



NORWICH City Council

Committee name: Audit

Committee date: 24/02/2025

Report title: Progress Report on Internal Audit Activity

Portfolio: Councillor Kendrick, Cabinet member for an open and modern council

Report from: Head of Internal Audit

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

1.1 This report reviews the work performed by Internal Audit in delivering the Annual Internal Audit Plan for 2024/25.

1.2 **Recommendations:**

It is recommended that:

Members review progress with delivery of the 2024/25 Internal Audit Plan.

Policy framework

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council. This report meets the “An open and modern council” corporate priority.

This report helps to meet all above corporate priorities.

Introduction and background

1. The Audit Committee receive updates on progress made against the annual internal audit plan. This report forms part of the overall reporting requirements to assist the Council in discharging its responsibilities in relation to the internal audit activity.
2. Internal Audit Standards require the Chief Audit Executive to report to the Audit Committee the performance of internal audit relative to its agreed plan,

including any significant risk exposures and control issues. To comply with the above the report identifies: -

- Any significant changes to the approved Audit Plan;
- Progress made in delivering the agreed audits for the year;
- Any significant outcomes arising from completed audits where applicable; and
- An update on outstanding internal audit recommendations.

Consultation

3. Not applicable for this report.

Implications

Financial and resources

4. There are no specific financial implications from this report; the internal audit plan will be delivered from within the resources available.
5. There are no proposals in this report that would reduce or increase resources.

Legal

6. There are no specific legal implications from this report.

Statutory considerations

| Consideration | Details of any implications and proposed measures to address: |
|------------------------------------|--|
| Equality and diversity | Not applicable for this report |
| Health, social and economic impact | Not applicable for this report |
| Crime and disorder | Not applicable for this report |
| Children and adults safeguarding | Not applicable for this report |
| Environmental impact | Not applicable for this report |

Risk management

| Risk | Consequence | Controls required |
|---|--|--|
| Failure to undertake the Annual Internal Audit Plan could result in the Head of Internal Audit not being able to provide an annual opinion. | Insufficient Internal Audit coverage could permit on-going weaknesses in the internal control environment at the Council not being detected and reported upon. | Progress against completing the annual internal audit plan is reported to the Audit Committee in accordance with Internal Audit Standards. |

Other options considered

7. Not applicable for this report.

Reasons for the decision/recommendation

8. The Committee is receiving this report to assure itself on the progress being made against planned audit activity.

Background papers: None

Appendices:

Appendix A - Progress Report 2024/25

Contact officer:

Name: Teresa Sharman

Telephone number: 01603 430138

Email address: Teresa.sharman@southnorfolkandbroadland.gov.uk



If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.

EASTERN INTERNAL AUDIT SERVICES



NORWICH CITY COUNCIL

Progress Report 2024/25

Head of Internal Audit: Teresa Sharman

Contents

| | Page |
|---|-----------|
| Progress at a glance | 1 |
| Executive Summary: | |
| Introduction | 2 |
| Background | 2 |
| Changes to the 2024/25 Audit Plan | 3 |
| Progress to date and audit outcomes | 5 |
| Recommendations in progress | 8 |
| Progress with actions to improve performance | 9 |
| Appendix 1 - Summary of Audit Work 2024/25 | 10 |
| Appendix 2 – Final Report Executive Summaries | 13 |
| Appendix 3 – Recommendations in progress by Year | 22 |
| Appendix 4 – Internal Audit Plan 2024/25 | 28 |
| Appendix 5 – For Your Information | 32 |

Progress at a glance

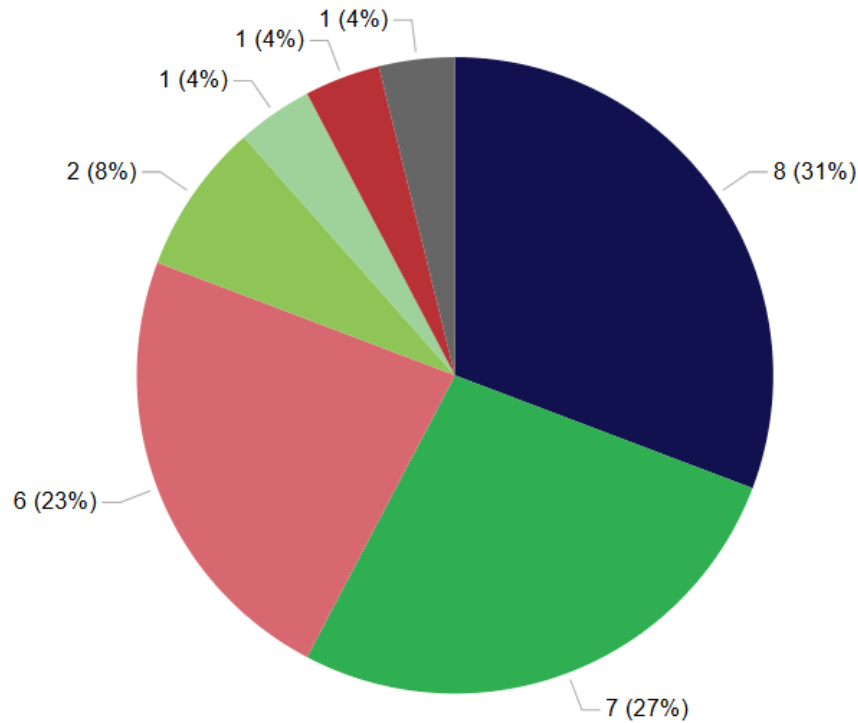
26
Audits in 2024/25 Audit Plan

0
Urgent Recs Raised

5
Important Recs Raised

7
Routine Recs Raised

1
OEMs Raised



● Cancelled ● Audit completed ● Audit behind ● Audit on track ● APM issued - not due to start yet ● Audit delayed ● Not started

14
Outstanding Recommendations
1 Urgent
8 Important
5 Routine

Oldest – 2023/24
Health & Safety Statutory Compliance – housing and non-housing assets
4 important, 1 routine

Housing Repairs and Void Management – NCSL
1 urgent, 2 important, 3 routine

Parking and Civil Enforcement
1 routine

Procurement and Contract Management
1 important

Executive Summary

Introduction

Under the Global Internal Audit Standards (GIAS), 'The chief audit executive (Head of Internal Audit) must provide the board with the information needed to conduct its oversight responsibilities.' In particular, 'Results of internal audit services, including conclusions, themes, assurance, advice, insights, and monitoring results.' and 'The chief audit executive must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate.'

Under the Committee's terms of reference, the Committee should receive updates on the work of internal audit, including key findings, issues of concern and action in hand from internal audit work and consider summaries of specific internal audit reports.

This report is to assist the Committee in discharging its responsibilities in relation to internal audit activity.

Background

The Internal Audit Service for the Council is provided by the Consortium, Eastern Internal Audit Services, hosted by South Norfolk Council, which utilises the services of a contractor, TIAA Ltd.

Internal audit provides an independent and objective opinion on the Council's internal controls by evaluation their effectiveness and operation in practice.

Changes to the 2024/25 Audit Plan

Since the Internal Audit Plan was approved, the following changes have been made: -

| Audit | Nature of the change |
|--|--|
| Planned Housing Maintenance | <p>This audit had been cancelled for 2024/25 because the contracts for this work are currently being procured.</p> <p>The audit was providing assurance that a programme of planned works had been established, procured and contracts were in place and being adequately monitored and managed for completion on time and to budget, and in terms of quality of work.</p> |
| Application Audit – CRM | <p>This audit had been cancelled for 2024/25 because the new CRM system has yet to go live.</p> <p>The audit was providing assurance on the governance of the new system, had it gone live.</p> |
| Website Refresh Project | <p>This audit had been cancelled for 2024/25 because the only the workflows are being replaced this year, not the content.</p> <p>The audit was providing assurance on the replacement website project Phase 1.</p> <p>This audit was replaced with the Network Infrastructure audit.</p> |
| Staff Wellbeing | <p>This advisory work has been deferred to 2025/26 and they days are being used on the Planned Regulatory System (PRS) Digitalisation project.</p> |
| Housing Repairs and Void Management – NCSL | <p>This audit had been cancelled for 2024/25 to allow more time to implement the recommendations from the 2023/24 audit.</p> |

| | | |
|--|---|--|
| | | The audit was providing assurance that repairs for voids (revenue expenditure) and urgent, emergency and routine repairs were being actioned timely and appropriately managed. |
| | Information Security & Data Protection Compliance | This audit had been cancelled for 2024/25 because the Sharepoint migration project had been rescheduled. The audit was providing assurance on the migration of data to Sharepoint to ensure that once in Sharepoint, data is held and retained in accordance with data protection regulations. |
| | Social Housing Delivery | This audit had been cancelled for 2024/25 whilst future decisions about housing projects are being made. The audit was providing assurance on the controls in place for capital projects to manage the build of houses to time and within budget. |
| | Housing Compliance | This audit had been cancelled for 2024/25 to allow more time to implement the recommendations from the 2023/24 audit. The audit was providing assurance that health and safety statutory compliance checks (gas, electrical, asbestos, water safety, fire) are being completed on time and are appropriately managed now that the Regulator's Notice has been lifted. |
| | Parking and Civil Enforcement | This audit has changed to an advisory audit challenging the proposals, new processes and controls associated with the outcomes of the strategic review. |

Progress to date and audit outcomes

Progress with audit work

The current position in completing audits to date is shown in **Appendix 1**.

Quarter 1

All three audits in this quarter have now reached final report stage.

Quarter 2

Three of the six remaining audits in this quarter have now reached final report stage.

The application audit for ERP was subject to multiple scoping discussions, which caused some initial delays in issuing the APM. Fieldwork has now commenced, albeit behind schedule, due to resourcing at the contractor.

The Human Resources audit was originally delayed due to client annual leave at the audit planning stage. The audit then did not start on the anticipated start date in September 2024 due to client sickness; a revised start date was arranged for the beginning of October 2024. However, this audit has been delayed since then with requests for information not provided as the client has been busy with the new payroll system implementation. Agreement was reached for information to be provided by Christmas, with testing to be completed in January; this did not happen. The matter was escalated to the Director of Resources and a meeting is now scheduled for week commencing 17 February 2025 to complete audit testing.

The audit of the Annual Governance Statement audit was initially delayed; the planning of this audit was delayed due to the Election, after which the audit sponsor did not reply promptly to emails to commence the audit process. The audit sponsor then left the organisation, and a new audit sponsor was appointed. There was then a further delay in starting the audit as requested by the client, with fieldwork commencing in November 2024. The audit is now at draft reporting stage, with an exit meeting booked with the client to go through the report.

Quarter 3

One of the remaining four audits in this quarter have reached final report stage.

The audit of Risk Management has had an APM issued and is due to start on 12 February 2025.

The Non-Housing Commercial Property (Part 2) audit is in progress, but behind, due to the opening meeting being pushed back by the contractor.

The Housing Services audit has yet to start, due to the client requesting that the audit start date be pushed from mid-January to mid-February.

Quarter 4

None of the five audits for this quarter have finalised yet.

The Key Controls and Assurance audit has reached draft reporting stage; however, has fallen slightly behind due to scheduling of the debrief meeting.

Fieldwork for the ERP Controls (Part 2) audit has yet to commence, due to delays with the contractor.

The Network Infrastructure audit has not started due to contractor resourcing issues.

Audit Outcomes - Final Reports

During quarter 3, the following final reports have been issued: -

| Audit | Assurance Level | Urgent Recs | Important Recs | Routine Recs |
|---|--------------------|-------------|----------------|--------------|
| Democratic Services (Members Expenses) | Limited | 0 | 2 | 1 |
| Development Management – Planning and Enforcement | Reasonable | 0 | 2 | 3 |
| Corporate Health and Safety – Follow Up | Position Statement | - | - | - |
| Housing Benefits and Council Tax Reduction Scheme | Substantial | 0 | 0 | 1 |
| Total | - | 0 | 4 | 5 |

The Executive Summary for final reports issued, and the recommendations made in the period are provided in at **Appendix 2**, and a full copy of the report can be requested by Members.

Recommendations in progress

The table shows the total number of recommendations in progress by year and priority rating: -

| Audit Year | Audit Name | 1 | 2 | 3 | Total Outstanding as at 11 Feb 25 |
|--------------|---|----------|----------|----------|-----------------------------------|
| 2023/24 | Health and Safety Statutory Compliance – housing and non-housing assets | | 4 | 1 | 5 |
| | Housing Repairs and Void Management - NCSL | 1 | 2 | 3 | 6 |
| | Parking and Civil Enforcement | | | 1 | 1 |
| | Procurement and Contract Management | | 1 | | 1 |
| | Total | 1 | 7 | 5 | 13 |
| 2024/25 | Democratic Services | | 1 | | 1 |
| | Total | | 1 | | 1 |
| Total | | 1 | 8 | 5 | 14 |

The following audits in the table above were assigned a ‘limited’ overall assurance opinion: -

- Housing Repairs and Void Management – NCSL
- Democratic Services

As a result of audit recommendations raised, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to the Committee. Verification work is also undertaken for those recommendations that are reported as closed.

Appendix 3 provides the Committee with details of urgent and important priority recommendations that are overdue for the year in which they were raised. Management responses and a new deadline, where available, have been indicated for each.

Progress with actions to Improve poor performance

Progress with actions being taken to improve contractor performance is outlined below: -

Another Team was appointed to deliver quarter 1 audits in 2024/25: - this Team has now handed quarter 1 audits back to our core team for completion.

A Protocol, 'a ways of working together' and expectations of Council officers and the Contractor has been issued to ensure that audits are completed as planned in 2024/25 without delay, including timescales for responding and escalation action: - this is in place and is being monitored jointly with the Internal Audit Contractor. Both parties have access to update the monitoring spreadsheet.

Consideration is being given to engaging with another contractor to complete some audits during 2024/25: - a second contractor, Shared Internal Audit Services hosted by Hertfordshire County Council has been appointed to complete five audits across the Consortium. A further four audits have now also been assigned to BDO to complete across the Consortium in quarter 4.

The Contractor is appointing another Client Manager on the contract as one of the current managers is part time. This will help ensure that all audit work is progressed timely. In addition, more auditors are recruited: - a new director has been assigned to us.

Summary of Audit Work 2024/25

Appendix 1

| Audit Area | Status | Opinion | Total Recs | Urgent | Important | Routine | OEMs | Qtr |
|---|-----------------|--------------------|------------|--------|-----------|---------|------|-----|
| Safeguarding | Audit completed | Reasonable | 2 | 0 | 1 | 1 | 0 | 1 |
| ERP Controls (for accounts payable, receivables, accountancy services and income) | Audit completed | Substantial | 1 | 0 | 0 | 1 | 1 | 1 |
| Democratic Services (Members Expenses) | Audit completed | Limited | 3 | 0 | 2 | 1 | 0 | 1 |
| Annual Governance Statement | Audit behind | | 0 | 0 | 0 | 0 | 0 | 2 |
| Planned Housing Maintenance | Cancelled | | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Housing Commercial Property (Capital Works) Part 1 | Audit completed | Substantial | 0 | 0 | 0 | 0 | 0 | 2 |
| Development Management - Planning and Enforcement | Audit completed | Reasonable | 5 | 0 | 2 | 3 | 0 | 2 |
| Human Resources | Audit behind | | 0 | 0 | 0 | 0 | 0 | 2 |
| Corporate Health and Safety | Audit completed | Position Statement | 0 | 0 | 0 | 0 | 0 | 2 |
| Application Audit - CRM | Cancelled | | 0 | 0 | 0 | 0 | 0 | 2 |
| Application Audit - ERP | Audit behind | | 0 | 0 | 0 | 0 | 0 | 2 |

| Audit Area | Status | Opinion | Total Recs | Urgent | Important | Routine | OEMs | Qtr |
|---|-----------------------------------|-------------|------------|--------|-----------|---------|------|-----|
| Risk Management | APM issued - not due to start yet | | 0 | 0 | 0 | 0 | 0 | 3 |
| Website Refresh Project | Cancelled | | 0 | 0 | 0 | 0 | 0 | 3 |
| Housing Benefits and Council Tax Reduction Scheme | Audit completed | Substantial | 1 | 0 | 0 | 1 | 0 | 3 |
| Non-Housing Commercial Property (Asset Management) Part 2 | Audit behind | | 0 | 0 | 0 | 0 | 0 | 3 |
| Housing Services (inc. Housing & Tenancy Mgmt Services, Community Safety and Anti Social Behaviour) | Audit delayed | | 0 | 0 | 0 | 0 | 0 | 3 |
| Housing Repairs and Void Management - NCSL | Cancelled | | 0 | 0 | 0 | 0 | 0 | 3 |
| Information Security & Data Protection Compliance | Cancelled | | 0 | 0 | 0 | 0 | 0 | 4 |
| Key Controls and Assurance | Audit behind | | 0 | 0 | 0 | 0 | 0 | 4 |
| Social Housing Delivery | Cancelled | | 0 | 0 | 0 | 0 | 0 | 4 |
| Equalities | Audit on track | | 0 | 0 | 0 | 0 | 0 | 4 |
| CIL & S106 Agreements | Audit on track | | 0 | 0 | 0 | 0 | 0 | 4 |
| Housing Compliance | Cancelled | | 0 | 0 | 0 | 0 | 0 | 4 |
| ERP Controls (for accounts payable, receivables, accountancy services and income) - Part 2 | Audit behind | | 0 | 0 | 0 | 0 | 0 | 4 |
| Parking and Civil Enforcement | Cancelled | | 0 | 0 | 0 | 0 | 0 | 4 |
| Network Infrastructure | Not started | | 0 | 0 | 0 | 0 | 0 | 4 |









| Advisory Work | Status | Scope of Work |
|--|-------------|--|
| Corporate Strategy and Performance | Started | Days have been allocated to advise on the development of the new performance framework. |
| Payroll and officer expenses (In-house from 2024/25, Unit 4) | Started | Days have been included to advise on controls for the new system. |
| Staff Wellbeing | Deferred | Days have been included to analyse data collected and draw conclusions for improvements. |
| Parking and Civil Enforcement | Not started | Days to provide challenge on the proposals, new processes and controls associated with the outcomes of the strategic review. |
| Planned and Regulatory Service (PRS) Digitalisation project | Started | The days have been reallocated to the Planned and Regulatory Service (PRS) Digitalisation project. |

Grant Certifications

The following grants have been certified by EIAS so far during 2024/25: -

- Disabled Facilities Capital Grants P/e 2023/24
- Local Authority Delivery 3 P/e 31 March 2023

Executive Summary – NC2501 Democratic Services – Members Payment








| OVERALL ASSESSMENT | KEY STRATEGIC FINDINGS |
|---|--|
|  <p>The diagram shows a circular scale for assurance levels. The scale is divided into four segments: Substantial Assurance (green), Reasonable Assurance (yellow), Limited Assurance (orange), and No Assurance (red). The 'LIMITED ASSURANCE' segment is highlighted in orange. The text 'Adequate & effective governance, risk and control processes' is written around the top of the circle. The text 'LIMITED ASSURANCE' is written in the center of the orange segment.</p> | <p>KEY STRATEGIC FINDINGS</p> <ul style="list-style-type: none">  At the time of audit, the Constitution did not have the correct updated version of the Members' Allowance Scheme; this has since been completed following the completion of this audit. The Members' Allowance Scheme outlines the scheme of Members Allowances and how this will be increased annually on the 1st April, with indexed linked to the pay increase awarded to staff by the National Joint Council for Local Government Services.  The Members' Allowance Scheme lacks sufficient details in terms of specifying the circumstances when members can claim travel, subsistence and Dependant Carers' Allowance.  Basic allowance paid to Councillors were in accordance with the Members Allowance Scheme.  Special Responsibility Allowance paid to Councillors were in accordance with the Members Allowance Scheme.  The Democratic Services were not able to provide evidence to support payment of Councillors' travel and subsistence allowances.  We were unable to conduct any testing on claims of the Dependants' Carers' Allowance as the Council was unable to provide any information on whether this had been claimed by Members as previous officers in the department have now left the Council. |
| <p>ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE</p> | <p>GOOD PRACTICE IDENTIFIED</p> |
| <p>The audit will provide assurance that controls are in place and working effectively in respect of councillors' basic allowance, special responsibility allowance, travel and subsistence expenses payments, and carers support costs paid to councillors.</p> | <ul style="list-style-type: none">  The Payroll Sign off spreadsheet is reviewed and checked by both the Democratic Services Manager and the Finance and Business Systems Manager to ensure changes in Members allowances have been correctly processed by Payroll before approving release of payment. |

| SCOPE |
|--|
| Assurance that the systems for processing Members' expenses is adequate and included a review of the policy for this area. |

| ACTION POINTS | | | |
|---------------|-----------|---------|-------------|
| Urgent | Important | Routine | Operational |
| 0 | 2 | 1 | 0 |

| Recommendation | Priority | Implementation Time |
|--|----------|---------------------|
| <p>Members' Allowance Scheme to be reviewed and updated to include additional details such as:</p> <ul style="list-style-type: none"> •The Approved Duties that can be undertaken by Members for them to be entitled to claim travel and subsistence allowances and Dependants' Carers' Allowance. •The circumstances when travel and subsistence allowances and the Dependants' Carers' Allowance can be claimed by Members on Approved Duties. | 2 | 30/06/2025 |
| Documentation supporting Councillors travel and subsistence allowances to be uploaded to support claims, and approving officers to confirm as part of their approval process that supporting documentation has been verified. Copies of supporting documentation to be maintained. | 2 | 31/01/2025 |
| The Council to ensure that its Constitution is updated annually with the updated version of the Members Allowance Scheme. | 3 | Complete |

Executive Summary – NC2511 – Development Management – Planning & Enforcement

| OVERALL ASSESSMENT | KEY STRATEGIC FINDINGS |
|--|---|
|  <p style="text-align: center;">REASONABLE ASSURANCE</p> <p style="text-align: center;">Adequate & effective governance, risk and control processes</p> <ul style="list-style-type: none"> ● SUBSTANTIAL ASSURANCE ● REASONABLE ASSURANCE ● LIMITED ASSURANCE ● NO ASSURANCE | <ul style="list-style-type: none">  While there is a Corporate Enforcement Policy, there is not a Planning Enforcement Policy in place detailing how the Council deals with breaches of planning control. Without this, there is a risk of inconsistent approaches and enforcement action taken, and possible perceived unfairness in how some cases are dealt with compared to others.  In three of the ten enforcement cases reviewed, the response or action was not issued promptly. A lack of early engagement may mean that those responsible for breaches are less receptive to taking action to remedy the breach and delay the process.  Examination of all enforcement cases raised between January 2023 to 2024 found that only 38 of 211 cases (or 18.01%) have been completed and closed. The Public may lose confidence in the Council to successfully exercise its powers if cases remain open for long periods.  No Planning Annual Report has been produced or submitted to the Planning Application Committee due to it not having met at the required frequency. .  There is lack of resilience within the Team, with the process heavily reliant on one individual.  The Council are not maintaining a register of enforcement and stop notices. Publication of this register is a legal requirement. |
| ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE | GOOD PRACTICE IDENTIFIED |

The 2023/24, Quarter 4 Corporate Risk Register Report for 17th July 2024 Cabinet meeting identifies 14 risks. None are specific to planning, or planning enforcement, but there is a risk, CORP17' failure to deliver acceptable levels of performance in regulatory services', last reviewed on 16th April 2024 with a static risk score and rated amber.



All enquires are logged on a Casework Spread Sheet and those which result in enforcement action are raised on the planning system (UNIFORM).



A Planning & Regulatory Services Performance Dashboard which records enforcement cases is maintained. The dashboard includes numbers of enforcement appeals upheld and dismissed.

SCOPE

Assurance that the Council is undertaking its enforcement action in accordance with statutory timescales, and assurance on the governance arrangements and management oversight of cases, and the systems for recording and managing cases.

ACTION POINTS

| Urgent | Important | Routine | Operational |
|--------|-----------|---------|-------------|
| 0 | 2 | 3 | 0 |

| Recommendation | Priority | Implementation Time |
|---|----------|---------------------|
| A Planning Enforcement Policy should be developed. | 2 | 31/03/2025 |
| The Council to develop and maintain register of enforcement and stop notices. The register to be published on the Council's website so it is publicly available. | 2 | 30/06/2025 |
| A review of open enforcement cases should be undertaken to establish the status of the cases and whether further action is required or the case can be closed. In addition, enhanced reporting to be developed to monitor open enforcement cases and ensure that enforcement cases are closed off timely. | 3 | 31/03/2025 |
| A review of the service be undertaken to ensure all referrals are acknowledged in a timely manner, particularly when staff are on leave. | 3 | 30/06/2025 |
| An annual report on planning enforcement be produced and submitted to the Planning Applications Committee. | 3 | 30/04/2025 |

Executive Summary – NC2505 Corporate Health and Safety

INTRODUCTION

1. On joining the Council in April 2021, the new Head of Service for Planning and Regulatory Services implemented a strategic review of corporate health and safety. There was concern around some areas including resource, processes, and governance. External experts were procured and after their review 12 points for improvement with over 30 sub-actions were identified and recorded as part of a Corporate Health and Safety action plan. Since then, a new Health and Safety policy has been adopted. A Health & Safety Board has been established, to give corporate assurance, and meets every six weeks to consider progress against the action plan, address arising issues across the Council and report on significant incidents.

SCOPE

2. The objective of the audit was to provide assurance that the Corporate Health and Safety action plan is monitored to ensure implementation of the actions.

KEY FINDINGS

3. The current position for each action is detailed in Table 1 below.

AUDIT OBSERVATIONS

The current position of the action plan is as follows:

- As of October 2024, there are currently 34 actions on the plan of which 26 have been confirmed as implemented.
- Eight actions are currently outstanding.
- Good progress has been made, and a final push is now needed to complete the eight outstanding actions.

| Original Recommendation | Current Position | Implementation Time |
|--|---|---------------------|
| <p>Objective 3 Ensure corporate expectations are clearly defined with respect to each policy standard, through the provision of clear, unambiguous Procedure documents. Action to progress objective Develop documented procedures to support each of the identified Performance Standards. Progress Status Documented procedures to be written for remaining performance standards (x52) Action Owner: Dave Brown & Anita Jones</p> | <p>The Council monitors documented procedures through a tracking spreadsheet called the "Procedures List" which records the development of procedural and policy standards, including priority, review dates, and assigned reviewers. A total of 53 procedures have been planned, with over 42 relating specifically to health and safety across the Council. As of 3rd September 2024, 11 procedures have been completed, and four are currently in process of being developed. The remaining 38 procedures are still outstanding and need to be completed.</p> | <p>30/06/2025</p> |
| <p>Objective 4 Appropriate H&S training is defined and delivered to staff. Action to progress objective Introduce and implement appropriate H&S training for Managers and Supervisors/Team Leaders. Progress Status Develop and deliver internal training for Managers on Job Safety Review process, once implemented. Action Owner: Dave Brown & relevant Managers/HoS</p> | <p>The Internal training for managers on Job Safety Review process is yet to be completed. The Job Safety Review process needs to be agreed prior to the delivery of training for this area.</p> | <p>30/06/2025</p> |
| <p>Objective 7 Health & Safety is monitored and managed effectively. Action to progress objective Develop a programme of Manager's "Self assessments", to provide improved reporting on H&S status. AUDIT REC 270058 DUE 31/3/24 Progress Status Develop departmental Manager Self-assessment form to ensure all work areas are monitored; to include comment/action plans and delegation for remedial works. Action Owner: Dave Brown & Anita Jones</p> | <p>This action is yet to be completed on the Council's Action Plan. A Managers self-assessment form and schedule for 2024 has been developed, but the process is yet to be embedded. Further work is needed to complete the action.</p> | <p>31/12/2025</p> |
| <p>Objective 7 Health & Safety is monitored and managed effectively. Action to progress objective Develop "Job Safety Review" (JSR) process for Managers to monitor Safe System of Work. AUDIT REC 270058 DUE 31/3/24 Progress Status Draft JSR form developed which needs aligning to council procedures and values. Action Owner: Dave Brown & Anita Jones</p> | <p>The Council is yet to develop a "Job Safety Review" (JSR) process for Managers to monitor Safe System of Work.</p> | <p>30/09/2025</p> |

| Original Recommendation | Current Position | Implementation Time |
|---|--|---------------------|
| <p>Objective 7 Health & Safety is monitored and managed effectively. Action to progress objective Develop a programme of internal audit, to support H&S reporting to DMT, JCNC and CLT. AUDIT REC 270062 DUE 31/3/24 Progress Status Discussion required at DMT, JCNC and CLT to establish audit scope and frequency</p> | <p>A programme of internal audit, to support H&S reporting to Directorate Management Team (DMT), Joint Consultative Negotiating Committee (JCNC), and Corporate Leadership Team (CLT) is yet to be implemented. This action cannot be progressed further until procedures are embedded.</p> | <p>31/12/2025</p> |
| <p>Objective 11 Staff work comfortably from DSE compliant workstations. Action to progress objective Develop an efficient & effective DSE Self Assessment process. Progress Status OneDrive "Form" DSE quiz currently being assessed for transfer to SharePoint form for use via "AskH&S". Action Owner: Dave Brown & Anita Jones</p> | <p>The Corporate Health and Safety Manager developed a OneDrive self-assessment form to replace the paper-based option formally in use. However, IT was unable to support the OneDrive form option, and the Corporate Health and Safety team are currently working on transferring the detail over onto a new SharePoint form. The action will be progress once a new Developer is available to work and help support the DSE process into a functional online form.</p> | <p>31/03/2025</p> |
| <p>Objective 11 Staff work comfortably from DSE compliant workstations. Action to progress objective Develop unambiguous guidance and support, relating to the provision of DSE equipment. Progress Status Review current processes and discuss with HR re budgets and procurement. Action Owner: Dave Brown & Anita Jones</p> | <p>This is currently stalled and awaiting IT development resource. Task passed onto internal staff for completion.</p> | <p>31/03/2025</p> |
| <p>Objective 11 Staff work comfortably from DSE compliant workstations. Action to progress objective Develop recording methodology for DSE self-assessment results. Progress Status Work with IT to define how and where completed self-assessment forms can be stored and appropriate access for nominated DSE assessors. Action Owner: Dave Brown & Anita Jones</p> | <p>This is currently stalled and awaiting IT development resource. Recording of DSE status will come out of online self-assessment process once complete.</p> | <p>31/03/2025</p> |

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Assurance was provided over risks relating to the processes and payment of Housing Benefit and Council Tax Support.

KEY STRATEGIC FINDINGS

- The annual uplifts/uprating figures for the 24/25 financial year has been successfully updated on the NEC Live benefits system for both housing benefit and council tax on the 9th March 2024.
- A follow-up of recommendation from the NC2404 Key Controls and Assurance 'Management to Provide training to relevant staff to ensure claims are appropriately classified and backdated claims are not randomly created; Include the requirement of a mandatory field on the system to input claim dates; and sample check backdated claims processed by staff to ensure accuracy of claims. ☐', was carried out and evidence was provided to confirm that these have now been implemented.
- Overpayment write-offs were not always appropriately authorised by members of the Overpayment Team in accordance with procedures and evidenced on the system.
- Sample testing of new claims and changes in circumstances identified that claimant details are input correctly with supporting documentation retained on the system and are processed in accordance with policy.

GOOD PRACTICE IDENTIFIED

- Appeals are processed in a timely manner in accordance with procedures/legislation with supporting evidence retained on the system.
- Sample testing of payments over the upper threshold of £2k revealed that payments are subject to independent review to ensure the accuracy of payments and authorisation as a part of the Council's internal accuracy checks with the QA team.

SCOPE

Assurance that applications are being assessed and actioned in a timely manner, including a review of overpayments, arrears and debt recovery and write offs, discretionary housing payments, reconciliations and the QA process. The audit will also look at the council tax discounts and whether these are being applied and backdated where the rules allow.

ACTION POINTS

| Urgent | Important | Routine | Operational |
|--------|-----------|---------|-------------|
| 0 | 0 | 1 | 0 |

| Recommendation | Priority | Implementation Time |
|--|----------|---------------------|
| Management to ensure all overpayment debt write-offs for housing benefit and council tax are reviewed and approved in line with policy, including segregation of duties. | 3 | 31/12/2024 |

Please note that the recommendation above has now been completed and closed.

Recommendations In Progress by Year

Appendix 3

2023/24

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|--|----------|------------------------------------|------------|------------------|--|
| NC2413 Health and Safety Statutory Compliance – Housing and Non-Housing Assets | | | | | |
| Whilst a new system is being procured, to ensure the Civica and NEC systems are reconciled in terms of the compliance checks needed at properties, making sure the two systems hold the same details and implement a system to keep both systems up to date. | 2 | Head of Property & Building Safety | 02/12/2024 | 31/03/2025 | <p>5/02/25 NEC system is being utilised to store dates relating to compliance works i.e. Dates of gas servicing or electrical testing. These dates are provided directly from contractors and uploaded into NEC.</p> <p>Civica is being utilised to store certificates and documentation relating to this work as NEC has no file storage facility. These files are also received from contractors and uploaded.</p> <p>At the point of upload checks are carried out to ensure that certificates and documents received match the dates the contractor states work is carried out.</p> <p>Reporting is based on NEC and any discrepancies (of which there are very few) are investigated and resolved on a weekly basis. Both systems are kept up to date but are holding different elements of the data. This is linked to 281470 (regarding a new system) NO FURTHER UPDATE</p> |

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|---|----------|------------------------------------|----------|------------------|--|
| <p>The following should be actioned whilst the recommendation in finding 1 is being implemented and a new system procured (housing assets): - An up-to-date remedial tracker to be put in place to effectively manage commercial electrical and gas safety remedial works to ensure critical works are actioned and monitored. The FRA action log should be kept up to date with risk assessment recommendations. For non-housing assets, the same recommendation applies whilst an alternative system is being identified.</p> | 2 | Head of Property & Building Safety | 07/10/24 | 31/03/2025 | <p>5/2/25 - The non-housing team have created a compliance document tracker utilising spreadsheets. It is deemed this is an acceptable method to track compliance for non-housing assets until the new non housing system is procured. Further work has taken place for housing assets in relation to fire remedials and the current method for tracking these has been further developed.</p> <p>A meeting between NCC and NCSL is scheduled for November to review the current non housing delivery of compliance works and make improvements to the process. It is suggested due to the recent departure of the Building Safety and Compliance Manager and the lack of resource in the compliance team that a revised due date of 27/01/2025 is applied.</p> <p>For Electrical matters, under the EICR programme all C1 and C2 (i.e. required) repairs are completed at site; for Gas a spreadsheet is to be produced and tracked by the Gas Safety Manager. For Fire, the remedials are far more wide-ranging for assignment and completion including internal teams so a procedure for assigning ownership of actions, monitoring and reporting through to delivery and closure is in progress.</p> |

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|---|----------|------------------------------------|----------|------------------|---|
| | | | | | <p>On a weekly basis all FRAs will be reviewed, actions listed and assigned to agreed representatives of internal teams or contractors as appropriate.</p> <p>For Water, all assessment actions identified will be tracked on a spreadsheet by the Water Safety Manager.</p> <p>For Lifts, all LOLER actions will be passed to the Lifts Contractor to implement and report on progress / completion. The dates for all of this to be operational are advised as 31/03/2025.</p> |
| To implement a coordinated, central approach for recording and evidencing checks and assessments on individual contractor competency. | 2 | Head of Property & Building Safety | 02/10/24 | 31/03/2025 | <p>5/02/25 A contractor competence procedure is required and will be developed by the incoming Building Safety & Compliance Manager who is due to start work with the council on the 8th November 2024.</p> <p>The new Compliance & Building Safety Manager is developing a matrix of competency requirements for each of the six compliance services and will then approach contractors to complete the matrix. Where a contractor is not competent to the required standard by evidence supplied, they cannot continue, and the contractor will be given an opportunity to address the competency. A discussion is to take place as essentially this is a procurement activity, not that of compliance. Revised date is recommended to be 31/03/2025.</p> |

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|---|----------|---|------------|------------------|--|
| The following should be actioned: - All POs raised should describe the work required from the supplier / contractor without exception and should be raised and authorised prior to the works being completed unless to do this would put occupants at risk i.e., where emergency / urgent works are required for safety reasons. A system should be put in place enable POs raised to be referenced to the compliance check completed and remedial works documentation. | 2 | Head of Property & Building Safety | 07/10/24 | 31/03/2025 | 5/2/25 An instruction has been given to the service that no work should commence without a PO in place, describing clearly the work required operational practice is currently being reviewed to streamline processes and this will be disseminated to contractors. recommended a revised due date of 13/01/2025. To follow through, a review of POs will take place in January with the Commercial Team and a report produced which will identify any further work required to ensure completion. Revised date 31/03/2025 |
| NC2405 Procurement and Contract Management | | | | | |
| Review the corporate Contract Management Framework regarding the expectations contract managers need to follow and define how it will be enforced on a corporate basis including what audit trail needs to be kept whilst waiting for the national guidance to be updated. | 2 | Strategic Procurement Manager | 31/12/2024 | 31/03/2025 | 04/02/25 Work has started on the review of the Contract Management Framework and is in progress |
| NC2415 Housing Repairs and Void Management - NCSL | | | | | |
| Management to create and implement a system for conducting quality checks and inspections of responsive repair works. | 1 | NCC Head of Property and Building Safety Repairs Contract | 06/01/2025 | | An update was provided which was not in relation to this recommendation; a further update has been requested. |

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|--|----------|--|------------|------------------|--|
| | | Liaison Manager NCSL Contract Managers | | | |
| The Council to ensure that both NCSL's Voids Admin Team and NCC Voids Manager record the necessary information regarding site visits, surveys, and inspections are date recorded on NEC constantly. | 2 | NCC Voids Manager | 02/12/2024 | | 3/02/25 NEC updated by NCC Voids Manager and NCSL Void Team daily. Amendments made the void event codes and NEC to make this process more efficient, dashboard for reporting in current work in progress. |
| Action should be taken as follows: - Establish a framework for monitoring NCSL's timely completion of voids work and in so doing: -Set an appropriate timescale for the completion of minor and major voids work taking into account industry best practice and benchmark data. - Compare the actual time taken versus the timescales set. - Understand the impact of rental loss where voids work exceeds the timescale set and why this has happened and take appropriate action. | 2 | NCC Repair Contract Liaison Manager and Void Manager | 03/02/2025 | | 3/02/25 No change - New water saving measure will have impact on void turnaround times which are due to implemented (potentially adding 4 days to each void). KPI handbook still a work in progress alongside the contract redesign. |

2024/25

| Recommendation | Priority | Owner | Due Date | Revised Due Date | Latest Response |
|--|----------|------------|------------|------------------|---|
| NC2501 – Democratic Services | | | | | |
| Documentation supporting Councillors travel and subsistence allowances to be uploaded to support claims, and approving officers to confirm as part of their approval process that supporting documentation has been verified. Copies of supporting documentation to be maintained. | 2 | J Robinson | 31/01/2025 | | The contractor is reviewing the evidence for this recommendation as the client has indicated that it is complete. |

| Audit Area | No of Days | Q1 | Q2 | Q3 | Q4 | Notes |
|---|------------|----|----|----|----|---|
| Governance & Risk Management | | | | | | |
| Democratic Services | 10 | 10 | | | | Assurance that the systems for pricing Members' expenses is adequate and will include a review of the policy for this area. |
| Risk Management | 10 | | | 10 | | Assurance on the new risk management framework. |
| Annual Governance Statement | 8 | | 8 | | | Annual assurance provided on evidence to support statements in AGS and in-depth review every 3 years. |
| Corporate Areas | | | | | | |
| Corporate Strategy and Performance | 5 | | | | | Days have been allocated to advise on the development of the new performance framework. An audit will follow in 2025/26. |
| Corporate Health and Safety | 10 | | 10 | | | Assurance on the Council's health and safety processes. |
| Financial Systems | | | | | | |
| Key Controls and Assurance | 10 | | | | 10 | Assurance that the key controls within the Council's systems (payroll, housing (rents and benefits) are working in practice. |
| ERP controls for accounts payable, receivables, accountancy services and income | 30 | 20 | | | 10 | Assurance that the controls in place within these modules in the new finance system are appropriate. This will be followed up in Q4 with some sample testing to confirm that controls are operating in practice. |
| Human Resources and Organisation Development | | | | | | |
| Staff Wellbeing | 5 | | | | | Some days have been included in the Plan to analysis data collected and draw conclusions for improvements. |
| Payroll and officer expenses (In-house from 2024/25, Unit 4) | 5 | | | | | Some days have been included in the Plan to advise on controls for the new system. This will be followed by a full audit in 2025/26. |
| Human Resources (includes officer expenses & DBS checks) | 10 | | 10 | | | Assurance that the recommendations in the NC2324 audit report for mandatory safeguarding e-learning and the completion, recording and monitoring of DBS checks, in accordance with the Council's policy are now in place and operating. |

| Planning and Regulatory Services | | | | | | |
|--|----|--|----|--|----|--|
| Development Management - Planning and Enforcement | 12 | | 12 | | | Assurance that the Council is undertaking its enforcement action in accordance with statutory timescales, and assurance on the governance arrangements and management oversight of cases, and the systems for recording and managing cases. |
| Community Infrastructure Levy (CIL) & S106 agreements | 10 | | | | 10 | Assurance on the processes regarding the applying for, receipt of and spend of monies in relation to S106 agreements and CIL. |
| Non-Housing Property and Economic Development | | | | | | |
| Non-Housing Commercial Property (covering asset mgmt strategy, property services (rents and tenancies), capital works and repairs and maintenance (planned and responsive) (NCSL)) | 10 | | | | 10 | Assurance on the implementation of the Asset Management Framework, following the asset review, and action plan, including the new governance arrangements for asset mgmt. |
| | 15 | | 15 | | | Assurance that capital works programmes are being actioned timely and appropriately monitored and managed, and contracts for works procured appropriately, achieving value for money. |
| Revenues and Benefits | | | | | | |
| Housing Benefits and Council Tax Reduction Scheme | 18 | | | | 18 | Assurance that applications are being assessed and actioned in a timely manner, including a review of overpayments, arrears and debt recovery and write offs, discretionary housing payments, reconciliations and the QA process. The audit will also look at the council tax discounts and whether these are being applied and backdated where the rules allow. |
| Housing Delivery | | | | | | |
| Social Housing Delivery (HRA) | 12 | | | | 12 | Assurance on the controls in place for capital projects to manage the build of houses to time and within budget. (Threescore Phase 3 will be project to review in this audit) |
| Building Safety & Compliance | | | | | | |
| Housing Compliance | 10 | | | | 10 | Assurance that health and safety statutory compliance checks (gas, electrical, asbestos, water safety, fire) are being completed on time and appropriately managed now that the Regulator's Notice has been lifted. |

| | | | | | | |
|---|----|----|----|----|----|---|
| Planned Housing Maintenance (5-7 year programme of works, £20m pa.) | 15 | | 15 | | | Assurance that a programme of planned works has been established, procured and contracts are in place and being adequately monitored and managed for completion on time and to budget, and in terms of quality of work. |
| Housing Repairs and Void Management - NCSL | 15 | | | 15 | | Assurance that repairs for voids (revenue expenditure) and urgent, emergency and routine repairs are being actioned timely and appropriately managed. |
| Housing and Community Safety | | | | | | |
| Housing Services incl. Housing & Tenancy Mgmt Services, Community Safety and Anti Social Behaviour. | 12 | | | 12 | | Assurance that the controls in place for Housing and Tenancy Management Services are adequate and effective. |
| Safeguarding | 10 | 10 | | | | Assurance that the Council has adequate and effective processes in place to promote the welfare of and to safeguard all children and vulnerable adults from harm. |
| Environmental Services | | | | | | |
| Parking and Civil Enforcement | 10 | 10 | | | | Assurance on the operation of off-street parking (11 off street car parks and the Council's three owned multi-storey car parks) and parking permits. |
| Strategy Engagement and Culture | | | | | | |
| Equalities | 10 | | | | 10 | Assurance on progress with delivering the EDI Action Plan and whether the outcomes are being achieved. |
| Customer, IT and Digital | | | | | | |
| Information Security & Data Protection Compliance | 12 | | | | 12 | Assurance on the migration of data to Sharepoint to ensure that once in Sharepoint, data is held and retained in accordance with data protection regulations. |
| Website Refresh Project | 10 | | | 10 | | Assurance on the replacement website project Phase 1. |
| Application Audits - ERP | 10 | | 10 | | | Assurance on the governance of applications (user access and sign on, role set up, Admin role, connections to the network, user account mgmt etc) |
| Application Audits - CRM | 10 | | 10 | | | |

| Follow Up of Audit Recommendations | | | | | | |
|---|------------|-----------|------------|-----------|-----------|--|
| All audit recommendations | 16 | 4 | 4 | 4 | 4 | Bi-monthly follow up of agreed audit recommendations |
| Total audit days | 320 | | | | | |
| Internal Audit Management Days | | | | | | |
| Audit Committee attendance, reporting, quality assurance, contract management, advice and guidance. | 40 | 10 | 10 | 10 | 10 | |
| Total Number of Days | 360 | 64 | 104 | 89 | 88 | |

Definitions

| | |
|------------------------------|---|
| Substantial Assurance | There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved. |
| Reasonable Assurance | The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved. |
| Limited Assurance | The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved. |
| No Assurance | There is a fundamental breakdown or absence of core internal controls requiring immediate action. |
| Position Statement | Advisory work. |

| | | |
|-----------------------------|---|--|
| Urgent Priority 1 | - | Fundamental control issue on which action to implement should be taken within 1 month. |
| Important Priority 2 | - | Control issue on which action to implement should be taken within 3 months. |
| Routine Priority 3 | - | Control issue on which action to implement should be taken within 6 months. |

OEMs are Operational - Effectiveness Matter. These can be proposed, and these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.

