurance opinion is given on the effectiveness of the controls in place. The results of the entire programme of work are then summarised in an opinion in the Annual Internal Audit Report on the effectiveness of internal control within the organisation.

This activity report provides Members of the Audit Committee and Management with 7 summaries of completed work between September and December 2024.

2. Key Messages

- 7 audits have been finalised to draft/final report in the period. The summaries are contained in **Appendix A**
- 14 of 20 audits from the 2024/25 rolling Audit Plan are either in progress or completed with the remaining audits due to commence in quarter 4 of 23/24. **Appendix B**
- There has been one amendment to the 2024/25 Audit Plan. Due to the pause in the development of the Local Plan, the planned audit has been deferred. As a result of further delays to the full implementation of the Agile system, and as Agile remains on the Strategic Risk Register, an additional audit has been added. The audit will conduct an independent review of the Agile system. Appendix B
- Actions to ensure compliance with the Global Internal Audit Standards have been progressed and further changes are planned in relation to the release of the 'Global Internal Audit Standards in the UK Public Sector' application note. This is applicable from 1st April 2025
- The Internal Audit and Counter Fraud team were winners of the 'Excellence In Public Sector Audit' at the 2024 Public Finance Awards, with Judges saying: *"The team's operating model reflects improved outcomes, underscoring the success of these development efforts and their positive impact on overall performance. This forward-thinking approach not only fosters collaboration but also drives the organization toward continuous improvement and success."*

3. Resources

In accordance with the Public Sector Internal Audit Standards, Members need to be appraised of relevant matters relating to the resourcing of the Internal Audit function. There are currently no vacancies The key updates are as follows:

- Permanent recruitment for 2 Trainee IT Auditors has been completed, successfully. There are currently no vacancies and there is sufficient resources and expertise to deliver the Annual Rolling Internal Audit Plan.
- The function has now implemented the new K10 Vision Audit Management Software, with new functionality to aid in the delivery of the Internal Audit and Counter Fraud Plan

4. 2024-25 Internal Audit Plan

The audit summaries are provided at **Appendix A**. A summary is provided on current progress against the 2024-25 Audit Plan.

Table 1- Audit Plan Status

Status	Number of Audits	%
Not yet started	6	30%
Planning	2	10%
Fieldwork	1	5%
Ongoing	3	15%
Draft Report	2	10%
Final Report	5	25%
On Hold	0	0
Removed/ Deferred	1	5
Total	20	

Appendix B sets out progress against the Rolling 2024-25 Audit Plan.

Table 2 – Summary of Audits by Committee Meeting

With each Progress report, Internal Audit turns the spotlight on the audit reviews, providing the Audit Committee with a summary of the objectives of the review, the key findings, conclusions and recommendations; thereby giving the Committee the opportunity to explore the areas further, should it wish to do so.

In this period, the following report summaries are provided at **Appendix A** for the Committee's information and discussion.

Audit Definitions are provided at **Appendix C**

	Audit Committee – 15th January 2024		
No	**Audit**	**Opinion**	**Prospects for Improvement**
1	Agile Post Implementation (APAS)	N/A	N/A
2	Planning Enforcement	Substantial	Good
3	Volunteer Management - Health and Safety	Substantial	TBC
4	Housing Allocation Process, Assessment and Review	Substantial	TBC
5	Treasury Management	High	Very Good
6	Discretionary Housing Payments	Adequate	Good
7	Climate Change	Substantial	Good

5. Quality Assurance and Improvement Programme

As previously presented to the Audit Committee, a new set of Global Internal Audit Standards (the Standards) are due to come into effect from January 2025. The Standards are arranged into 5 Domains (with 53 individual standards):
I.   Purpose of Internal Auditing
II.   Ethics and Professionalism.
III. Governing the Internal Audit Function
IV.   Managing the Internal Audit Function
V.   Performing Internal Audit Services

An assessment has been undertaken to identify areas for improvement or enhancement to the practices of Internal Audit to ensure compliance with the Standards. Actions have been identified against each of the standards where either improvement or enhancement is required. These actions have been considered against the new CIPFA application note for the UK Public Sector that has just been released to aid application of the standards.

Full compliance against the Standards will be sought during the course of the 2024-25 Rolling Internal Plan and statement of compliance provided within the Annual Report.
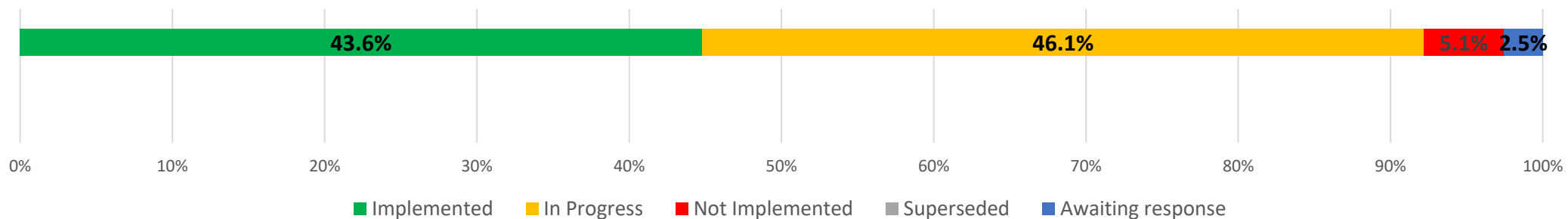
6. Issue Implementation

Management Actions identified to address audit findings are followed up to ensure implementation. There are 39 recommendations due for implementation, of which 17 recommendations have been implemented or superseded resulting in 22 being outstanding. The status of the outstanding 22 actions are categorised below by the risk priority assigned in the original report.

Of the 3 actions not implemented 1 is related to the implementation of agile, 1 is related to the completion of other projects and 1 is due to be audited this year as there are other mitigating controls now in place.

Summary of Issue Implementation

	Total Number due for Implementation		Implemented		In Progress		Not Implemented		Superseded		Awaiting a Response	
	High	**Medium**	**High**	**Medium**	**High**	**Medium**	**High**	**Medium**	**High**	**Medium**	**High**	**Medium**
Total	**5**	**34**	1	16	2	16	1	2	0	0	1	0
Total %			43.6%		46.1%		5.1%		0%		2.5%	

Overall Implementation of Agreed Management Actions

| 43.6% | 46.1% | 5.1% | 2.5% |

■ Implemented ■ In Progress ■ Not Implemented ■ Superseded ■ Awaiting response

Progress on longstanding issues.

22 issues remain in progress, not started or Awaiting Response for the period. 3 issues are longstanding issues which have remained open past their original implementation date for over 3 years. Updates and revised implementation dates are detailed below.

Issues in Progress by year raised
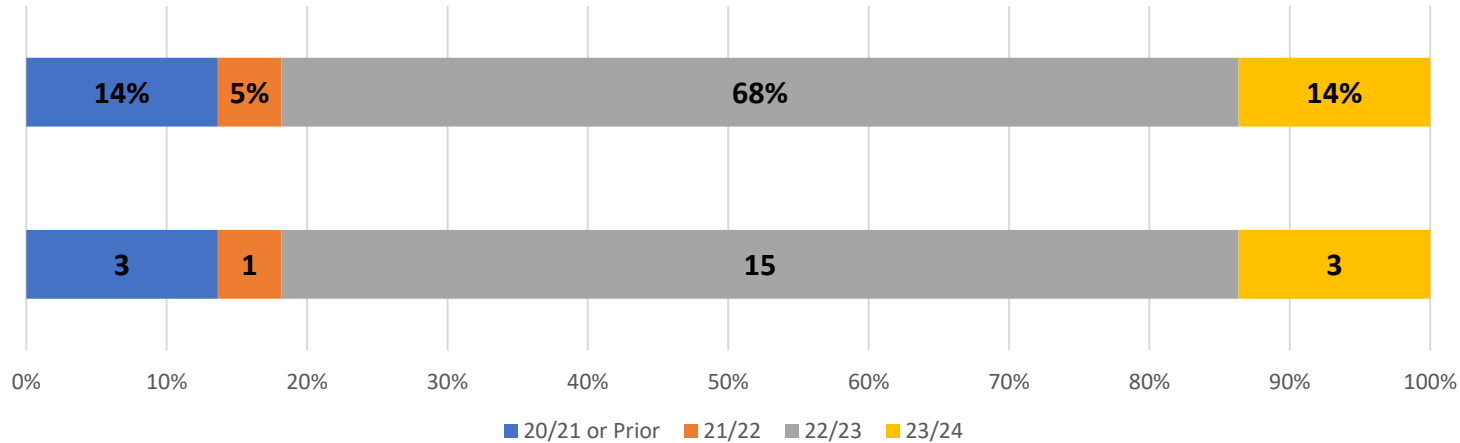
Legend: ■ 20/21 or Prior ■ 21/22 ■ 22/23 ■ 23/24

Audit	Priority	Original Date	Revised Date	Update
Facilities management - Database for reactive works	High		Re-Audit 2024-25	There is a lack resources to implement a records system, particularly due to the number of substantial projects being progressed by property. The service believe there are several processes in place now to mitigate this risk. A re –audit of facilities management is due during 2024/25
General Ledger - Feeder System Procedure Notes	Medium		March 2025	Delayed as awaiting implementation of new version of Integra. Now included in staff objectives for completion of all system procedure notes by end March 2025.
Recruitment and Selection Policy	Medium		August 2025	New Workforce Strategy is to be developed

7. Counter Fraud Update

Prevention and Detection of Fraud, Bribery and Corruption
This section of the report provides details of the Council's activity in preventing and detecting fraud and corruption during 2024/25.

National Fraud Initiative
The Counter Fraud Team has collated the data specified by the Cabinet Office for the 2022/23 exercise. This includes reviewing the data to ensure it complies with the formats required and uploading in the required timescale.

The NFI biennial and flexible data matching service is progressing with matches being reviewed by relevant teams. To date this has identified £28,774 in benefit overpayments in addition to estimated savings going forward of £41,509.

Kent Intelligence Network
The Kent Intelligence Network continues to support Local Authorities in Kent in preventing and detecting fraud. The key focus area for 2024/25 continues to look at fraud and error within Single Person Discounts, Small Business Rate Relief and unrated business and residential premises.

During the first half of this year the following results have been achieved:
- Single person discount to NFI matches £72,850 increased council tax liability
- Single person discount reviews from fraud referrals £1,079 increased council tax liability
- Unrated businesses £34,947 increased liability
- Retriever debtor tracing £163,023 for recovery action

7. Counter Fraud Update

Investigating Fraud, Bribery and Corruption

A summary of cases referred or carried into the current fiscal year can be found in **Appendix D.**

A total of 93 referrals have been received by the Counter Fraud Team in the first half of 2024/25. The most reported fraud type is council tax reduction with housing benefit or universal credit attached, where 47 referrals have been received. The second most reported fraud type is single person discount where a total of 15 referrals have been reported. Further detail is available in **Appendix E**.

There are currently 7 referrals which have been added to the system, 4 of which were referred in August, which are yet to be prepared for sifting.

A total of 14 cases were carried forward from earlier years, which are at the following status':
- 4 cases have been closed.
- 10 cases remain open, five have been opened for investigation and five have open requests for joint work with DWP

Of the 93 cases referred this year, 59 have been closed
- 2 closed - error identified and corrected with a recoverable value of £316 (as reported in the first quarter)
- 33 referrals sent to DWP
- 5 referrals shared internally
- 19 referrals closed no further action

Appendix A - Summaries

TM07-2024 Treasury Management

Audit Opinion	**High**
Prospects for Improvement	**Very Good**

Internal Audit's overall Audit Opinion of High is based on the following Key Strengths and Areas for Development:

Key Strengths
- ✓ There are appropriate governance and reporting arrangements in place to enable oversight and scrutiny of treasury management activities and performance.
- ✓ There is a comprehensive Treasury Management Strategy with sufficient detail to provide a structure for investment activity. It conforms to CIPFA guidance. Objectives are clearly set out and the strategy had been appropriately approved.
- ✓ Policies and procedures are compliant with the CIPFA Code.
- ✓ Staff are qualified for the roles that they undertake and there are suitable arrangements in place to maintain and update skills, with suitable training being provided to new starters.
- ✓ Information presented in committee reports is accurate and aligned to the source data.
- ✓ Key risks have been identified and are understood, with appropriate responses in place.
- ✓ There is segregation of duties within the Treasury Management team in relation to recording and authorising transactions as well as requesting access for new users.
- ✓ System access is appropriately restricted and controlled, there is a dual authentication process when requesting access for new users.
- ✓ All leavers have been successfully removed from the system along with their access.

- ✓ All investment decisions have been documented and approved in accordance with the Treasury Strategy
- ✓ All investments reviewed had been appropriately approved and were in line with the Council's Treasury Management Strategy. CHAPs payments had also been appropriately authorised.
- ✓ All investments tested were within the approved Counter Party limits.
- ✓ Investment returns are monitored and reported, they were accurate and complete. Treasury Management function is accurately reporting their position and consistently providing updates in accordance with regulatory requirements.
- ✓ Reconciliations are prompt and thorough.
- ✓ Cash flow forecasts are maintained and regularly reviewed; cash balances and corresponding transaction reports are also downloaded and updated daily.
- ✓ The annual cash flow statement has been accurately documented and reported in accordance to the Treasury Strategy.

Areas for Development
- • There are no formalised ESG considerations in the 2024/25 TMBC Treasury Management and Annual Investment Strategy. **(Low)**

Summary of Management Responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	0
Medium Risk	0	0	0
Low Risk	1	1	0

TM15-2024 Planning Enforcement

Audit Opinion	Substantial
Prospects for Improvement	Good

The TMBC Planning Enforcement Plan is a detailed document in line with the National Planning Policy Framework. It highlights that there is proactive management of potential breaches highlighted to the Council and sets out the target timeframes, priorities and proportionate actions that will be taken relevant to the impact of a potential breach. The Planning Enforcement Plan provides transparency and focuses on public confidence, although this is in line with guidance it has not been reviewed since January 2022 by the Overview and Scrutiny Committee and may not be reflective of practices or provide achievable targets.

Most breaches are highlighted to the Planning Enforcement team by the public through email, phone or online form as enforcement have limited resources in a small team. The cases are held securely in a central record that details all required information with appropriate oversight and monitoring.

The enforcement team utilise data analytics and reports to monitor and report on the caseload and progress, this is beneficial not only to the team but the Council to communicate trends and performance of Planning Enforcement. Further to this there is dedicated work underway to implement workflows and a traffic light system for targets which will strengthen the teams tracking and documenting.

Internal Audit's overall Audit Opinion of **Substantial** is based on the following Key Strengths and Areas for Development:

Key Strengths
- The Tonbridge and Malling Borough Council Planning Enforcement Plan is a detailed document setting out the organisation's goals and objectives.

- The Planning Enforcement Plan is in line with the guidance set out in the National Planning Policy Framework (December 2023).
- Planning Enforcement have aligned key performance indicators that are monitored and reported to the Overview and Scrutiny Committee as well as Cabinet.
- Planning enforcement hold a central record of enforcement cases that allows monitoring of all the cases raised.
- A dedicated officer is in place completing workflows and implement a traffic light system to monitor and track targets of cases.
- PowerBi and data analytics are utilised by the team to report progress and trends of investigations and cases.

Areas for Development
- Sample testing identified that enforcement targets set out in the Planning Enforcement Plan are not frequently met, only 31% of cases from the sample met the acknowledgment and site visit target dates. **(Medium)**
- Further to this 15% of the sample were unable to have their target deadlines assessed due to incorrect data recording within the system, showing either no case opened dates or letters and visits that were completed prior to the case being opened. **(Low)**
- The Planning Enforcement plan although in line with the National Planning Policy Framework (NPPF) has not been reviewed since January 2022. **(Low)**

Summary of Management Responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	0
Medium Risk	1	1	0
Low Risk	2	2	0

TM11-2025 Climate Change

Audit Opinion	Substantial
Prospects for Improvement	Good

As part of the 2024/25 Internal Audit Plan, it was agreed that Internal Audit would review the effectiveness of TMBC's implementation of its climate change strategy. This includes assessing progress towards carbon neutrality by 2030, the accuracy of CO2e emissions measurement and reporting, and the level of community and stakeholder engagement.

Internal Audit's overall Audit Opinion of Substantial is based on the following Key Strengths and Areas for Development:

Key Strengths
➢ TMBC's initiatives include well-defined steps and deadlines, such as the installation of solar panels and LED lighting at Larkfield Leisure Centre and Tonbridge Swimming Pool, completed by March 2024.
➢ TMBC's efforts to reduce emissions are aligned with the 2030 carbon neutrality target, including decarbonisation plans for high-emission areas like leisure centres and refuse collection vehicles.
➢ There has been successful implementation of UK Government Funding, such as the Green Business Grant through the UK Shared Prosperity Fund, and the social Housing Decarbonisation Fund. These initiatives include detailed timelines, responsible parties, and completion statuses.
➢ The Climate Change Officer Study Group provides effective oversight of the Climate Change Strategy, meeting quarterly to review progress and address any issues.
➢ TMBC has allocated detailed budgets for specific projects, ensuring that funds are directed towards impactful initiatives such as the Green Business Grants Scheme and the Shopfront Grant Scheme.
➢ TMBC has successfully applied to the Public Sector Decarbonisation Scheme and Sport England to secure grants to support its climate initiatives.
➢ The Climate Change Forum and e-bulletins demonstrate active engagement with partners and stakeholders, ensuring community feedback is continuously addressed.

➢ The Climate Change Action Plan 2024/25 outlines specific actions, timelines, and key milestones.
➢ There are detailed progress reports and robust feedback mechanisms, as shown in the Annual Carbon Audit Reports. These reports provide emissions data, highlight areas for improvement, and incorporate community feedback. CO2e data is collected and reported regularly, ensuring accurate and timely tracking to support the goal of carbon neutrality by 2030.
➢ The Climate Change Action Plan 2024/25 links CO2e data to specific actions like the installation of solar PV and energy efficiency measures, ensuring that the impact of each action is accurately measured and reported.
➢ The Climate Change Action Plan 2024/25 references past successes in managing risks
➢ Regular updates and reviews are documented in the minutes from Climate Change Forum meetings and council meeting minutes, providing evidence of continuous oversight and accountability.

Areas for Development
➢ Despite the structured plans, there are challenges in implementation that could impact the achievement of the 2030 target**. (Medium)**
➢ Emissions from Scope 3 remain high, with little change from the baseline, underscoring the need for targeted interventions in these areas. **(Medium)**
➢ The Climate Change Forum Survey Results indicate a gap in public awareness about the Council's climate actions. **(Low)**

Summary of Management Responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	0
Medium Risk	2	2	0
Low Risk	1	1	0

TM08-2025 Discretionary Housing Payments

Audit Opinion	Adequate
Prospects for Improvement	Good

Internal Audit's overall Audit Opinion of Adequate is based on the following Key Strengths and Areas for Development:

Key Strengths

- The DHP policy is available to applicants on the council's website.
- The DHP procedure document for staff provides a guide on how to work through, assess and process DHP claims and provides clear and practical information for staff.
- From sample testing of applications (a random sample of 10 applications from the 2023/24 financial year) Internal Audit established that 100% of applications were completed in full and on the relevant application form, applicants provided supporting evidence, applications had a completed Determination form that was checked and ratified by another Officer, awards were calculated correctly and paid only to eligible applicants, and no duplicate payments had been made.
- Where appropriate, claimants are signposted to other agencies that can support with budget management.
- There is appropriate segregation of duties between reviewing and approving applications and making payments.
- The Business Continuity Plan considers staff resilience and plans to support with minimising any potential disruptions to the service.
- The Benefits and Welfare Manager carries out routine reviews of the budget spend as part of his day-to-day management responsibility and any issues/concerns regarding DHP are raised at Financial Services Management Team meeting when necessary.
- The Benefits and Welfare Manager carries out reconciliations of the budget a minimum of twice a year and reports this to the Department for Work and Pensions (DWP) as required.

Areas for Development

- The DHP Policy is not version controlled and does not appear to have been reviewed or amended since Its inception in 2013. The DHP Policy also does not account for or align with all elements of the Department for Work and Pensions (DWP) guidance document. **(Low)**
- The DHP guidance document for staff has no version control or apparent schedule for reviewing it, it also does not include the timescales for processing applications and contains some conflicting information. **(Low)**
- There is no specific guidance document or note to support applicants when completing the DHP application form. **(Low)**
- It is not explicitly evident within the Determination form that robust scrutiny and reconciliations of an applicant's capital and spending are routinely carried out. **(Medium)**
- Applications and requests for reviews of decisions are not consistently being processed in line with the timescales set in the Discretionary Housing Payments Policy. **(Low)**
- In one case sampled, despite an 'end date' for an ongoing payment being entered into the system the payment continued for a further 5 weeks. **(Low)**
- The proposed Transfer Incentive Scheme will place additional demand on the DHP team and pressure on the budget. **(Medium)**
- Other than the initial checks carried out by the teams processing Universal Credit or Housing Benefit, there are no additional checks or processes in place to support with the detection and prevention of fraud. **(Medium)**

Summary of Management Responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	0	0
Medium Risk	3	3	0
Low Risk	5	4	1

TM03-2025 Volunteer Management – Health and Safety

Audit Opinion	Substantial
Prospects for Improvement	TBC

Internal Audit's overall Audit Opinion of Substantial is based on the following Key Strengths and Areas for Development:

Key Strengths

- ✓ For the volunteer groups reviewed, Internal Audit understand that there is no legal requirement for volunteers to provide references or undergo background or DBS checks, so the Council's approach is in line with this.
- ✓ Volunteers at both Haysden and Healthy Walks are provided with an informal induction programme to familiarise them with their roles and responsibilities. At Haysden, there is induction around the Corporate Health and Safety Policy, risk assessments, equipment, and any specific training for the role. For Healthy Walks Leaders, there is induction around risk assessments, recording and reporting walks, and how to report accidents. Note -these informal induction/training sessions are not documented and Internal Audit cannot give assurance on whether they are consistently completed.
- ✓ Where risk assessments are required they are up to date, version controlled and sufficiently detailed.
- ✓ Through a site visit, interviews with both volunteers and TMBC Officers, and review of documents, Internal Audit established that there are processes in place for the Haysden Country Park volunteers to report any hazards and incidents, and interviews with volunteers demonstrated that they were aware of these processes. Internal Audit also found that there is appropriate and proportionate supervision, monitoring and oversight of the volunteer staff, with good lines of communication between the volunteers and Council Staff.

- ✓ Through a review of documentation and interview with TMBC officers, Internal Audit established that the Healthy Walks Leaders are provided with details of health and safety procedures, and there is oversight and good lines of communication with the Housing and Health department.
- ✓ Haysden Country Park is subjected to a regular schedule of internal Health and Safety Inspections by the Corporate Health and Safety Officer, the last one carried out in September 2023, providing an additional layer of governance and monitoring of the site.
- ✓ Haysden Country Park has been awarded a Green Flag Award for many consecutive years. This demonstrates a level of good external governance and recognises and rewards the hard work of staff and volunteers.

Areas for Development

- ✓ Volunteer workers are considered in the Corporate Health and Safety Policy but the Council does not have an overarching Corporate Volunteer Policy. **(Low)**
- ✓ Information and guidance provided for the volunteer roles was reviewed, however the information available is not subject to a regular schedule of review and as such, particularly the information provided for litter pickers, is outdated. **(Low)**

Summary of Management Responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	0	TBC	0
Medium Risk	0	TBC	0
Low Risk	2	TBC	1

TM12-2024 TMBC Agile (APAS) Post Implementation Lessons Learnt Review

Introduction

TMBC adopted a digital transformation strategy for year 2019 - 2024. TMBC embraced a "Digital by Default" approach with the aim to improve the organisational agility and become early adopters of progressive legislations driven by technological advancements.

Agile software solutions were designed to address the aim above, with an expected rollout of Agile software to take place from January 2021 to May 2023, for Phase 1 of the project.

In October 2023, Agile (Phase 1) went live, having been delayed from original 'go live' target date of March 2023. Concerns were raised on the delays and implementation by Council Members. Phase 2 of the Agile system implementation is underway, with delivery in 2024. Internal Audit conducted a lessons learnt review as part of the 2024/25 Internal Audit plan.

Conclusion of work

In conclusion, the successful delivery the Agile project was hindered due to staff unappreciation of the complexity and scale of work that the implementation of the Agile system would entail.

There was a lack of resources, and a lack of skills & knowledge required for the implementation of Agile. This hindered the pace of the project and, quality of the resultant product

A lack of testing and UAT affected the implementation and resulted in bugs, performance, and configuration issues in the delivered Agile system. This meant a lack of buy in by staff and resulting in lack of confidence and inability to perform their jobs effectively.

Longer term strategies and plans are being developed to foster the continuous improvement for the system so it can be tailored to the Councils' needs. Currently there is a business change manager in place and processes set up to resolve outstanding issues. This is time limited, and future development needs to be led by the service.

TM12-2024 TMBC Agile (APAS) Post Implementation Lessons Learnt Review

Key Observations

Issue no.	Current Issue	Proposed Lessons Learnt	Management Response
1	No clear milestones in initial project plan provided at initiation.	Clear milestones should have been set on initiation. This was set at later stage of the project and caused delays.	Sub-project plans now in place for different module delivery. Additional sub-projects have milestones built into contract. Milestone/project plan needs to be a fundamental requirement of all inception meetings for project delivery. To be fed back to the Procurement OSG.
2	No user Acceptance Testing (UAT's) defined upon initiation	Defining the UATs is essential to validate requirements, identify defects, enhance user experience, mitigate risks, build confidence, ensure compliance, and align with the Council's objectives.	Agile shared UAT Plan for Planning and Building Control with TMBC on 25 July 23 but there was no support or resource in place to assist with delivering this.
3	Vendor Selection Process not transparent.	Although Agile won the bid, staff did not understand the reasons why the other bidders did not meet the requirements.	Staff FAQs document has subsequently been produced and senior service officers have attended team meetings to discuss. Consideration of how to best direct staff to reports to Members and how to manage this where they are confidential/commercially sensitive needs to be given to all major project documentation/decisions.
4	Project manager role procured with Agile was not understood.	There was a lack of clarity of responsibilities of the procured project manager. This should have been developed jointly between Agile and TMBC.	Agreed. Roles needed to have clear responsibilities laid out and agreed. Mitigated by the direct employment by TMBC of a Business Change PM to liaise with Agile and TMBC staff
5	Weaknesses in internal controls included lack of segregations of duties & resource utilisation.	The resources were underestimated during the procurement as it was felt by senior management that staff didn't appreciate the size of the Agile implementation.	Underestimation when project was procured of the level of change management required and the lack of the necessary digital skills and confidence in services to deliver this alongside BAU. Resource constraints are logged on the risk log.
6	Timescales set for the work involved were too ambitious, and the project was not split with a contingency gap.	An assessment for scope and complexity of the delivery of the Agile project was needed.	Linked to point 5 above – tasks were more time consuming and complex than anticipated by service management, who had not experienced a digital change project of this scope due to the existing system having been in place for c.30 years. Milestone programme needed more regular and realistic review from outset. Agreement between BCPM and Agile PM to move to use of Teams for programming has meant dates can be more easily amended and the implications reviewed on a more flexible basis. MS Teams Planner function now in use to manage all tasks.
7	Ineffective resource allocation in place.	Staff did not possess the appropriate skillsets that was needed for implementation.	As with point 5 above. Level of digital skill not assessed by IT before procuring project management/allocating IT time to the project. Bespoke training and support has now been put in place.
8	Data cleansing was a missed opportunity	Such missed opportunity is essential for maximising the value, reliability, and usability of Agile software.	Better communication of requirements on services and the opportunity to manage data quality prior to transfer was required.

TM12-2024 TMBC Agile (APAS) Post Implementation Lessons Learnt Review

Issue no.	Current Issue	Proposed Lessons Learnt	Management Response
8	Data cleansing was a missed opportunity	Such missed opportunity is essential for maximising the value, reliability, and usability of Agile software.	Better communication of requirements on services and the opportunity to manage data quality prior to transfer was required.
9	Testing was not carried out prior the 'go live' date.	Testing is essential for ensuring the success of the implementation.	Some testing was undertaken but there was not sufficient time for a full testing programme. Despite assurances from Agile regarding 'post go live' resource to resolve issues, this was difficult to secure in reality.
10	System is designed to be scalable and flexible, but this is an inherent learning curve.	Such benefits have not been seen yet due to implementation challenges.	
11	Resistance to change	Communication of benefits took a while, and delayed the contribution to Agile development.	Ongoing activity includes senior managers attending team meetings and providing email updates on ongoing post implementation issues.
12	Risks to be continuously assessed.	To provide a detailed risk register for Agile.	Risk and issue logs now in place for various sub-projects.
13	DPIA needed to be undertaken	Data protection officer must be aware of DPIA.	DP requirements were part of G-Cloud procurement requirements.
14	Power BI reports were built at a later date to analyse accuracy of data.	This should be done in the 'testing' phase of the project.	Agreed. Power BI is now main reporting tool and has issues. This is being built into testing phase of later implementations with Agile.
15	No UAT testing done	This should be built in the project plan.	As above at point 9. This is now built into programmes for later implementation phases.
16	Development costs increased as more testing needed t be carried out post implementation.	To spend more time on testing.	Tried employing some additional agency resource to run testing – however, the candidate didn't work out and a lot of management time was spent on trying to manage this rather than working with staff.
17	Formal analysis of workflows.	Analysis of workflows were delayed.	
18	Staff turnover in planning was high.	Communication and people management is essential to complete task.	Agreed. Cascade of information wasn't successful due to the high workload of Planning managers. Needed regular forum for a wider group of Planning staff to be engaged. Teams in other implementation areas are smaller and so managing messages back from 'Super Users' to colleagues is now easier.

TM12-2024 TMBC Agile (APAS) Post Implementation Lessons Learnt Review

Issue no.	Current Issue	Proposed Lessons Learnt	Management Response
19	Additional resources should be accounted for the overall cost of the project.	The Council to communicate the total cost of the project.	Agreed – the overall costs including resources have been formally reported to Members.
20	Miscommunication between Agile & TMBC project manager.	Agree communication strategy at project board.	Agreed.
21	No communication strategy developed.	Agree communication strategy at project board.	Communication plan in use for PLACIS delivery and ongoing engagement with APAS teams through team meetings and Super User sessions in place.
22	Timescales not aligned with the project plan	To work a flexible approach and provide room for flexibility	This did not happen at the outset and there were very mixed expectations. Overall and task specific timescales are now communicated to 'Super Users' via BCPM.
23	Lack of skills and experience	To provide context surrounding the skills and experience gap, and an action plan to address issues.	As above. Upskilling of staff in services and ensuring user guides are developed to support continuity is a key ongoing action.

Appendix B - 2024/25 Internal Audit Plan Status

Ref	Audit	Status	Assurance	Prospects for Improvement
TM12-2024	Agile Post Implementation (APAS)	Complete	Advisory	N/A
TM15-2024	Planning Enforcement	Complete	Substantial	Good
TM01-2025	Tonbridge Town Centre Review	Ongoing		
TM02-2025	Gibson Building Project	Ongoing		
TM03-2025	Volunteer Management - Health and Safety	Draft Report	Substantial	TBC
TM04-2025	Planning applications and fees (Fee payback)	Planning		
TM06-2025	Housing Allocation Process, Assessment and Review	Draft Report	Substantial	TBC
TM07-2025	Treasury Management	Complete	High	Very Good
TM08-2025	Discretionary Housing Payments	Complete	Adequate	Good
TM09-2025	Digital Strategies and Automation	Planning		
TM10-2025	Castle Project	Ongoing		
TM11-2025	Climate Change	Complete	Substantial	Good
TM12-2025	Local Plan	Deferred		
TM13-2025	Facilities Management / Building Maintenance			
TM14-2025	Corporate Governance (SOLACE)			
TM15-2025	Annual Governance Statement			
TM16-2025	Procurement			
TM17-2025	Temporary Accommodation	Planning		
TM18-2025	Complaints			
TM19-2025	Independent Planning Reviewer	Fieldwork		
TM20-2025	Agile Programme Review			

Appendix C - Definitions

Audit Opinion

High

Internal control, Governance and the management of risk are at a high standard. The arrangements to secure governance, risk management and internal controls are extremely well designed and applied effectively.

Processes are robust and well-established. There is a sound system of control operating effectively and consistently applied to achieve service/system objectives.

There are examples of best practice. No significant weaknesses have been identified.

Limited

Internal Control, Governance and the management of risk are inadequate and result in an unacceptable level of residual risk. Effective controls are not in place to meet all the system/service objectives and/or controls are not being consistently applied.

Certain weaknesses require immediate management attention as there is a high risk that objectives are not achieved.

Substantial

Internal Control, Governance and management of risk are sound overall. The arrangements to secure governance, risk management and internal controls are largely suitably designed and applied effectively.

Whilst there is a largely sound system of controls there are few matters requiring attention. These do not have a significant impact on residual risk exposure but need to be addressed within a reasonable timescale.

No Assurance

Internal Control, Governance and management of risk is poor. For many risk areas there are significant gaps in the procedures and controls. Due to the absence of effective controls and procedures no reliance can be placed on their operation.

Immediate action is required to address the whole control framework before serious issues are realised in this area with high impact on residual risk exposure until resolved

Adequate

Internal control, Governance and management of risk is adequate overall however, there were areas of concern identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk.

There are some significant matters that require management attention with moderate impact on residual risk exposure until resolved.
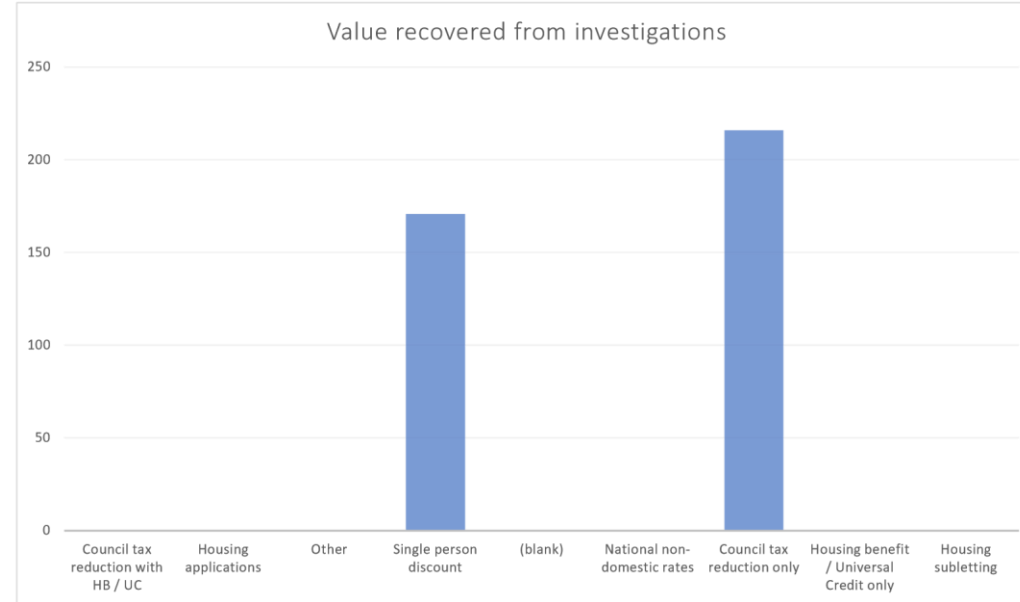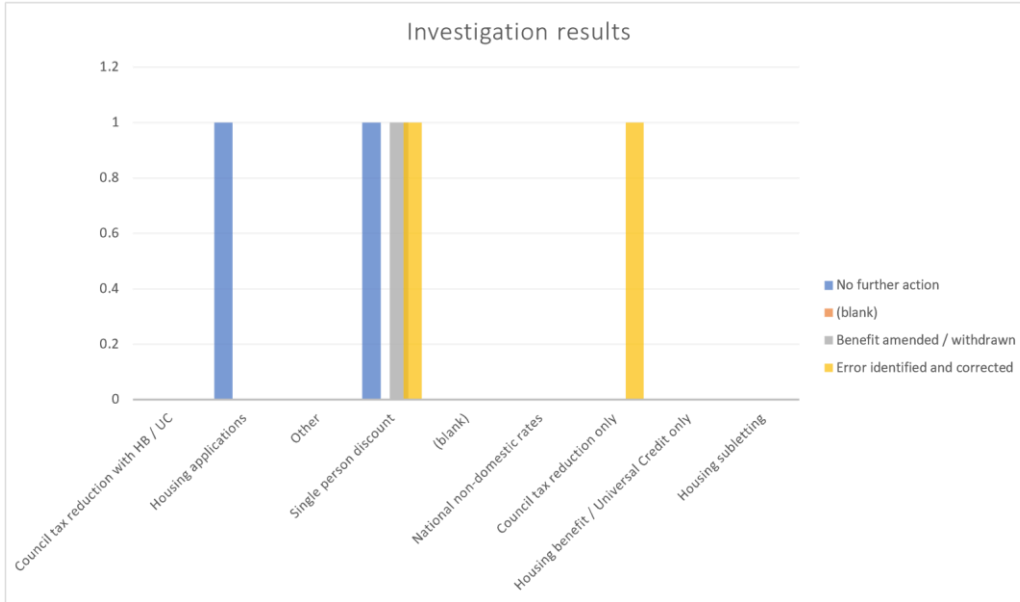
Prospects for Improvement

Very Good	There are strong building blocks in place for future improvement with clear leadership, direction of travel and capacity. External factors, where relevant, support achievement of objectives.
Good	There are satisfactory building blocks in place for future improvement with reasonable leadership, direction of travel and capacity in place. External factors, where relevant, do not impede achievement of objectives.
Adequate	Building blocks for future improvement could be enhanced, with areas for improvement identified in leadership, direction of travel and/or capacity. External factors, where relevant, may not support achievement of objectives
Uncertain	Building blocks for future improvement are unclear, with concerns identified during the audit around leadership, direction of travel and/or capacity. External factors, where relevant, impede achievement of objectives.

Issue Risk Ratings

High	There is a gap in the control framework or a failure of existing internal controls that results in a significant risk that service or system objectives will not be achieved.
Medium	There are weaknesses in internal control arrangements which lead to a moderate risk of non-achievement of service or system objectives.
Low	There is scope to improve the quality and/or efficiency of the control framework, although the risk to overall service or system objectives is low.

Appendix D – National Fraud Initiative

Total number of referrals	Open referrals	Closed referrals	Referrals under investigation	Referrals awaiting sifting	% referrals closed
107	44	63	12	21	59%

Investigation results

Legend:
- No further action
- (blank)
- Benefit amended / withdrawn
- Error identified and corrected

Value recovered from investigations

Investigations completed within 3 months	4
Investigations completed within 3 to 6 months	1
Investigations completed over 6 months	0
All cases closed within 6 months	63
Percentage cases closed within 6 months	100%
All cases closed over 6 months	0
Percentage of referrals prepared for sifting within 10 working days	57%
Percentage of reviewed cases sifted within 10 working days	66%

Appendix E – Fraud Referrals

REFERRALS BY FRAUD TYPE

REFERRALS BY MONTH

REFERRALS BY SOURCE