

APPENDIX A

RISK SERVICES - INTERNAL AUDIT

PROGRESS WITH IMPLEMENTING INTERNAL AUDIT RECOMMENDATIONS (re Q4 2526)

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 outstanding Key Recommendations due for implementation by 31 March 2026.

Key	Overdue	Due this Quarter
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Recommendation Classification	Fundamental				Significant			
	Completion Due	Complete	Partially Complete	No action	Completion Due	Complete	Partially Complete	No action
Directorate								
Children & Families	0	0	0	0	12	2	10	0
Direct Payments	0	0	0	0	4	0	4	0
SENDACT - Education, Healthcare and Care Plan Team	0	0	0	0	4	0	4	0
Special Guardianship Orders	0	0	0	0	4	2	2	0
Public Health & Corporate Resources	2	0	2	0	15	4	11	0
BACS Bureau Accreditation	0	0	0	0	1	0	1	0
External Grant Income	0	0	0	0	2	0	2	0
Data Sharing & Security	2	0	2	0	4	0	4	0

Integrated Wellness Service	0	0	0	0	3	1	2	0
Clients' Property Register	1	1	0	0	5	3	2	0
Place	0	0	0	0	18	6	12	0
Highway Accident Damage	0	0	0	0	4	0	4	0
Housing Register	0	0	0	0	3	0	3	0
Housing Rent Income	0	0	0	0	4	0	4	0
Planning Fees & Consent	0	0	0	0	4	3	1	0
Winter Maintenance	0	0	0	0	3	3	0	0
Adults & Health	0	0	0	0	3	0	3	0
Quality of Care Provision	0	0	0	0	3	0	3	0
#Total – all Directorates	3	1	2	0	48	12	36	0
% Total		33%	67%	0%		25%	75%	0%

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. Management have also confirmed that

25% *of Significant* recommendations have been actioned, however 75% remain incomplete and this may be indicative of management under-estimating realistic completion timescales when agreeing the original recommendation action plan.

Management update on progress with Incomplete Recommendations

- **Children & Families**

Direct Payments – Four of the original nineteen recommendations remain to be completed, which the Service had proposed would be achieved by the end of 2025. In the long term absence of the recommendation owner, service managers have reviewed the current status of each. The draft direct payments policy is awaiting authorisation from the Service Leadership Team which is due by the end of June, as are detailed guidelines to assist parents and staff in their understanding and how to carry out management of direct payments.

SENDACT - Education, Health & Care Plan Team – four significant recommendations are not yet completed. No further update has been provided.

Special Guardianship Orders – A plan is in place to ensure a permanent solution to the financial assessments and, to ensure resilience, an additional officer will be identified. It is accepted that oversight is required. Who and where this will sit, is still to be determined and is linked to current capacity in the team. A review of this situation will be conducted by the end of May 2026 now the financial assessments have transferred over from Client Financial Affairs. The process of tracking annual reviews to minimise backpay liability requires further work between the finance and support teams.

- **Public Health & Corporate Resources**

BACS Bureau Accreditation – whilst Welfare & Exchequer Services management have agreed new processes and identified officers to approve transactions with HD One, a rollout date has not been agreed which is becoming an issue, as it links to other areas of concern HD One have and the wider issue around how the two Services work better together.

External Grants Income – The audit objective was to ensure that all income due from Central Government departments, agencies and other significant providers had been received in full and was accounted for correctly. Assurance that this is the case would be enhanced by closer liaison between Finance and External Funding colleagues in the Policy Unit to identify all successful bids by a tracking process. Management are working on the practicalities of how this can be achieved.

Corporate Data Sharing & Security – progress in developing corporate arrangements continues to be made by the Information Governance Team but it is proving to be a considerable undertaking to secure the support and participation of the wide range of Services concerned and is taking longer than anticipated. Specifically, Information Asset Owners (generally Service Directors) need to complete a review of who they share personal data with and ensure an appropriate signed agreement exists in each instance.

Integrated Wellness Service – Key performance indicators for the services are in the final stages of being confirmed following receipt of some end of financial year data to set appropriate benchmarks and will be shared with the Heads of Service for sign-off. A conversation regarding unique identifier details to provide greater assurance about numbers of cases managed is ongoing with the NHS.

Clients' Property Register - The existing Service Procedure guide has been updated to reflect this best practice for future application concerning CPR selection of choice of jewellers but still needs sign off from Adult Social Care colleagues. The keys to the properties we hold are stored in the safe. These properties are currently on the market to be sold. The keys will be provided to the new owners, and the disposal log / Caspar will be updated accordingly. The completion date of July 2026 reflects the expected sales dates as a prompt to update this log.

- **Place**

Highway Accident Damage Recovery

The procurement to replace the current application is nearing completion with the successful supplier soon to be announced. The work around planning the installation can commence soon afterwards. The monitoring of accounts raised and paid continues by the Recharge Team prior to amending the current approach to recovery. In 2026, invoices totalled £108k with £41k recovered. It has been agreed that more staff in the Recharge Team would improve outcomes and the process of recruiting three new business support officers whose duties will include income recovery has commenced, as has a review of reporting lines to management in the two Service areas served by the Recharge Team.

Housing Register – A joint working group has been set up (comprising both Housing Services (Development Service) and Homes & Neighbourhoods staff), to take forward all the recommendations. That group has undertaken a lot of work to review and implement the audit recommendations, alongside other related actions to improve compliance, consistency and efficiencies in the way in which allocations and lettings are delivered jointly.

The Group met in the middle of January 2026, and Service management confirmed that the recommendations from the audit have all either been completed (4) or are underway (3). A further check back on the delivery of the recommendations has been scheduled for September 2026.

Housing Rent Income – No further update provided. Improved arrangements for the monitoring and management of suspense accounts as well as clarification of roles and responsibilities were the key outcomes from the audit.

Planning Fees & Consent – the Service fraud risk assessment is still to be completed.

- **Adults & Health**

Quality of Care Provision – three significant recommendations were set a timescale of March 2026. Each is in-train. The contracts function has been supporting the monitoring of Ings Grove House following recent CQC regulatory notices – this approach can be scaled out to wider internal services where needed on a proportionate basis. The Head of In-House Provider Services will liaise with the Head of Commissioning to scope out the areas where a ‘critical friend’ model would add best value to ensure that services provided by the Council are reviewed in a manner consistent with private providers. A recruitment exercise is underway to ensure Learning Disability Supported Accommodation is held to the same quality and safeguarding expectations as other care settings through a proportionate and risk-based framework. A return to a diarised approach to domiciliary care provider reviews (whilst retaining the flexibility to undertake urgent reviews as required) is to be included in a forward plan for the new contract to start on 22nd June 2026 when the contractors are known.