

## **APPENDIX A**

### **RISK SERVICES - INTERNAL AUDIT**

#### **PROGRESS WITH IMPLEMENTING INTERNAL AUDIT RECOMMENDATIONS**

At the conclusion of each audit, recommendations are made where necessary to improve the control environment and /or manage the level of risk involved to an acceptable level. Recommendations are classified threefold as follows:

##### **Fundamental –**

A recommendation, often requiring immediate action that is key to maintaining an appropriate control environment and thereby avoiding exposure to a significant risk to the achievement of the objectives of the system, process or location under review. Any single fundamental recommendation leads to a Limited Assurance opinion.

##### **Significant –**

A recommendation requiring action that is necessary to improve the control environment and thereby avoid exposure to a risk to the achievement of the objectives of the system, process or location under review. More than 4 significant recommendation leads to a Limited Assurance opinion.

##### **Merits Attention –**

A recommendation where action is advised to enhance control or improve operational efficiency.

Service Directors / Heads of Service are asked to agree recommendations contained within an Action Plan and identify an owner to oversee implementation by a specific date.

To date, assurance that this has happened has been obtained from follow up audits arising from any audit resulting in a Limited Assurance opinion; updates on recommendations made in other audits typically have had to wait for the next cyclical audit. A greater focus on the overall position has been driven more recently by the requirements of the revised internal audit professional standards that applied from April 2025 and further development of the corporate risk management process, whereby implementation of agreed audit recommendations, especially key ones, is a very important part of managing down the residual degree of risk in a system, process or activity.

**Status of planned 2024/25 & 2025/26 audits with agreed Key Recommendations due for implementation originally by 30 June 2025**

	Fundamental				Significant			
<u>Directorate</u>	Completion Due	Complete	Partially Complete	No action	Completion Due	Complete	Partially Complete	No action
<b>Adults &amp; Health</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>14</b>	<b>4</b>	<b>2</b>	<b>8</b>
Carephones	1	0	0	1	8	0	0	8
Domiciliary Care Payments	0	0	0	0	1	0	1	0
Gateway to Care	1	0	1	0	5	4	1	0
	Fundamental				Significant			
<u>Directorate</u>	Completion Due	Complete	Partially Complete	No action /reply	Completion Due	Complete	Partially Complete	No action
<b>Children &amp; Families</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>28</b>	<b>16</b>	<b>12</b>	<b>0</b>
Regional Adoption Agency	0	0	0	0	1	0	1	0
Leaving Care	0	0	0	0	2	2	0	0
Direct Payments	0	0	0	0	12	8	4	0

School Exclusions	0	0	0	0	3	0	3	0
SENDACT - Education, Healthcare and Care Plan Team	1	1	0	0	4	0	4	0
Youth Justice Financial Administration	2	1	1	0	6	6	0	0
	<b>Fundamental</b>				<b>Significant</b>			
<b><u>Directorate</u></b>	<b>Completion Due</b>	<b>Complete</b>	<b>Partially Complete</b>	<b>No action</b>	<b>Completion Due</b>	<b>Complete</b>	<b>Partially Complete</b>	<b>No action</b>
<b>Public Health &amp; Corporate Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
BACS Bureau Accreditation	0	0	0	0	2	0	2	0
	<b>Fundamental</b>				<b>Significant</b>			
<b><u>Directorate</u></b>	<b>Completion Due</b>	<b>Complete</b>	<b>Partially Complete</b>	<b>No action</b>	<b>Completion Due</b>	<b>Complete</b>	<b>Partially Complete</b>	<b>No action</b>
<b>Place</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total – all Directorates</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>44</b>	<b>20</b>	<b>16</b>	<b>8</b>
<b>% Total</b>		<b>40</b>	<b>40</b>	<b>20</b>		<b>46</b>	<b>36</b>	<b>18</b>

Only five **Fundamental** recommendations made previously were due to have been implemented by 30 June. Management have confirmed two of them has been actioned, two remain incomplete and no action has yet been taken relating to the fifth. Management have also confirmed that 46% of **Significant** recommendations have been actioned, compared to 66% in the previous quarter and all but 18% of the remainder have been progressed in some way.

## **Incomplete Recommendations Detail**

### **Adults & Health**

**Carephones-** The recommendations are now being included in a project management approach to service improvement, [linked to the need to replace the care phone platform to a cloud based digital system as a part of national phone infrastructure upgrade] following an external review of the carephones service. This 12-month project incorporates improved service delivery and is being supported by the Transformation Team. As a part of this, not all the original recommendations remain appropriate. A revised Action Plan including completion dates is being prepared that will include items that remain relevant to the improvement process.

**Domiciliary Care Payments-** The outstanding significant recommendation is due to the resource capacity required to complete it. An audit has been scheduled to look at brokerage which will encompass some of this situation. The partially completed recommendation has been Incorporated into the transformational savings project which is due for completion during the final quarter of 2025.

**Gateway to Care-** There has been a restructuring of overall management, by incorporation into Kirklees Direct. Several recommendations have been implemented. Increased volumes related to clarification emails and callbacks are no longer relevant as online forms asking for all relevant details are in place. Performance is not yet on track, as there were vacancies in the team which were filled September 2025 so the impact of this additional resource should be realised once induction training is complete (4-6 weeks).

### **Children & Families**

**Regional Adoption Agency –** One significant recommendation remains outstanding but has been partially completed. This relates to contract management.

**Direct Payments** – Four of the original nineteen recommendations remain to be completed, which it is proposed will be achieved by the end of the calendar year.

**School Exclusions** – There are three significant recommendations that are partially completed, relating to improvements in contract management and data collection, dissemination and analysis as well as a need for a review of the Fair Access Panel which is currently underway.

**SENDACT - Education, Health & Care Plan Team** – of the five original recommendations that were incomplete, the fundamental one has now been actioned. Work remains ongoing concerning the four significant ones, including improvements to financial planning and forecasting.

**Youth Justice Financial Administration** - One fundamental recommendation concerning improvement to various aspects of Service data protection practice remains ongoing.

#### **Public Health & Corporate Resources**

**BACS Bureau Accreditation** – regarding the two significant recommendations in progress,

- Approval has been given by Technology Board to appoint a secondary Bacs supplier for contingency purposes and officers are developing the specification with a view to going out to market.

- Discussions are ongoing with Welfare & Exchequer Services to implement a standardised approach (to matters such as authorisation, signatories).

#### **Place**

There are no outstanding recommendations for this quarter.