

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.

Previously, 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 Global 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. Consequently, recommendation action owners are now asked for positive assurance of implementation on a quarterly basis once agreed timescales have elapsed.

Status of planned 2024/25 & 2025/26 audits with agreed Key Recommendations due for implementation, originally by 30 June 2025 and new ones that became due by 30 September 2025 (Reports where all agreed recommendations to 30.9.25 are completed not reported)

Recommendation Classification	Fundamental				Significant			
	Completion Due	Complete	Partially Complete	No action	Completion Due	Complete	Partially Complete	No action
<u>Directorate</u>								
Adults & Health	1	0	1	0	9	6	3	0
Carephones	1	0	1	0	8	6	2	0
Domiciliary Care Payments	0	0	0	0	1	0	1	0
Children & Families	1	0	1	0	12	0	12	0
Regional Adoption Agency	0	0	0	0	1	0	1	0
Direct Payments	0	0	0	0	4	0	4	0
School Exclusions	0	0	0	0	3	0	3	0
SENDACT - Education, Healthcare and Care Plan Team	0	0	0	0	4	0	4	0

Recommendation Classification	Fundamental				Significant			
	Completion Due	Complete	Partially Complete	No action	Completion Due	Complete	Partially Complete	No action
Directorate								
Public Health & Corporate Resources	0	0	0	0	5	1	2	2
BACS Bureau Accreditation	0	0	0	0	2	0	2	0
External Grant Income	0	0	0	0	3	1	0	2
Place	0	0	0	0	4	3	1	0
Waste Management Contract	0	0	0	0	4	3	1	0
Total – all Directorates	2	0	2	0	30	10	18	2
% Total		0%	100%	0%		33%	60%	7%

In addition to those areas where all fundamental and significant recommendations are now reported as achieved, only two *Fundamental* recommendations made previously were outstanding from their originally agreed completion date. Progress has been made on all of these, although they have not been completed. Management have also confirmed that 33% of *Significant* recommendations have been actioned, and all but 7% of the remainder have been progressed in some way.

Management update on progress with Incomplete Recommendations

Adults & Health

Carephones- The new head of service who is project leader has developed a new action plan and reviewed progress on the previous one. This involves replacing the existing Carephone system using digital equipment (needed to meet national telecom requirements) by April 2026. Suggested changes to social work practice are being implemented at the same time, with integration between the Mosaic (general social care it system) and new Carephone systems.

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.

Children & Families

Regional Adoption Agency – One significant recommendation remains partially outstanding which the service believes can only be completed at contract end (2027).

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

School Exclusions – Three significant recommendations remain only partially completed

SENDACT - Education, Health & Care Plan Team – four significant recommendations are not yet completed.

Public Health & Corporate Resources

BACS Bureau Accreditation – regarding the two significant recommendations in progress,
- due diligence re award of a new back up contract has been protracted, award will take place shortly, with implementation early in 2026.
- Welfare & Exchequer Services management have agreed new processes and identified officers to approve transactions, although full operation has not yet been implemented.

External Grants Income- Full progress made on recording and reconciling.

Place

Waste Management Contract – post to achieve new arrangements being recruited November 2025.