

Agenda Item No _____

Internal Audit Annual Opinion & Report 2024/25

Summary: This report concludes on the Internal Audit Activity undertaken during 2024/25, provides an annual opinion concerning the Council's framework of governance, risk management and control, concludes on the effectiveness of internal audit and provides key information for the Annual Governance Statement.

Conclusions: The Head of Internal Audit is able to give a reasonable / limited opinion on the framework of governance, risk management and control overall at North Norfolk District Council. Improvement in the control environment is needed.

Recommendation: That the Committee is requested to: -

- Receive and consider the contents of the Annual Opinion Report of the Head of Internal Audit.
- Note that a reasonable / limited audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2025.
- Note that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration when developing and reviewing the Council's Annual Governance Statement for 2024/25.
- Note the outcomes of the Internal Audit's performance measures and the Quality Assurance and Improvement Programme (QAIP).

Cabinet member(s):

All

Contact Officer, telephone number,
and e-mail:

Ward(s) affected:

All

Teresa Sharman
01603 430138teresa.sharman@southnorfolkandbroadland.gov.uk**1. Background**

- 1.1 The Head of Internal Audit should provide an annual report, detailing its opinion on the framework of governance, risk management and control, to those charged with governance to support the Council's Annual Governance Statement (AGS).

1.2 This report should include the following: -

- An opinion on the overall adequacy and effectiveness of the Council's governance, risk management and internal control environment;
- Disclose any qualifications to that opinion, together with the reasons for the qualification;
- Detail a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
- Any control weakness considered by the Head of Internal Audit to be relevant to the preparation of the AGS;
- A summary of the work undertaken during the year to support the opinion, including any reliance placed on the work of other assurance bodies;
- An overall summary of the performance of the Internal Audit Service against its performance indicators; and
- The results of the internal audit quality assurance programme, including details of compliance with Internal Audit Standards.

1.3 The purpose of this report is to satisfy this requirement.

2. Overall Position

2.1 The attached report contains the annual opinion of the Head of Internal Audit and the outcomes of Internal Audit performance measures and QAIP

3. Conclusion

3.1 Having considered the audit work for 2024/25 for the Council, the Head of Internal Audit is able to provide **Reasonable / Limited Assurance** in relation to the framework of risk management, governance, and internal control. The opinion reflects the potential direction of travel in the control environment at the Council based on the information outlined in the attached report; therefore, improvement in the control environment needs to be demonstrated over the next audit year.

3.2 The overall performance status at the time of writing for the main Contractor performing internal audit for the Council is '**red**'. This could move to 'amber' as the last reports are finalised across the Consortium. (KPIs are measured Consortium wide.) Action to improve performance is detailed in the attached report.

3.3 Regarding the QAIP, the service is compliant with internal audit standards as per the external quality assessment in October 2022 and a review of compliance with the new Global Internal audit Standards is still progressing.

4. Recommendation

1) That the Committee is requested to: -

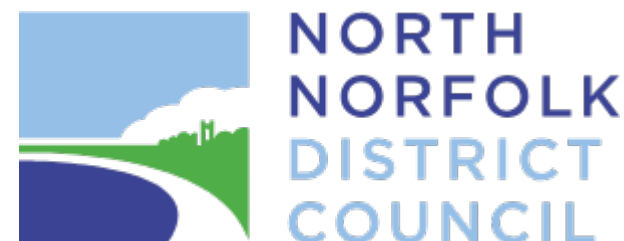
- Receive and consider the contents of the Annual Opinion Report of the Head of Internal Audit.
- Note that a reasonable / limited audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2025.

- Note that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration when developing and reviewing the Council's Annual Governance Statement for 2024/25.
- Note the outcomes of the Internal Audit's performance measures and the Quality Assurance and Improvement Programme (QAIP).

Appendices attached to this report:

Appendix A – Annual Opinion Report 2024/25

EASTERN INTERNAL AUDIT SERVICES



NORTH NORFOLK DISTRICT COUNCIL

Internal Audit Annual Opinion & Report 2024/25

Head of Internal Audit: Teresa Sharman

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Summary: Internal Audit Work 2024/25

15

Audits in 2024/25 Audit Plan

6

Urgent Recs Raised

49

Important Recs Raised

25

Routine Recs Raised

4

OEMs Raised

Assurance opinions issued in year

Substantial

2

Reasonable

8

Limited

5

No

0

19 outstanding recommendations at year-end.

Oldest – 3 important ones from 2021/22

Head of Internal Audit's Opinion 2024/25 - Reasonable / Limited

Substantial

Reasonable

Limited

No

Executive Summary

Purpose

The Head of Internal Audit should provide an annual report, detailing its opinion on the framework of governance, risk management and control, to those charged with governance to support the Council's Annual Governance Statement (AGS).

This report should include the following: -

- An opinion on the overall adequacy and effectiveness of the Council's governance, risk management and internal control environment.
- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Detail a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Any control weakness considered by the Head of Internal Audit to be relevant to the preparation of the AGS.
- A summary of the work undertaken during the year to support the opinion, including any reliance placed on the work of other assurance bodies.
- An overall summary of the performance of the Internal Audit Service against its performance indicators.
- The results of the internal audit quality assurance programme, including details of compliance with Internal Audit Standards.

The purpose of this report is to satisfy this requirement, and Members are asked to note its content.

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 main contractor, TIAA Ltd. In 2024/25, two

	<p>other contractors were utilised for some of the quarter 4 audits across all councils in the Consortium, the Shared Internal Audit Service at Hertfordshire County Council and BDO LLP.</p> <p>All audit work is completed in accordance with the Global Internal Audit Standards and the CIPFA Local Government Application Note 2025.</p> <p>Internal audit provides an independent and objective opinion on the Council's internal controls by evaluation their effectiveness and operation in practice.</p>
Scope of Responsibility	<p>The Council is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.</p> <p>In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions, and which includes arrangements for the management of risk.</p> <p>The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.</p> <p>This opinion statement is provided for the use of the Council in support of its AGS for the year ended 31 March 2025.</p>
Head of Internal Audit Annual Opinion Statement	<p>Opinion</p> <p>In summary: -</p> <p>I have considered the audit work for 2024/25 for the Council and am able to provide Reasonable / Limited Assurance in relation to the framework of risk management, governance, and internal control. My opinion reflects the potential direction of travel in the control environment at the Council based on the information</p>

outlined in this report; therefore, improvement in the control environment needs to be demonstrated over the next audit year.

In detail: -

My opinion is based on the audit work completed in 2024/25, and the relative materiality of the issues arising from audit work as well as management's progress in addressing any control weaknesses identified. There are some areas which require the introduction or improvement of internal controls to ensure the achievement of the Council's objectives where limited assurance was provided, and urgent recommendations made.

In arriving at my overall annual opinion: -

- Reliance has not been placed on any third-party assurances.
- I have considered management's progress with addressing outstanding recommendations from previous years as detailed below.
- I have considered the outcomes of all audits completed in 2024/25, particularly, the five 'limited' assurance opinions as detailed below.

Limited opinions

Five limited assurance opinions have been issued in 2024/25 and key control weaknesses were identified as detailed below. Any control weaknesses represent unresolved risks and should be considered for inclusion within the Council's Annual Governance Statement where the recommendations to address these remain outstanding at year end.

Private Sector Housing (Final report issued September 2024)

Details of the six important recommendations are detailed below. The Council needs to: -

- Review and update the Environmental Health Department Enforcement Policy and Housing Health and Safety Rating System (HHSRS) Operating Procedure to ensure they reflect current standards, best practices and comply with the Housing Act 2004.
- In accordance with the Housing Act 2024, develop a proactive inspection program to identify any private sector rental properties with category 1 hazards, focusing on known recurring non-compliant properties first. *(This recommendation was not agreed by management who acknowledges that legislation states*

there should be a proactive approach, but argues they like most other Councils work on a reactive basis due to resourcing levels)

- Produce a formal HMO (House in Multiple Occupation) Policy that aligns with the Council's requirements as specified in the Housing Act 2004.
- Develop and implement policies, procedures, and guidance that clearly outline its responsibilities under the Smoke and Carbon Monoxide (England) Regulations 2015, as amended by the 2022 Regulations including the 21-day and 28-day requirements for smoke alarms and carbon monoxide alarms and establish a proactive inspection programme to ensure ongoing compliance with these regulations.
- Ensure that all policy or procedural documentation, including flowcharts, include a version control table to include owner, review date and cycle time, and implement a timetable for reviewing policies and processes to ensure they are regularly and promptly updated where applicable.
- Establish regular monitoring and oversight mechanisms for its regulatory requirements under the Housing Act 2004 and introduce a formal process to keep Members informed of any significant enforcement actions.

This all impacts the ability of the Council to understand the state of private sector housing, monitor activity and meet its statutory duties.

The due dates for management action are all to be completed by the end of April 2025; all were outstanding at year-end and only one had a revised due date for post year-end.

Risk Management (Final Report issued October 2024)

Details of the six important recommendations are detailed below. The Council needs to: -

- Develop a formal risk management training programme.
- Finalise its review of the Risk Management Policy and Framework and include best practice.
- Review its risk appetite annually alongside the Corporate Plan and communicate this widely throughout organisation, determine a risk scoring matrix for applying risk appetite in practice to risks, and include the risk appetite for each of the risks on the Corporate Risk Register.

- Ensure the Corporate Risk Register is regularly reviewed by the Corporate Leadership Team (CLT) prior to review by the Governance, Risk and Audit Committee as standard and further improve the format of the Corporate Risk Register by, for instance, putting the corporate objective field first to better align risks to delivery of plans, adding the risk appetite for each risk, adding the gross or inherent risk score, and writing the description of the risk as the risk event, cause and impact of the risk.
- Add a specific operational risk regarding developing and implementing the new performance and risk system as a risk on the register and provide regular reports to CLT on progress.
- Produce risk reports, including a separate annual risk management report, to the CLT and Governance, Risk and Audit Committee, alongside the Corporate Risk Register, to include open and closed risks, risks overdue, movements in risks, thematic review, aggregated low scoring high frequency risks.

These recommendations will improve the risk management framework of the Council.

All the above recommendations have been implemented apart from one which has a due date of June 2025 and relates to the annual risk management report.

Section 106 Arrangements (Final Report issued May 2025)

Details of the one urgent and eight important recommendations are detailed below. The Council needs to: -

- Review all unspent available amounts that have exceeded their "spend deadline" dates and take appropriate action in accordance with the s106 agreements. (Urgent)
- Promptly develop authorised, version controlled, end to end process documentation and user guides.
- Ensure that a deputy is fully trained to facilitate effective cover in the absence of the Section 106 and Infrastructure Levy Officer.
- For each planning application, retain evidence to confirm that appropriate checks have been undertaken to ensure that all necessary consultations have been undertaken especially before the s106 agreement is signed.
- Develop a consistent and effective method of distribution for finalised s106 agreements, ensuring that all relevant parties receive a timely copy.

- To ensure that S106 agreements include a requirement for developers to notify the Council when a development commences and when key obligations are met, intelligence across the Council is improved regarding housing developments, developers complete an annual return on each site with a s106 agreement, and the system used accurately reflects due obligations and is used to proactively ensure that obligation payments are invoiced at the due date.
- Ensure that the system used completely and accurately records all s106 agreements and appropriate action is promptly taken for pre-2012 agreements so that monies received and currently reported as being 'available' to spend on the system can be allocated to the appropriate project.
- Develop regular reporting of available s106 funds to appropriate key management and Parish/Town Councils.
- To ensure that the publicly available system module on the Council's website is complete and accurate regarding the amount available to spend on projects.

The last due date for management action is December 2025.

This all impacts the ability of the Council to manage s106 agreements and funds effectively.

Environmental Charter (Final Report issued May 2025)

Details of the five important recommendations are detailed below. The Council needs to: -

- Update the Climate Action Plan for the Net Zero Strategy making it SMART and include SMART RAG rated deliverables or objectives assigned to senior lead officers and ensure annual refreshers are undertaken. Ensure that there is a clear 'golden thread' between the Net Zero Strategy, Corporate Plan and Service Plans.
- Track overall progress of the Climate Action Plan.
- Define a reporting path for the Climate Action Plan monitoring and provide regular progress updates to members.

- Refresh the Charter and Net Zero Strategy, reducing its length and improving its links with the Council's Corporate Plan and other key plans, and review this annually. Undertake regular reviews of the climate risk.
- Set targets for the overall reduction in carbon emissions each year to allow more effective monitoring of the Net Zero target, and retain evidence of quality checks on emissions included in the Carbon Footprint Report and increase checks where the error rates are high.

The last due date for management action of the above recommendations is December 2025.

This all impacts the ability of the Council to achieve its commitment of net-zero carbon emissions across its estate and operations by 2030.

Waste Management (Garden and Commercial Waste Collections) (Final Report issued May 2025)

Details of the two urgent and five important recommendations are detailed below. The Council needs to: -

- Carry out a data check / reconciliation between the Council Tax / electoral register systems and garden waste Interface system to that the garden waste records are correct in terms of occupancy and reconcile this with the Contractor's system. Then undertake a full stock check of all garden waste bins to identify non-payers. (Urgent)
- Make a formal decision as to how far back to go to pursue any outstanding garden waste debts considering the cost effectiveness and reputational consequences. (Urgent)

The last due date for management action of the above recommendations is July 2025.

- Undertake a review of the payment terms for garden waste collections to ensure the contractor is being paid the correct fees for the service in accordance with the payment mechanism.
- Ensure that a system back up is in place for historic data to be transferred into the new system.
- Introduce a structured payment or instalment plan options for customers with outstanding garden waste debts and ensure that these are consistently monitored until debt is paid in full at meetings.
- Produce policy/procedure notes for all aspects of commercial and garden waste services.

- Request new contracts with commercial waste customers with the introduction of the new food collection service.

The last due date for management action of the above recommendations is April 2026.

This all impacts the ability of the Council to manage waste collection customers effectively and collect all income due to the Council.

Third party assurances

No third-party assurances have been relied upon.

Outstanding recommendations

In relation to the follow up of management actions, to ensure that they have been effectively implemented, the position at year end 2024/25 is that 19 recommendations, were outstanding as the table below details which has been accounted for in my overall annual opinion. I noted that management have made considerable progress to implement recommendations in the past few months and no urgent recommendations were outstanding at year-end.

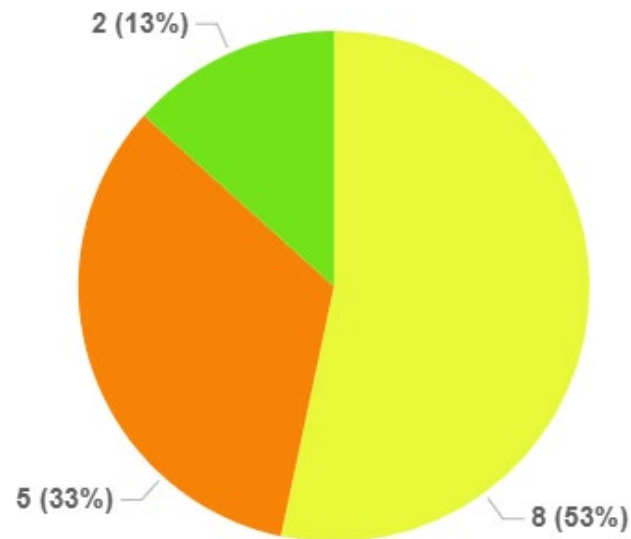
Audit Year	No. Outstanding	No. of Urgent	No. of Important	No. of Routine
2021/22	3	0	3	0
2023/24	6	0	4	2
2024/25	10	0	4	6

The three important recommendations from 2021/22 relate to the Key Controls and Assurance, Environmental Health and Waste Management audits, all of which have revised due dates for June 2025.

Please refer to the separate Internal Audit Progress and Follow Up report June 2025, which shows the details of the progress made to date in relation to the implementation of agreed recommendations, and which also provides an update from management regarding all outstanding recommendations.

Audit Outcomes

Below is the spread of audit opinions across audit work completed in 2024/25. For a detailed summary of audit work completed, please refer to Appendix 1.



Appendix 2 shows the assurances provided over previous and current audit years to provide an overall picture of the control environment.

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 and Follow Up.

Performance Measures Outcomes

Internal Audit PM Outcomes

At Consortium level – all Councils

Detailed below are the outcomes of Internal Audit's performance measures which relate to the performance of the main contractor delivering internal audits across all the Councils in the Consortium. With only four KPIs met, the overall performance status is 'Red'.

Overall Performance Status		Red
KPI Ref.	Description	Outcome
Senior Management		
KPI 1	S151, S17 Satisfaction, annual minimum good	Below Expected
Internal Audit Process		
KPI 2	APM issued minimum 20 working days before agreed start date - 90% quarterly	✗
KPI 3	Draft reports issued within 10 working days of fieldwork end date - 95% quarterly	✗
KPI 4	Final reports issued within 5 working days of management responses - 95% quarterly	✗
KPI 5	Quarterly Performance pack reported to the Contract Manager within 15 working days of the end of the quarter	✗
KPI 6	Respond to the Contract Manager within 3 working days where unsatisfactory feedback has been received	✓
KPI 7	PSIAS compliance - Deep dive review of files indicates good quality evidence saved on file - 100%. Four files per quarter.	Not completed

Clients		
KPI8	Average feedback scores from key clients, quarterly minimum average	x
Innovation and Capabilities		
KPI9	Percentage of recommendations accepted by management 90% overall	✓
KPI 10	Percentage of qualified / experiences staff working on the contract each quarter - 60%	✓
KPI 11	Number of training hours per members of staff completed each quarter - minimum 1 day per quarter	✓

Other than KPI 1, which is measured annually and KPIs 6 and 8 which are measured continuously, all KPIs are measured quarterly.

Please note, this is the overall performance status at the time of writing our report. There are still several reports to be finalised across the Consortium and feedback surveys to be returned. As all KPIs are measured across all clients in the Consortium, if the remaining final reports are issued on time, KPI 4 would turn green, and if the average feedback score for remaining audits was to be 3 or more, KPI 8 could turn green overall; therefore, the overall performance status could turn amber with 6 PIs being met. The table below shows the number of KPIs that need to be met to achieve an overall performance status red, amber or green as per the contract.

9-11 KPIs have met target	
6-8 KPIs have met target	
5 or below KPIs have met target	

KPIs in more detail

Operational KPIs at Council level

The table below shows the outcomes of the operational KPIs 2, 3, 4 and 8 for the Council: -

KPI 2 (Issue of APMs)	KPI 3 (Issue of Drafts)
5 out of 13 on time	6 out of 13 on time
KPI 4 (Issue of Finals)	KPI 8 (Feedback)
11 out of 11 on time	8 out of 10 returned

Feedback score	3.1
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For KPI 8, the range for the possible scores is, 4 - excellent and 1 – poor with the minimum requirement being 3 - average. Although there were 15 audits this year, no response was received for two of the ten surveys issued; the surveys for the last five finalised audits had been recently issued.

Although for the Council the minimum feedback score was achieved, this KPI is measured across all clients in the Consortium and in this case the average of all the 35 surveys received back out of 55 sent out at the time of writing, was 2.9. *(Note: In total, 55 feedback surveys had been sent out at the time of writing. There are feedback surveys that have been sent out recently / are still to be sent out as reports are finalised for year-end. Therefore, as we detail above, the average of 2.9 overall could change.)*

KPI 7 – PSIAS compliance - deep dive review of files

Regarding KPI 7, compliance with PSIAS deep dive review of files, these have yet to be completed this year, and a sample will be reviewed post year-end. However, the Head of Internal Audit reviews and approves the issue of all APMs, draft and final reports and views all completed work programmes.

KPI 1 S151 satisfaction

The S151s' satisfaction, KPI 1, was also deemed to be below that expected when reviewed as a collective although only three of the Councils responded. A score of 3 – good, the minimum required, was only assigned by one out of the three S151 Officers, with the other two indicating 2 – average.

Actions to Improve

As the tables above highlight, the Contractor has not met our targets for several of the KPIs this year.

Reasons for poor performance

Performance in 2024/25 was affected by the carried forward audit work from the previous audit year and although another team was assigned to start quarter 1 audits, this did not start until May and progress was slow, with our current team eventually progressing these audits.


Delays in audits starting and progressing in year, continue to be for many reasons with both the Councils and Contractor at fault, covering sickness, lack of responses from Council officers to communication from the Contractor, lack of escalation by the Contractor to the Head of Internal Audit or S151s when responses are not received, and audits are delayed and lack of communication from the Contractor when auditor resource issues occur.

As a result, the 10% quality payment, which is withheld until the end of the year annually, was adjusted accordingly and not paid in full.

Action to address poor performance

The following action is being taken to improve performance: -

- The Contractor has been reminded of their responsibilities in particular to escalate matters in accordance with the Protocol, our 'ways of working together document' issued last year.
- As the Contractor does not have exclusivity, the two other contractors engaged with in 2024/25 continue to be used in 2025/26, BDO LLP and the shared internal audit service at Hertfordshire County Council. Both share one half of the overall audit plan across all the councils.
- Support auditors have been assigned to our contract to support our current team when there is sickness and delays.

- 
- A manager has been replaced on the contract.
 - The contract is due to be re-procured in year five, 2026/27, and some preparation work on this will commence this year.

Quality Assurance and Improvement Programme (QAIP)

QAIP

What do the Standards say?

The chief audit executive must develop, implement and maintain a quality assurance and improvement programme that covers all aspects of the internal audit function. The programme has two elements, internal assessments and external assessments.

At least annually, the chief audit executive must communicate the results of the internal quality assessment to the Audit Committee and senior management covering the internal audit function's conformance with the Standards and achievement of performance objectives and plans to address deficiencies and opportunities for improvement.

A quality assurance and improvement programme is designed to evaluate and promote the internal audit function's conformance with the Standards, achievement of performance objectives, and pursuit of continuous improvement.

The Head of Internal Audit is responsible for ensuring that the internal audit function is continuously seeking improvement. This requires developing measures to assess the performance of internal audit engagements, internal auditors, and the internal audit function. These measures form the basis for evaluating progress toward performance objectives including continuous improvement.

Internal Assessment

What do the Standards say?

The Head of Internal Audit must establish a methodology for internal assessments, that includes ongoing monitoring of the internal audit function's conformance with the Standards and progress toward performance objectives, periodic self-assessments to evaluate conformance with the Standards, and communication with the Audit Committee and senior management about the results of internal assessments. An action plan to address instances of nonconformance with the Standards and opportunities for improvement must be developed.

Ongoing monitoring

This involves the day-to-day supervision, review, and measurement of the internal audit function and is incorporated into ours and our contractor's routine policies and procedures used to manage the internal audit function. Ongoing monitoring is primarily achieved through supervisory reviews throughout audit work and the use of template working papers and documents, to ensure standardisation and consistency in the application of audit work.

Performance measures are in place to determine the efficiency and effectiveness of the internal audit function as reported above. Currently, we are only reporting against these for the main contractor, but several performance measures are being agreed with the two other contractors as part of their contract for the audits they will complete in 2025/26.

Weekly operational and quarterly performance meetings are held with the main Contractor, as will be the case for the other two contractors.

Periodic self-assessments

These enable the internal function to validate its conformance with all the Standards. These evaluate: -

- The adequacy of the internal audit function's methodologies.
- How well the internal audit function supports the achievement of the Council's objectives.
- The quality of internal audit services performed, and supervision provided.
- The degree to which stakeholder expectations are met and performance objectives are achieved.

Results of self-assessment

A self-assessment has not been completed for 2024/25. This is because a wider self-assessment against the GIAS is still being completed by the Head of Internal Audit. Annual self-assessment will recommence once this is completed.

External Assessment

What do the Standards say?

The chief audit executive must develop a plan for an external quality assessment (EQA) and discuss the plan with the Audit Committee. The EQA must be performed at least once every five years by a qualified, independent assessor or assessment team.

Last EQA

An EQA was carried out in October 2022 by the Chartered Institute of Internal Auditors (IIA) against the previous Standards. The Internal Audit Service received a 'generally conforms' result, with conformance in 60 out of 64 areas (two areas were not applicable, and two resulted in 'partially conforms').

Progress with actions

One area of partial conformance was highlighted in coordinating and maximising assurance. Within the Strategic and Annual Plans report for the audit year 2023/24 presented in March 2023, an Assurance Map was provided, outlining the then top risks, along with first, second and third lines of assurance. This has not been repeated since.

The second area of partial conformance was raised to ensure that all EIAS clients receive an external quality assessment as it falls due on the five-year anniversary. This will be ensured at the five-year anniversary in 2027.

Summary of Internal Audit Work 2024/25

Appendix 1

Audit Area	Status	Opinion	Total Recs	Urgent	Important	Routine	OEMs	Qtr
Data Protection	Audit completed	Substantial	3	0	0	3	1	1
Coastal Management	Audit completed	Substantial	0	0	0	0	0	2
Leisure	Audit completed	Reasonable	5	0	1	4	1	2
Applications review: Revenues and Benefits	Audit completed	Reasonable	1	0	1	0	0	2
Early Help Hub	Audit completed	Reasonable	3	0	3	0	0	3
Environmental Protection and Private Water Supplies	Audit completed	Reasonable	2	0	1	1	0	3
Cyber Security	Audit completed	Reasonable	17	3	6	8	1	1
Applications review: Finance System	Audit completed	Reasonable	3	0	1	2	0	3
Key Controls and Assurance	Audit completed	Reasonable	2	0	1	1	0	4
Commercial Estates	Audit completed	Reasonable	5	0	5	0	0	4
Section 106 Arrangements	Audit completed	Limited	10	1	8	1	0	3
Private Sector Housing - HMOs, private rental enforcement and empty homes	Audit completed	Limited	6	0	6	0	0	1
Risk Management	Audit completed	Limited	8	0	6	2	0	2
Environmental Charter	Audit completed	Limited	7	0	5	2	0	4
Waste Management - Commercial and garden waste	Audit completed	Limited	8	2	5	1	1	4

Grant Certifications	<p>The following grants were certified by EIAS during 2024/25: -</p> <ul style="list-style-type: none"> • Disabled Facilities Capital Grants P/e 2022/23
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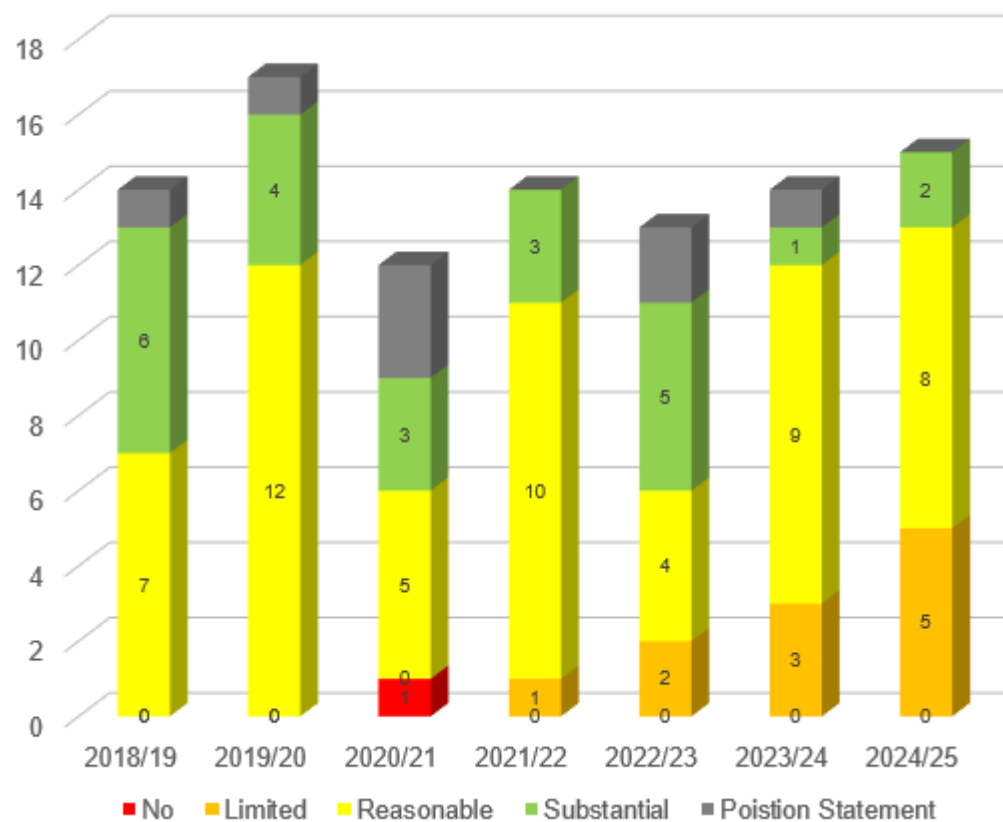
For Your Information: -

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.
Needs Attention – Priority 3	Control issue on which action to implement should be taken within 6 months.

(Note: OEMs are Operational - Effectiveness Matter)

Audit Opinions by Year

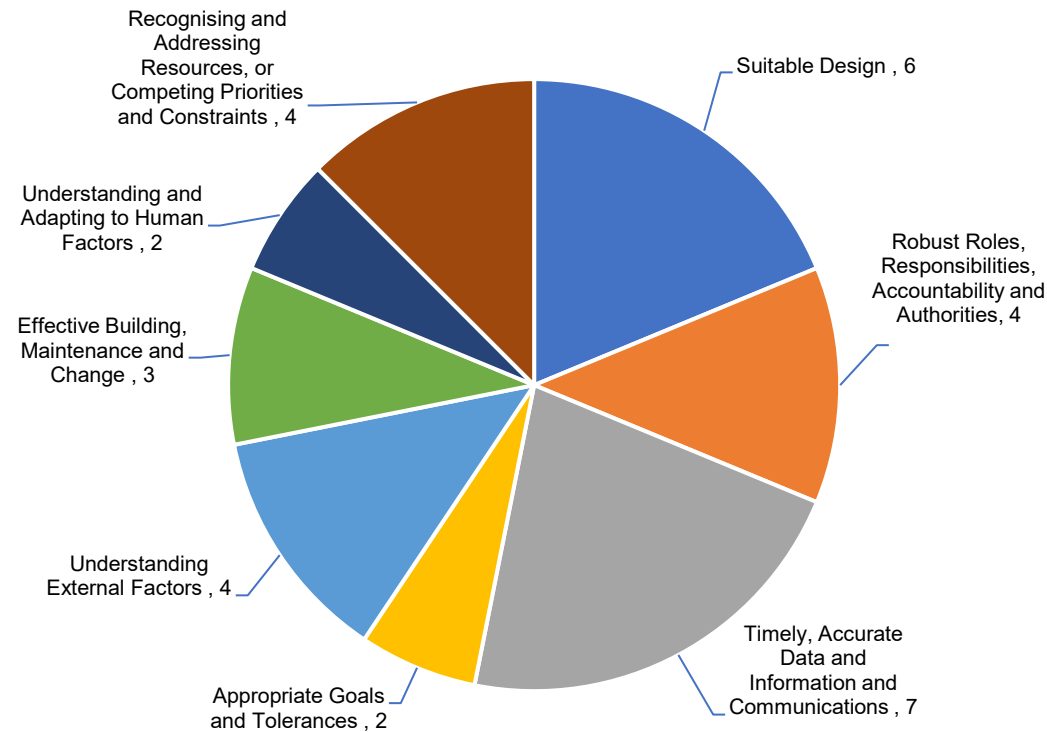
The following chart shows the opinions provided for audits over the last seven years: -



Analysis of Limited Report Recs

An analysis of the 33 urgent and important recommendations in the limited opinion reports is shown below. (Key: EC – Environmental Charter, S106 – Section 106 Arrangements, Waste – Waste Collections, RM – Risk Mgmt., PSH – Private Sector Housing)).

The analysis shows that the most recommendations fall under the categories, ‘Timely, Accurate Data and Information and Communications’ and ‘Suitable Design’ as detailed in the pie-chart below.



Key points from the analysis about the recommendations made

Suitable design: -

- **Compliance-oriented:** Policies and procedures must meet legal and regulatory standards.
- **User-focused:** Documentation and guidance should be clear, accessible, and practical.
- **Strategically aligned:** Plans should support broader organisational goals with measurable outcomes.
- **Governance-driven:** Risk and process management must be embedded in the design.

Timely, Accurate Data and Information and Communications: -

- **Data Integrity and accuracy:** There is a need for accurate, up-to-date and consistent data across internal systems and public interfaces.
- **Information Retention and Traceability:** Record keeping, and audit trails are important for transparent decision making, review and justification if needed.
- **Standardisation and Process Consistency:** There a need for standardised data handling procedures, which improve efficiency, reduce errors, and ensure compliance with legal or procedural requirements.
- **Risk management and reporting:** There is a commitment to systematic risk data collection, analysis, and reporting, which is essential for informed decision-making and strategic planning.

The table below shows which recommendations fall into which category.

Category	Recommendations
Suitable Design (6)	<ul style="list-style-type: none">• Develop and implement policies, procedures, and guidance for Smoke and Carbon Monoxide Regulations. (PSH)• Produce a formal HMO Policy aligned with the Housing Act 2004. (PSH)• Finalise review of the Risk Management Policy and Framework. (RM)

		<ul style="list-style-type: none"> • Develop authorised, version-controlled, end-to-end process documentation and user guides. (S106) • Update the Climate Action Plan for the Net Zero Strategy with SMART objectives. (EC) • Produce policy/procedure notes for all aspects of commercial and garden waste services. (Waste) 	
	Robust Roles, Responsibilities, Accountability and Authorities (4)	<ul style="list-style-type: none"> • Ensure policy/procedural documentation includes version control, owner, review date, and cycle time. (PSH) • Ensure a deputy is trained to cover the Section 106 and Infrastructure Levy Officer. (S106) • Establish regular monitoring and oversight mechanisms for Housing Act 2004 compliance. (PSH) • Define a reporting path for Climate Action Plan monitoring. (EC) 	
	Timely, Accurate Data and Information and Communications (7)	<ul style="list-style-type: none"> • Retain evidence of necessary consultations for each planning application. (S106) • Develop a consistent method for distributing finalised s106 agreements. (S106) • Ensure the system accurately reflects due obligations and invoicing. (S106) • Ensure the public-facing system module on the Council's website is accurate. (S106) • Carry out data reconciliation between Council Tax, electoral register, and garden waste systems. (Waste) 	

			<ul style="list-style-type: none"> • Report risks to the Corporate Leadership Team (CLT) as standard and further improve the format of the Corporate Risk Register. (RM) • Produce risk reports including an annual risk management report. (RM) 	
		Appropriate Goals and Tolerances (2)	<ul style="list-style-type: none"> • Review risk appetite annually and align with the Corporate Plan and determine a risk scoring matrix and include risk appetite in the Corporate Risk Register. (RM) • Make a formal decision on how far back to pursue garden waste debts. (Waste) 	
		Understanding External Factors (4)	<ul style="list-style-type: none"> • Review and update the Environmental Health Enforcement Policy and HHSRS Operating Procedure. (PSH) • Develop a proactive inspection programme for private sector rentals with category 1 hazards. (PSH) • Request new contracts with commercial waste customers with the introduction of the new food collection. (Waste) 	
		Effective Building, Maintenance and Change (3)	<ul style="list-style-type: none"> • Add operational risk for the new performance and risk system to the register. (RM) • Track overall progress of the Climate Action Plan. (EC) • Ensure that a system back up is in place for historic data to be transferred into the new system. (Waste) 	
		Understanding and Adapting to Human Factors (2)	<ul style="list-style-type: none"> • Develop a formal risk management training programme. (RM) • Introduce a structured payment or instalment plan options for customers with outstanding garden waste debts. (Waste) 	

		<p>Recognising and Addressing Resources, or Competing Priorities and Constraints (4)</p>	<ul style="list-style-type: none"> • Review all unspent s106 funds and take appropriate action. (S106) • Ensure accurate recording and allocation of pre-2012 s106 agreement funds. (S106) • Develop regular reporting of available s106 funds to key stakeholders. (S106) • Undertake a review of the payment terms of the Contractor for garden waste collections. (Waste) 	
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