

Report Title	Progress Report 2025/26	
Are there background papers?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Exempt	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reason for Exemption?		
Decision for Full Council?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Are there Non Electronic Appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
List of Background Papers (if applicable)		

Progress Report 2025/26

Summary: This report provides details of progress with the 2025/26 Internal audit Plan and outstanding recommendations.

Conclusions: The 2025/26 Internal Audit Plan is in completed. Outstanding recommendations are progressing.

Recommendation: That the Committee is requested to:

- Receive and note progress with the 2025/26 Internal Audit Plan and outstanding recommendations.

Cabinet member(s):

All

Contact Officer, telephone number,
and e-mail:

Ward(s) affected:

All

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1. Background

1.1 This report is issued to assist the Council in discharging its responsibilities in relation to the internal audit activity.

1.2 The Global Internal Audit Standards in the UK Public Sector require the Chief Audit Executive to report to the Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues.

2. Overall Position

2.1 The attached report details:

- Any significant changes to the Internal Audit Plan
- Progress made in delivering the Internal Audit Plan
- The outcomes arising from audit work
- Final report executive summaries
- Status of agreed recommendations
- Details of outstanding recommendations

3. Conclusion

3.1 The 2025/26 Internal Audit Plan is completed. Outstanding recommendations are also progressing.

4. Recommendation

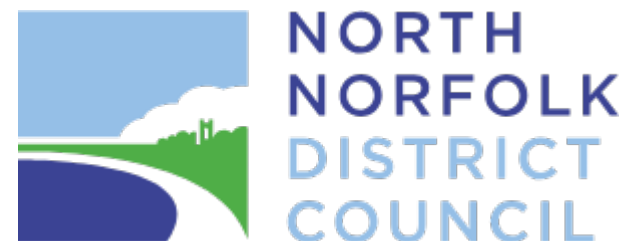
1) That the Committee is requested to:

- Receive and note progress with the 2025/26 Internal Audit Plan and outstanding recommendations.

Appendices attached to this report:

Appendix A – Progress Report 2025/26

EASTERN INTERNAL AUDIT SERVICES



NORTH NORFOLK DISTRICT COUNCIL

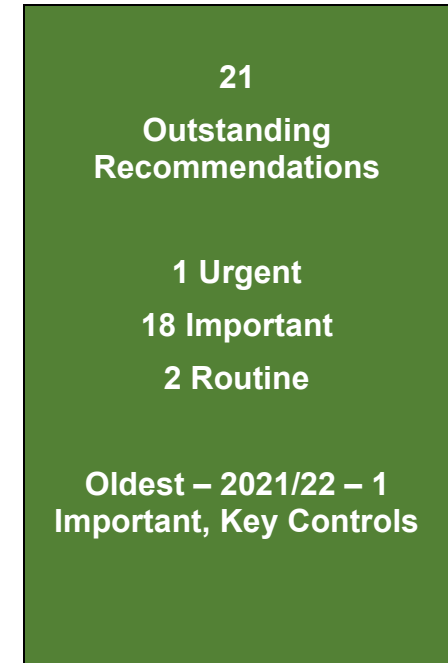
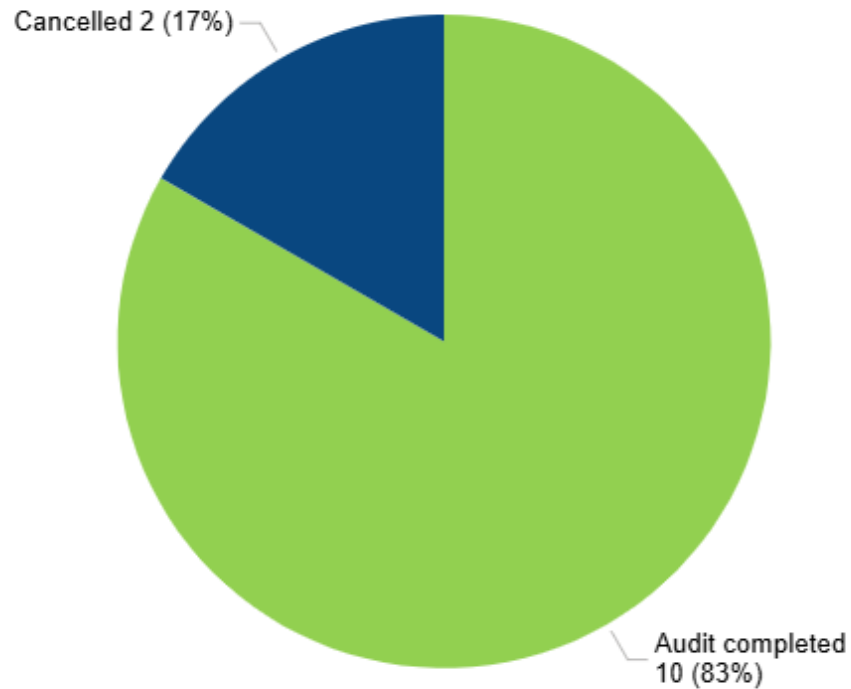
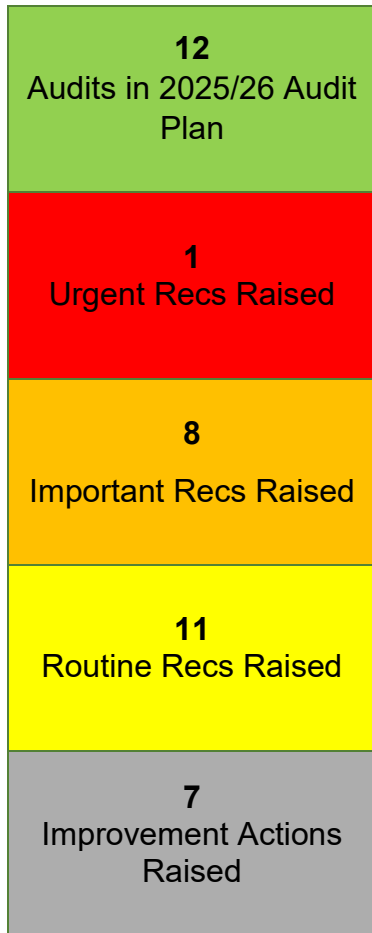
Progress Report 2025/26

Head of Internal Audit: Teresa Sharman

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Progress at a glance



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 Eastern Internal Audit Services (EIAS), which is hosted by South Norfolk Council, through a partnership arrangement. EIAS provides internal audit services to the district councils for Breckland, Broadland, North Norfolk, South Norfolk, Norwich City Council, Great Yarmouth Borough Council, and the Broads Authority.

The delivery of the Internal Audit Plan for the Council is provided by the EIAS's contractors, TIAA Ltd, BDO LLP and Hertfordshire County Council's Shared Internal Audit Service, supplemented by a small in-house Team

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 2025/26 Audit Plan

There have been no changes to the Internal Audit Plan since the last meeting.

Progress to date and audit outcomes

Audit Outcomes - Final Reports

During the period, the following final reports have been issued as detailed in the table below.

The Executive Summary for final reports issued in the period are provided in at **Appendix 1**, and a full copy of the report can be requested by Members.

Recommendations made on completion of audit work are prioritised and the definitions for these are detailed in **Appendix 3** along with those for the assurance level awarded on completion of each individual audit.

Audit	Assurance Level	Urgent Recommendations	Important Recommendations	Routine Recommendations
Corporate Governance	Substantial	0	0	0
Planned Preventative Maintenance of Council Owned Properties	Reasonable	0	0	4
Key Financial Controls	Reasonable	0	2	2
Health & Safety Statutory Compliance on Temporary Accommodation	Reasonable	0	3	1
Procurement	Reasonable	0	2	0
Total		0	7	7

Outstanding Recommendations

The table below now shows the total number of recommendations which are past and within their due date by year and priority rating.

The numbers in brackets after the audit name represents the total number of recommendations made in the final report and the colour denotes the overall assurance given. Also in table, U denotes the recommendation classification of urgent, I is important, and R is routine. See **Appendix 3** for more information on this.

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 2 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.

Audit Year	Audit Name	Past Due Date Priority U	Past Due Date Priority I	Past Due Date Priority R	Within Due Date Priority U	Within Due Date Priority I	Within Due Date Priority R	Total
2021/22	Key Controls and Assurance (4) (Closed – 3)	0	1	0	0	0	0	1
2021/22 Total		0	1	0	0	0	0	1
2024/25	Commercial Estates (5) (Closed - 2)	0	3	0	0	0	0	3
	ICT - Cyber Security (18) (Closed - 17)	0	1	0	0	0	0	1
	Leisure (6) (Closed - 5)	0	0	1	0	0	0	1
	Private Sector Housing (6) (Closed - 4)	0	2	0	0	0	0	2

Audit Year	Audit Name	Past Due Date Priority U	Past Due Date Priority I	Past Due Date Priority R	Within Due Date Priority U	Within Due Date Priority I	Within Due Date Priority R	Total
	Section 106 Agreements (10) (Closed - 2)	1	6	1	0	0	0	8
	Waste Management contract with Serco (9) (Closed - 8)	0	1	0	0	0	0	1
2024/25 Total		1	13	2	0	0	0	16
2025/26	Environmental Health – Licensing (3) (Closed – 2)	0	1	0	0	0	0	1
	Risk Management (6) (Closed – 0)	0	3	0	0	0	3	6
2025/26 Total		0	4	0	0	0	3	7
Priority Totals		1	18	2	0	0	3	24

Total Number of Recommendations Past Due Date	21	Total Number of Recommendations Within Due Date	3
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Progress with actions to Improve poor performance

Contractor Performance

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

- **Contractors:** - Work across all Councils in the Consortium is split between three contractors, with the main contractor completing approximately half of the total audits. The remaining half split approximately equally between the two other contractors.
- **The Protocol, 'a ways of working together' and expectations of Council officers and Contractors:** - this document has been reiterated with all the Contractors and Councils to follow and escalate when responses are not received.
- **Regular meetings:** - meetings take place with the Director for the main contractor to discuss performance every quarter, and all contractors have scheduled meetings to monitor audit progress and performance.
- **Quarterly Review of the Audit Plan with senior management:** - these meetings enable issues to be raised and discussed directly with management.

Quality Assurance & Improvement Programme

- **Next External Quality Assessment (EQA):** - this is due in December 2027. A gap analysis against the new Global Internal Audit Standards in the UK Public Sector is now completed, and the results will be shared with the Committee at a future meeting.

Appendix 1 - Final Report Executive Summaries

Corporate Governance

Assurance Opinion

There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved in relation to the operation of scheme of delegation and officers' decision making.

Arrangements for decision making are clearly outlined in the Constitution, including delegated authority to cover absence, in line with the Local Government Act. Decisions and key delegations are published on the website and testing confirmed these are made in accordance with the scheme of delegation and supported by appropriate documents. Some improvements points have been made for consideration to address minor anomalies.

Opinion provided	Substantial	Urgent recommendations	0	Important recommendations	0	Routine recommendations	0
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Areas of strength in control design and / or effectiveness

- The Council's Constitution, including the scheme of delegation, reflects the requirements of the Local Government Act for delegating officer decisions.
- There are processes for taking urgent decisions, managing conflicts of interest related to decision making, and call-in by the Overview and Scrutiny Committee.
- Officer decisions are published on the Council's website and evidence is retained by Democratic Services in line with the Constitution. Copies of the signed delegated decision forms are available from Democratic Services on request.
- The Constitution makes provision for cover in the absence of decision makers. Signed delegated authority forms are retained by the Monitoring Officer.

- The Constitution is clear on recording and monitoring arrangements for delegated decisions. Decisions are reported to Cabinet before being published on the website.
- The Cabinet work programme is updated monthly and sets out the forthcoming decisions for up to three months ahead.
- Officer decisions were made in accordance with the Constitution, supported by officer decision forms explaining the rationale and delegated authority, and all were signed.

Best practice points to note

- There is a clear flowchart to support decision making and recent training on the new Constitution which included decision making.

Added value or improvement points

- Consider adding a risk consideration box to the Officer Decision Form.
- Ensure that decision forms are dated and officer titles recorded.
- The delegated decision form templates refer to pages in the old Constitution; update this reference on the templates.
- Consider publishing retrospective decision lists or the actual decision forms on the Delegated Decisions page of the website.
- Consider stating on decision list and form whether the decision is eligible for call-in.

Planned Preventative Maintenance of Council Owned Properties

Assurance Opinion

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.

Based on the outcomes of our audit work, we confirmed that the Council has an organised system by which they upload Planned Preventative Maintenance (PPM) tasks to the Concerto system and assign either Multi-Skilled Operatives (MSOs) or Contractors and track work through to completion. The end-to-end workflow for PPM is followed in practice, with supporting photos of site and geo-location to support authorisation of completed work by the admin team. In all cases reviewed, the scheduled PPM was completed within the expected timeframes.

However, control improvement opportunities were identified. These relate to a lack of formal documentation of a written procedure, an annual programme of maintenance and resulting lack of Key Performance Indicators or metrics by which to assess progress or performance of MSOs through the year. With the acquisition of additional properties for use as temporary accommodation, the Service's current process may risk inefficient use of resource and/or increased risk of the need for reactive maintenance.

Opinion provided	Reasonable	Urgent recommendations	0	Important recommendations	0	Routine recommendations	4
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Areas of weakness in control design and / or effectiveness

We have provided overall a reasonable assurance opinion based on our findings which identify four areas for improvement. The audit identified the following: -

- Whilst regular planned maintenance records are held on the Concerto system against each asset, these are not formally recorded within an annual Planned Programme of Maintenance. Current process ensures that the Service have regular oversight and management of the condition of Council-owned properties; however, there is potential for reduced oversight of high value and/or longstanding planned preventative work. (Recommendation 1)

- The Service does not have formal Key Performance Indicators (KPIs) and does not have a metric in place to record progress made throughout the year. As the Service is unable to generate a report of all planned preventive maintenance completed during 2025/26, the Service has limited ability to track where and when work has been historically completed by the Service as a whole. (Recommendation 2)
- Written policy and/or procedure notes are not in place to confirm a specific process by which the Service will complete the end-to-end process for planned preventative maintenance, with the Service only providing a workflow of the process followed. (Recommendation 3)
- Property Services are asked to create new site records by the Estates Team following the loss of an admin officer for the Estates Team. The Property Services Team have worked on a data gap project to identify and minimise missing site data on asset records, with work still outstanding to update and confirm completeness of records on the Concerto system. However, not all asset records are fully set up on the Concerto system. Regarding PPM schedules, there are inconsistencies in dates showing for last scheduled work, and next scheduled work when compared to frequency of expected maintenance work across multiple PPM types. Some occasions were identified where the last scheduled date was recorded as a future date beyond the date the report was generated. (Recommendation 4)

Best practice points to note

Real-time updates to records - the Service have updated their Concerto system to allow live updates to the task records; this has allowed real-time updates to records (including images and summary of work completed), where internet connection allows.

Added value or improvement points

Asset Register – Council Website – On the Council website, the most current asset register is available to members of the public, but it is dated 2024. As this is dated prior to the Council's acquisition of additional temporary accommodation properties, this is not reflective of the entirety of the Council Owned Properties held and/or maintained by the Property Services Team. As such, we would advise that the Service should review this document and upload the latest asset register.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	<p>Process for an Annual Programme of Maintenance</p> <p>Consider the means by which to record work scheduled or expected for completion within the financial year to support monitoring of performance.</p>	Routine	October 2026	Assistant Director Finance & Assets
2	<p>Process for formal monitoring of Service performance</p> <p>Introduce KPIs to monitor progress of PPM and integrate these within the regular management meetings taking place.</p> <p>Monitor the impact of reactive work being prioritised on PPM completion rates.</p>	Routine	October 2026	Assistant Director Finance & Assets
3	<p>Written process/procedure notes</p> <p>Create written process and procedure notes to support the established PPM workflow.</p>	Routine	October 2026	Assistant Director Finance & Assets

No.	Recommendation	Priority	Implementation Date	Responsible Officer
4	<p>Data Gap – Concerto</p> <p>Complete “Data Gap” project and relevant updates on the Concerto system to ensure completeness of site data records and expected frequency of PPM listed on the PPM scheduler.</p> <p>Ensure there is agreed process by which any updated records on the current asset register are carried across for inclusion on the Concerto system.</p>	Routine	October 2026	Assistant Director Finance & Assets

Health & Safety Statutory Compliance Checks on Temporary Accommodation

Assurance Opinion

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.

Health and safety compliance policies were either not be in place, in the case of Fire Safety and Electrical Safety, or did not include appropriate document owner or review date information, which may result in inconsistent or outdated practices being followed.

Currently, no performance monitoring or reports are being completed in relation to statutory compliance; therefore, it may be difficult for management to monitor compliance.

Electrical Installation Condition Reports (EICRs) do not include C1 or C2 actions or recommendations, meaning that there may not be a comprehensive record of issues identified.

Controls were found to be operating effectively in all other areas reviewed as part of the audit.

Opinion provided	Reasonable	Urgent recommendations	0	Important recommendations	3	Routine recommendations	1
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Areas of weakness in control design and / or effectiveness

- Fire and electrical policies relating to health and safety compliance of properties were not in place. (Recommendation 1)
- There are currently no formal performance monitoring arrangements in place that report on statutory compliance. The Council has legal duties to ensure statutory checks are completed; therefore, non-compliance areas and remedial works should be tracked to completion, and formal monitoring arrangements should be implemented to provide this assurance. (Recommendation 2)

- EICR certificates do not capture C1 or C2 recommendations, instead these issues are fixed on site by the contractor whilst at the asset location. As a result, there is no record of C1 or C2 detailed within EICR certificates or worksheets. In addition, it is unclear whether this arrangement is formally made within the MTC contract and as a result this should be updated to reflect the current practice. (Recommendation 3)
- Legionella, Awaab's Law, Asbestos Management, Electricity at Work and Gas related policies did not include a review date and responsible author. (Recommendation 4)

Areas of strength in control design and / or effectiveness

- Compliance and inspection due dates are appropriately stored and tracked through housing compliance software Concerto. This allows for full oversight of compliance due dates, prioritisation of actions, storage of compliance related certification and assigned/delegated action owners.
- Officers are adequately trained and external contractors hold appropriate qualifications to undertake statutory compliance works.
- Properties meet key statutory compliance requirements, including gas safety, electrical safety, fire risk assessments, legionella assessments and asbestos management, where applicable.
- No temporary accommodation properties have lifts or electric stair lifts. As a result, it was not possible to assess compliance with statutory requirements for these areas.
- Property inspections are completed at suitable frequencies including upon acquisition, void and annually. Inspection templates outline the areas that need to be reviewed, including damp and mould, fire safety equipment, electrical checks, general property maintenance, room-by-room analysis and pictures to support findings. Remedial actions identified are appropriately prioritised and allocated to officers or contractors.
- Valid and current contracts are in place for all compliance areas. However, it was not possible to assess whether contracts cover all requirements as contracts are held in hard copy format.

Added value or improvement points

- Good practice would include undertaking regular performance monitoring meetings (monthly or quarterly) that target status of compliance, outstanding actions and contractor performance against KPIs. Also, having scheduled performance meetings (monthly) to review statutory compliance reports, review gaps in reporting, review high-risk properties and agree action plans with deadlines.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	Fire and electrical safety policies should be developed. These must be inclusive of implementation and review dates, responsible policy owners, roles and responsibilities of staff and include all relevant legislation and statutes that the policy is seeking compliance with.	Important	Immediate	Assistant Director Finance and Assets / Property Services Compliance Officer
2	Implement performance monitoring and oversight reports for health and safety statutory compliance checks of property assets.	Important	Immediate	Assistant Director Finance and Assets / Property Services Compliance Officer
3	Ensure all C1 and C2 issues are recorded within the EICR certificates or worksheets and that the arrangement of completing C1 and C2 related issues at inspection is formalised within the contract or MTC service specification.	Important	Ongoing	Assistant Director Finance and Assets / Property Services Compliance Officer

No.	Recommendation	Priority	Implementation Date	Responsible Officer
4	Update the Legionella, AWABB's, Asbestos Management, Electricity at work and Gas related policies to include a review date, responsible author which aligns with legislation.	Routine	Immediate	Assistant Director Finance and Assets / Property Services Compliance Officer

Key Financial Controls

Assurance Opinion

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.

Overall, the controls were operating effectively. However, control weaknesses were noted in the write-off of debts, with sample testing identifying examples of debts being written off without independent authorisation. In addition, a debt was authorised for write-off where the value exceeded the authoriser's limit, as documented in the Delegated Signatory List.

Creditor control and bank account reconciliations were not always completed and reviewed within the minimum control compliance expectation of one month.

Opinion provided	Reasonable	Urgent recommendations	0	Important recommendations	2	Routine recommendations	2
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Areas of weakness in control design and / or effectiveness

Debt Write-Offs

- Debt write-offs are ordinarily raised by a Finance Officer and, to ensure segregation of duties, authorised by either the Senior Finance Officer or Chief Group Accountant, in accordance with the Authorised Signatories List. It is the Council's policy not to self-authorise debt write-offs. In June 2025, two debts under £2k were both raised, and authorised for write-off, by the Senior Finance Officer without independent review. A review of write offs throughout the year confirmed that this did not happen on any other occasion. The CIVICA finance system does not force independent authorisation of debt write-offs. (Recommendation 1)

Delegated Signatory List

- One debt write-off in excess of £5k was incorrectly authorised by the Chief Group Accountant. It was believed that the Chief Group Accountant could authorise write-offs up to £10k but this was not formally reflected in the Authorised Signatories List where the limit is recorded as £5k. The Authorised Signatories List is to undergo a major overhaul to bring it in line with delegated authorities that are being formally updated in the Council's Constitution. (Recommendation 2)

Creditor Control Accounts Reconciliation

- Creditor controls account reconciliations are not consistently performed and reviewed in a timely manner. Out of the two months reviewed, the November 2025 creditor control reconciliation was not completed until 20th January 2026 and was reviewed on 21st January 2026. A review of the remaining 2025/26 creditor control account reconciliations revealed that both the May and June 2025 reconciliations were prepared on 8th August 2025 and reviewed on 12th August 2025. (Recommendation 3)

Bank Reconciliations (Receipts, Direct Credits, Payments and Rent Allowances bank accounts)

- Bank account reconciliations are not consistently performed and reviewed in a timely manner. The July 2025 Receipts Account reconciliation was not performed by the Senior Finance Officer until 9th October 2025 and was reviewed on 10th October 2025. In addition, whilst the July 2025 Direct Credits Account reconciliation was completed within a month of the period end, review did not take place until 8th October 2025. (Recommendation 4)

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	<p>To ensure that: -</p> <ul style="list-style-type: none"> All debt write-offs are independently authorised, in accordance with the Authorised Signatories List. All debt write-offs undertaken during 2025/26 without independent authorisation should be reviewed and confirmed as valid. 	Important	Immediate	Assistant Director, Finance & Assets & Deputy S151
2	To ensure that the Authorised Signatories List is promptly reviewed to ensure that it accurately reflects authorisation levels, with necessary changes formally approved, and is subsequently complied with.	Important	30th June 2026	Assistant Director, Finance & Assets & Deputy S151
3	To ensure that all creditor control account reconciliations are prepared and independently reviewed within one month of the period end.	Routine	Immediate	Assistant Director, Finance & Assets & Deputy S151
4	To ensure that all bank account reconciliations are prepared and independently reviewed within one month of the period end.	Routine	Immediate	Assistant Director, Finance & Assets & Deputy S151

Procurement

Assurance Opinion

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.

While core processes are in place to ensure that procurement is undertaken in accordance with legislation and internal policy, there were some control weaknesses identified. In particular, it was identified that the procurement strategy is out of date and in need of review; the contracts register does not capture all contracts held by the Council; and limited training has been provided to staff who may be involved in procurement on the new Procurement Act 2023 (PA23), with no expectation that anyone other than the Procurement Officer will undertake procurement exercises.

If appropriate staff are not trained on PA23, the Council may be at increased risk of non-compliant procurement and contract management activity occurring outside of the Procurement Officer's direct control, which could result in legal challenge, delayed/failed procurements, poor value for money, weakened governance and transparency, and reputational damage. The Council does not have the resources to complete this training and accepts the risks associated with this.

For business continuity, the Council has arrangements in place to utilise external support in the absence of the Procurement Officer.

Controls were found to be operating effectively in all other areas reviewed as part of the audit.

Opinion provided	Reasonable	Urgent recommendations	0	Important recommendations	2	Routine recommendations	0
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Areas of weakness in control design and / or effectiveness

- The current Procurement Strategy was implemented as of October 2021 with a listed review date of May 2025, indicating that the current strategy is outdated and requires review. As a result, the current strategy does not reflect the requirements of PA2023. (Recommendation 1)
- In some instances, a contract was not included on the contracts register indicating a lack of consistency and transparency between published and actual contracts in place. (Recommendation 2)
- Currently there is only one Procurement Officer within the Council, and only limited training on PA2023 has been provided to other staff who may be involved in procurement. This has been identified as a potential resourcing and business continuity issue; however, the Council accept these risks and have arrangements in place to utilise external support when necessary. As such, a recommendation has not been raised.

Areas of strength in control design and / or effectiveness

- The Council has in place detailed Contract Procedure Rules that refer to relevant legislation, including the Procurement Act 2023. Defined expenditure thresholds and full processes for each level are set out in the Contract Procedure Rules, and controls are detailed to ensure that contract decisions comply with key principles such as transparency, fairness and value for money.
- The Contracts and Tenders page of Council's website provides detailed information about how the Council procures goods and services and has been updated to reflect the Procurement Act 2023.
- For all procurement activity, appropriate tendering exercises are undertaken, including tender submission requirements, defined evaluation criteria, supplier due diligence, contracts in place, conflict of interest considerations, tender notice, award notices and demonstrating value for money.
- Exemptions are used only when necessary and in accordance with the Contract Procedure, with sufficient justification provided. Exemption forms are completed, approved and retained for all exemptions used.
- The Council have in place a Contracts Register that is utilised as a live list of current and historical contracts. The Contracts Register is uploaded on the Council's website quarterly.

Added value or improvement points

- Exemption form requests have a stated review date of July 2023; this review was completed but the section has not been updated. This section needs updating with the new review date.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	Review and update the Procurement Strategy in line with the requirements of the new Procurement Act 2023.	Important	31/07/2026	Assistant Director Finance & Assets / Procurement Officer
2	Ensure all current contracts are included on the published contracts register, to promote transparency as detailed within the Procurement Act 2023.	Important	31/07/2026	Assistant Director Finance & Assets / Procurement Officer

Appendix 2 - Outstanding Recommendations by Year

Year 2021/22

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Key Controls and Assurance	North Norfolk DC to ensure it receives 40% of income from the issuing Penalty Charge Notice (PCN) as per the terms of the contract with Council of Kings Lynn & West Norfolk and this can be clearly evidenced.	2	Assistant Director - Finance & Assets	25/05/22	30/06/2026	Terms of the SLA have been agreed with BCKLWN. and the relationship is working well. Need to consult internally with legal before finalising and signing the new SLA.

Year 2024/25

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Commercial Estates	4a. The Council should Implement a regular inspection schedule to assess tenant compliance with maintenance responsibilities. This will help identify issues early, allowing for timely intervention and reducing long-term repair costs.4b. The Council should check if a compliance check has been completed for two samples (UPRN 1689, UPRN 5005) where we could not obtain evidence.	2	Assistant Director Finance & Assets	01/08/25	30/06/26	Inspections have begun to happen - a formal inspection schedule still needs to be finalised in order to close this recommendation.
Commercial Estates	1. The Estates team should monitor the completion of the Commercial Property Strategy and ensure that a formal policy and procedures for rent setting are included. The Strategy should outline the principles guiding rent setting, such as market demand, location, and economic indices like CPI and RPI. The policy should also specify the required procedures, including discussions and approvals necessary for setting rent. This would standardise the approach across all tenancies, ensuring that all rent	2	Assistant Director Finance & Assets	10/10/25	30/06/26	There was a delay in presenting the asset management plan to CLT, but it expected to be taken before CLT shortly - target completion is now end of May 2026

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	setting decisions are made with a clear understanding of the necessary steps and considerations, enhancing accountability and clarity in the process.					
Commercial Estates	The Estates team should monitor the drafting process of the Commercial Property Strategy and ensure that clear standards and time frames for advertising vacant properties are included to ensure consistency and efficiency.	2	Assistant Director Finance & Assets	10/10/25	30/06/26	There was a delay in presenting the asset management plan to CLT, but it expected to be taken before CLT shortly - target completion is now end of May 2026
ICT - Cyber Security	The cyber security supply chain must be fully documented with type of data/asset, if sensitive information is being shared, level of access provided, if a Data Protection Impact Assessment (DPIA) has been conducted, supplier's key contact details and current security controls mapped out for each asset.	2	Networks Manager	31/03/25	30/06/26	In the process of getting this information up to date – new target date 31/05/26.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Private Sector Housing - HMOs, private rental enforcement and empty homes	The Council 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.	2	Assistant Director - Environment & Leisure Services	31/01/25	30/06/26	Work continues and a draft policy is to be presented to CLT in due course- giving due consideration to the Renters' Rights Act.
Private Sector Housing - HMOs, private rental enforcement and empty homes	The Council to produce a formal HMO (House in Multiple Occupation) Policy that aligns with the Council's requirements as specified in Part 2 of the Housing Act 2004, particularly sections 61 and 62. This policy will consolidate related information into a single document, with appropriate links to supporting documentation. In support of this recommendation, all policy and procedural documentation should include issue and review dates to ensure that the information remains current and accurate.	2	EP Team Leader	01/04/25	30/06/26	Still progressing through committee process to approve.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Section 106 Arrangements	To review all unspent available amounts that have exceeded their "spend deadline" dates and take appropriate action in accordance with the s106 agreements.	1	Development Manager and s106 Officer	30/09/25	30/06/26	The new Section 106 Officer has reviewed the available funds and respective due dates (prioritising the key risks) and has made significant progress.
Section 106 Arrangements	To ensure that, for each planning application, evidence is retained to confirm that all necessary consultations have been undertaken especially before the s106 agreement is signed.	2	Development Manager	30/09/25	30/06/26	These Section 106 procedures have been refreshed and guidance is in production.
Section 106 Arrangements	To ensure that the publicly available Exacom module on the NNDC website is complete and accurate regarding the amount available to spend on projects.	2	Section 106 Officer	30/09/25	30/07/26	The new Section 106 Officer is currently working on this element, needing to review all records to ensure income and expenditure is fully accounted for. This is a time-consuming

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
						<p>exercise but will ensure that the on-line records are accurate.</p> <p>Exacom provides a direct link to Civica which will help moving forwards & is now being considered by IT.</p>
Section 106 Arrangements	To promptly develop authorised, version controlled, end to end process documentation and Exacom user guides.	2	Development Manager and s106 Officer	31/12/25	30/06/26	<p>January 2026: A new S106 officer has been recruited, starting on 5 January 2026 at 0.8 FTE alongside additional temporary resources from within the Council. The initial focus has been on processes and procedures related to the publication and distribution of S106 obligations - which is now completed. The remaining processes are being developed with the Planning Support Manager who is managing this team on a day-to-day basis with the Development Manager's support.</p>
Section 106 Arrangements	To ensure that:- S106 agreements include a requirement for developers to notify the Council when a development commences and when key obligations are met;-	2	Development Manager and s106 Officer	31/12/25	30/06/26	<p>January 2026: This work has commenced with the S106 officer working with others within the Council to agree a way forward for accurate and</p>

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	Intelligence across the Council be improved regarding housing developments (e.g., affordable housing, play areas);- Developers complete an annual return on each site with a s106 agreement, detailing work undertaken and progress against each obligation.- Exacom accurately reflects due obligations and is used to proactively ensure that obligation payments are invoiced at the due date.					timely information sharing. This will include how best to get responses from Developers. We are also visiting neighbouring authorities to identify best practice. The Development Manager will be working with Eastlaw to complete the standard clauses of the S106 agreements, subject to Eastlaw agreement and capacity. All S106 and Unilateral Undertakings are now loaded onto Exacom.
Section 106 Arrangements	To ensure that: - Exacom completely and accurately records all s106 agreements; - Appropriate action is promptly taken for pre-2012 agreements so that monies received and currently reported as being 'available' to spend on Exacom can be allocated to the appropriate project.	2	Development Manager and s106 Officer	31/12/25	30/06/26	January 2026: All new S106 obligations are uploaded onto the DMS prior to planning decisions being issued and are loaded into Exacom thereafter, in accordance with processes and procedures which will be confirmed once the updated version of Exacom is released and training given to S106 Officer. For older cases (pre-2012) this will take time to complete as the older cases are complex and the information not readily

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
						available. Work on the backlog has started but without further training on Exacom this is limited. The working Group proposal may need revisiting as this is not currently active following a director change. Although all agreements are on Exacom, their spend is not yet assigned so records are not complete.
Section 106 Agreements	To develop regular reporting of available s106 funds to appropriate key management and Parish/Town Councils.	2	Assistant Director - Planning	31/12/25	30/06/26	January 2026: Work is under way to ensure accurate records can be shared more widely. Reporting will be possible within six months.
Waste Management Contract with SERCO	<p>Policy/procedure notes be produced for all aspects of commercial and garden waste services. These notes to be version controlled and reviewed on a regular basis. This is to include: -</p> <ul style="list-style-type: none"> • Processing of new or cancelled customers. • Amendments to customers (frequency of bin collections, bin size, number of bins) 	2	Leisure Business Support Manager	01/09/25	30/06/26	System go live delayed until May 2026 due to year end and need to run annual invoice clashing with data transfer. Procedure notes to follow go live.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	<ul style="list-style-type: none"> • Management of systems (Interface, M3, and Whitespace). • Maintenance of contracts/agreements. • Invoicing/income collection • Debt recovery processes. 					

Year 2025/26

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Environmental Health - Licensing	Review the Council's Licensing Policy to ensure it aligns with section 55A of the Licensing Act 2003 to suspend a premises licence if the holder has failed to pay the annual fee rather than reference to allowing a period of grace where annual payment has not been received. The legislative requirement to suspend licenses where payment has been requested but not received, should be invoked.	2	Assistant Dir & Business Support Manager- Environment & Leisure Services	01/03/26	30/06/26	A review of the Licensing Policy is under way, this policy will need to follow the statutory process for consultation before being presented at Committee-aiming for completion in June 2026
Risk Management	All risk owners to complete risk management training and follow up with refresher training. Ensure this training compliance is regularly monitored by Corporate Leadership Team (CLT).	2	Steve Hems, Director of Service Delivery (Deputy Chief Executive)	31/03/26	30/06/26	The use of the Skillsgate e-learning system to meet this requirement has been discussed including making the training mandatory for appropriate managers. The identification of those managers who need to undertake risk management training has been completed. It is anticipated that the training will go live during April 2026. Monitoring of compliance with the training requirements will

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
						be undertaken via the Skillsgate system with reporting into the performance and productivity board.
Risk Management	All service risks to be added to the Management Information System (MIS). Ensure mitigating actions are SMART.	2	Assistant Director Finance & Assets, Assistant Director	31/03/26	30/06/26	The MIS has been updated to enable the capturing of service risks. Service risks will be identified and managed through the MIS once the training on risk has been rolled out and the risk management policy and framework has been updated and adopted. so that there is a consistency of approach across all risk management across the authority.
Risk Management	Ensure the risk appetite field is completed for all risks on the Corporate Risk Register and review the risk appetite statement annually in line with best practice.	2	Steve Hems, Director of Service Delivery (Deputy Chief Executive)	31/03/26	30/06/26	Risk appetite will be added to the MIS system in due course once the risk management policy and framework has been updated appropriately.

Appendix 3 - For your information

Definitions for overall assurance opinions and recommendation ratings are shown below.

Improvement Actions are examples of how the Council could improve a process to be for example, more efficient or effective.

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 months.
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.