



# **INTERNAL AUDIT SHARED SERVICE**

**North West Leicestershire District Council**

**Internal Audit Progress Report 2025/26 Q1**

## 1. Introduction

- 1.1. Internal Audit is provided through a shared service arrangement led by North West Leicestershire District Council and delivered to Blaby District Council and Charnwood Borough Council. The assurances received through the Internal Audit programme are a key element of the assurance framework required to inform the Annual Governance Statement. The purpose of this report is to highlight progress against the 2025/26 Internal Audit Plan up to 30 June 2025.

## 2. Internal Audit Plan Update

- 2.1 The 2025/26 audit plan is included at Appendix A for information and details the audits in progress. There have been five final audit reports issued since the last quarterly update.

Summaries of the reports are detailed in Appendix B

- 2.2 Due to the number of outstanding audit recommendations for the key financial systems it was agreed not to carry out any audits in this area during 2024/25. A review of the recommendations made during the 2023/24 audits was carried out and those that also have an impact on 2024/25 were updated to detail this. The Director of Resources has produced an action plan to address all 26 outstanding recommendations. Updates on the progress against the action plan will be reported to Audit and Governance Committee within the quarterly progress reports.

The action plan is detailed in Appendix C

## 3. Internal Audit Performance Indicators

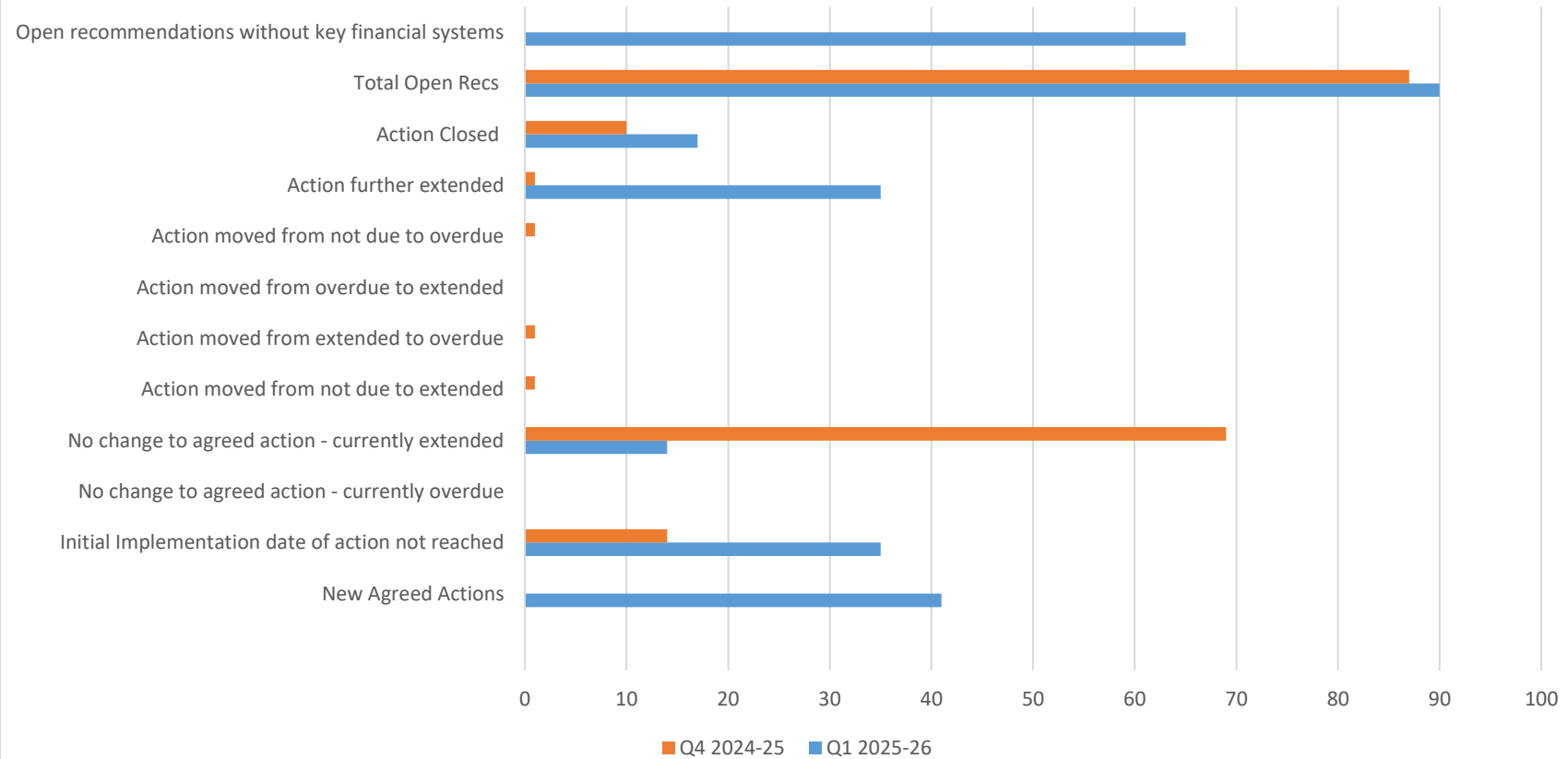
- 3.1. Progress against the agreed Internal Audit performance targets is documented in Appendix E.

## 4. Internal Audit Recommendations

- 4.1. Internal Audit monitors and follows up critical, high and medium priority recommendations. Further details of overdue and extended recommendations are detailed in Appendix D for information, this no longer includes the key financial systems recommendations as they are being monitored through the action plan.

Year	Not Due		Extended		Overdue		Total Closed		
	High	Medium	High	Medium	High	Medium	Critical	High	Medium
21/22	-	-	2	1	-	-	-	30	21
22/23	-	-	3	2	-	-	-	24	23
23/24	1	1	25	16	3	1	3	54	53
24/25	18	11	-	-	-	-	-	9	11

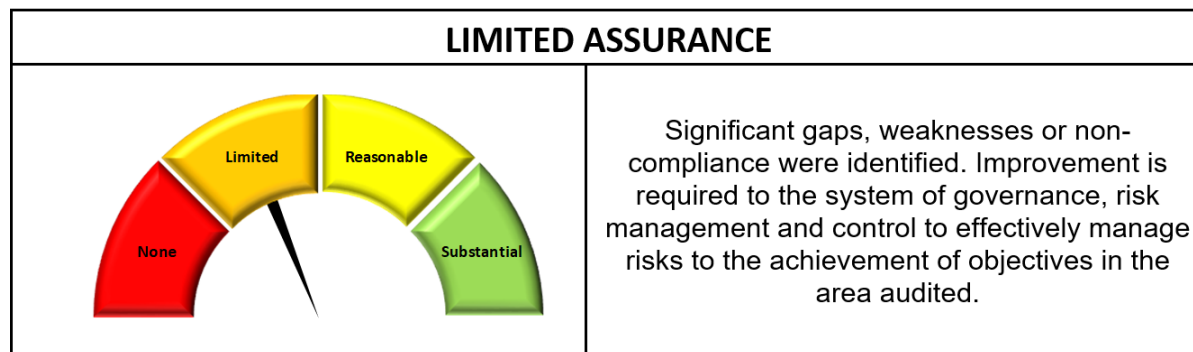
## Comparison of movement of actions between 2024/25 quarter 4 and 2025/26 quarter 1



## 2025/26 AUDIT PLAN AS AT 30 JUNE 2025

Audit Area	Type	Planned Days	Actual Days	Status	Assurance Level	Recommendations				Comments
						C	H	M	L	
Former Tenant Arrears	Audit	5		Q1,2,3,4						
Right to Buy	Audit	10		Q3						
Damp and Mould	Audit	15		Q4						
Warmer Homes Grant	Grant Assurance	10	0.5	In progress						
Housing Regulator	Audit	25		Q3/Q4						
Tenant Association Accounts		3	4	Complete						
Fleet Management & O' Licence	Audit/ Review	6		Q3						
Leisure Centres Contracts	Audit	15	1	In progress						
Port Health	Audit	15		Q2						
Food Waste Project	Advisory/ Assurance	8	1	In progress						
Burial Services	Audit	10		Q2						
Key financial systems	Audit	55		Q2,3,4						
Committee Admin and Reporting	Audit	15		Q3						
Planning Development Management	Audit	15		Q3						
Local Nutrient Mitigation Fund Grant	Grant Assurance	5		Q2						
Regeneration Projects	Audit	40		Q1,2,3,4						
UKSPF	Grant Assurance	4		Q3						
Regeneration Projects	Advisory	20	1	In progress						
Culture & Ethics	Audit	15		Q2/3/4						
Project Support	Advisory	10	5	As required						
Data Protection	Audit	20		Q2						
Absence Management	Audit	15		Q3						
Health and Safety	Audit	15	5	In progress						
Business Planning and Performance	Audit	10		Q3						

Climate Change	Advisory	4		Q1,2,3,4						
Procurement & Contract Management	Audit	20		Q2						
Trade Waste	Audit	15	6	In progress						
IT Business Continuity	IT Audit Contractor	10		TBA						
IT Change Control	IT Audit Contractor	10		TBA						
<b>Outstanding from 2024/25</b>										
Housing Compliance	Audit	28	26	Complete	Limited	-	6	1	-	
Housing Contract Management	Audit	24	23	Complete	Limited	-	9	5	-	
Housing Materials	Audit	12	12	In progress						Addition to plan
Key Financial Systems	Audit	55	10	Complete						It has been agreed that no audits of the key financial systems would be carried out due to the number of outstanding recommendations from the previous year's audits. A review of the closed key financial systems recommendations has been carried out to confirm if the controls have remained in place for 2024/25, where this has not occurred the recommendations have been re-opened for 2024/25. Finance has agreed to review all recommendations and put in place an action plan detailing when and how the outstanding recommendations will be implemented. This action plan will be reported to Audit and Governance Committee within the quarterly progress reports.
IT Audit – IT Security Management	IT Audit Contractor	10	12	Complete	Limited	-	7	7	-	
IT Audit – Unit 4 Application Review	IT Audit Contractor	10	12	Awaiting Management Responses	Limited					
Complaints	Audit	12	13	Complete	Reasonable	-	-	2	-	
UKSPF	Audit	8	8	In progress						
Housing Decarbonisation Grant	Grant Assurance	5	5	In progress						
Rent Accounting	Audit	5	10	Complete	Reasonable	-	1	3	-	

**SUMMARY OF FINAL AUDIT REPORTS ISSUED DURING 2025/26 Q1****Housing Compliance 2024/25****Key Findings**

Areas of positive assurance identified during the audit:

- External contractors have been appointed to conduct compliance inspections for Council housing assets.

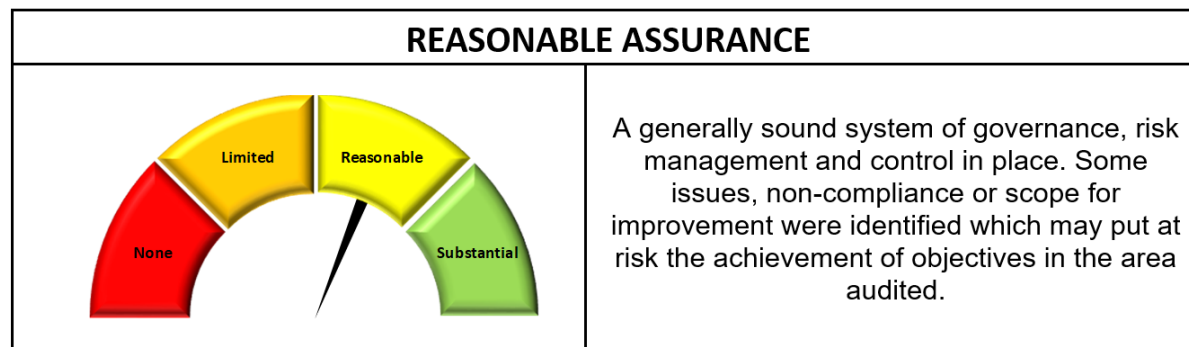
The main areas identified for improvement are:

- Ensuring Compliance policies and procedures are in place which meet the requirements of the Housing Regulator.
- Contract management – hold regular contract meetings which are minuted, ensure receipt of performance information from contractors as agreed.
- Gas Safety compliance.

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
<p>1. A review of all policies and procedures relating to Housing Services gas servicing, electrical testing, fire safety management, lift safety and legionella and water systems. Where policies and procedures are not in place measures should be taken to produce and approve the documents. The policies and procedures should reflect current practices, include roles and responsibilities of staff, contractors and other partners, and should be subject to regular review.</p> <p>Policies and procedures should be sufficient to satisfy the requirements of the Regulator of Social Housing 'FLAGEL' policies (fire safety, legionella, asbestos, gas safety, electrical safety, lift safety).</p>	High	<p>Policies and procedures exist, although not stored in a central location they are accessible to key staff involved in the process. All are compliant with RSH policies. Policies have now been placed on the corporate policy tracker to assist with management of review timelines and will be reviewed in line with recommendation.</p>	Assets and Compliance Team Manager	<p>Timetable of review is:</p> <p>December 2025</p> <ul style="list-style-type: none"> <li>Lift Safety</li> <li>Legionella and water</li> </ul> <p>March 2026</p> <ul style="list-style-type: none"> <li>Gas Servicing</li> <li>Electrical Testing</li> <li>Fire Safety Management systems</li> </ul>
<p>2. The process for gas safety inspections, including where no access can be gained, must be documented and include the timeliness of when reminders and legal action should be taken. Additionally, to ensure that the Council is legislatively compliant, a sound process to manage and monitor gas safety inspections must be implemented.</p> <p>As Legal Services also have responsibility for an element of the process, officers must ensure that input and agreement from them is also obtained.</p>	High	<p>Work is ongoing to further manage the process of escalation of no access properties. This is joint across Assets, Housing Management and Legal teams. A trial process with a legal case is ongoing to ensure approach is valid and best approach. Once the new process is agreed it will be documented fully.</p>	Assets and Compliance Team Manager and Business Safety and Tenant Engagement Team Manager	December 2025
<p>3. The use of specialist software to record compliance inspections should be pursued. Using specialist software would enable inspections to be effectively managed and provide reports / alerts to inspections becoming due and following up of actions resulting from inspections.</p>	Medium	<p>A review of the data held will be undertaken and kept up to date as a single record by compliance type.</p> <p>The business will consider the ability and cost effectiveness of a move to the CAFM system, but</p>	Assets and Compliance Team Manager	<p>December 2025</p> <p>No Date set</p>

		we are unable to set a date for this at the present time.		
4. Evidence to support completion of actions should be retained centrally to ensure that it can be easily located if required.	High	A review will be undertaken to minimise the locations that completion data is held. This will be developed in conjunction with recommendation 3 above.	Assets and Compliance Team Manager	December 2025
5. A review of the processes for the completion of remedial actions identified during compliance inspections is carried out and documented to ensure that the process is streamlined, efficient and all relevant officers receive information to confirm actions have been taken as needed and in a timely manner.	High	A review of the process will be carried out and will put in place an action plan to ensure that completion of jobs raised have been completed within the given timescales and recorded in the appropriate locations for officers.	Responsive Repairs Team Manager	December 2025
6. The Legionella monitoring spreadsheet should be updated with the results of inspections carried out since October 2024.	Medium	Legionella monitoring is held on the contractor portal and is not double entered on our systems. The portal is the definitive record of inspections. An action list will be taken from the portal and updated with receipted and completed works dates, but replication of the data will not be undertaken.	Assets and Compliance Team Manager	September 2025
7. Contract management arrangements, for those contractors procured to carry out Compliance Inspections, should be reviewed to ensure that contracts are being managed in line with the contract. All contract meetings should be minuted and clearly detail any discussions / actions/ performance/ issues.	High	Agreed – to be implemented as set out in response to the Housing Contract Management audit. Policy documentation (recommendation 1) will set out the frequency of collection.	Assets and Compliance Team Manager	See recommendation 1.

## CORPORATE COMPLAINTS



### Key Findings

Areas of positive assurance identified during the audit:

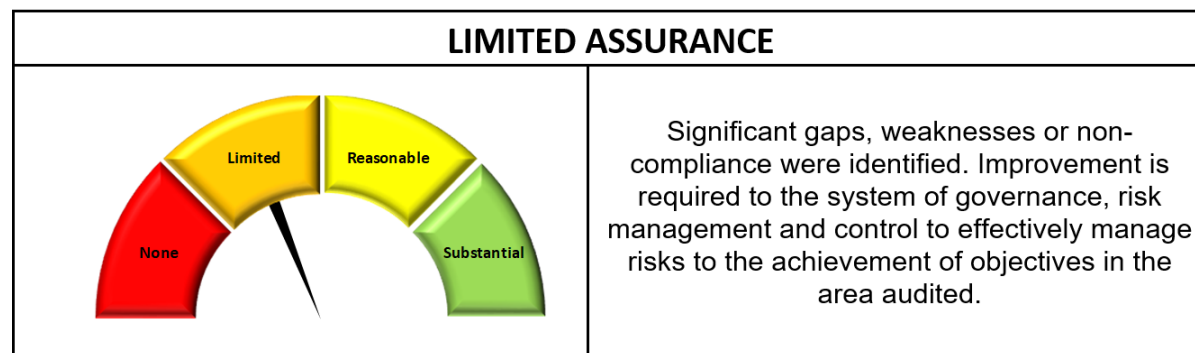
- There is a Complaints Policy in place which is compliant with the Ombudsman Codes.
- Guidance on complaints handling is up to date and available to staff.
- Information relating to the complaints process is published and customers are signposted to the relevant procedure where appropriate.
- Mandatory complaints training is in place for all staff and completion of the training is monitored.
- All complaints are managed and recorded consistently through the House on the Hill system.
- Complaints that are deemed unreasonable are handled in accordance with the relevant policy and procedures.
- Ombudsman complaints are handled in line with policy and the Complaint Handling Codes.
- Performance is appropriately monitored and reported to senior managers and members.
- System access is adequately controlled.

The main areas identified for improvement are:

- Policies are approved in accordance with the executive functions of the authority.
- Reasons for extending response times are clearly communicated to complainants.
- Responses are issued within the timescales set out in the policy and codes.
- Lessons learnt are reported to Senior Management.

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
1. Officers are reminded of the need to advise the Feedback Officer of any extension required, with reasons, in a timely manner, to ensure the Council meets the requirements of the Ombudsmans' Codes.	Medium	Communication will be issued to all managers and Directors to confirm that extensions will not be applied if the Feedback Team is not advised of reasons why.	Customer Services Team Manager.	Implemented.
2. Monitoring processes are put in place to ensure lessons learnt are captured in all complaint cases that are upheld. This will ensure that going forward the Council can reduce the number of complaints and provide a better customer experience.	Medium	A report has been set up to identify complaints that are upheld complaints where no lesson learnt have been given so this can be monitored by the Customer Services Manager and managers can be challenged. In conjunction with recommendation 1, a reminder to this effect will be added to the email to managers and Directors.	Customer Services Team Manager.	Implemented.

# IT SECURITY MANAGEMENT



## Key Findings

Areas of positive assurance identified during the audit:

- An Information Security Policy was approved by Cabinet in September 2024. There is, though, some confusion with regard ownership of the policy, between Legal and Support Services and IT, and there is a need to enhance the policy to cover some other key issues.
- IT manage access to the network and all applications centrally and the Human Resources section ensure all new employees receive information regarding their security responsibilities.
- IT has also, over the last few years, introduced a formal process to ensure reviews of users are completed by superusers/system administrators. There is though, a need to ensure the roles (access levels) defined for applications are also proactively managed.
- A document security incident management procedure exists.

The main areas identified for improvement are:

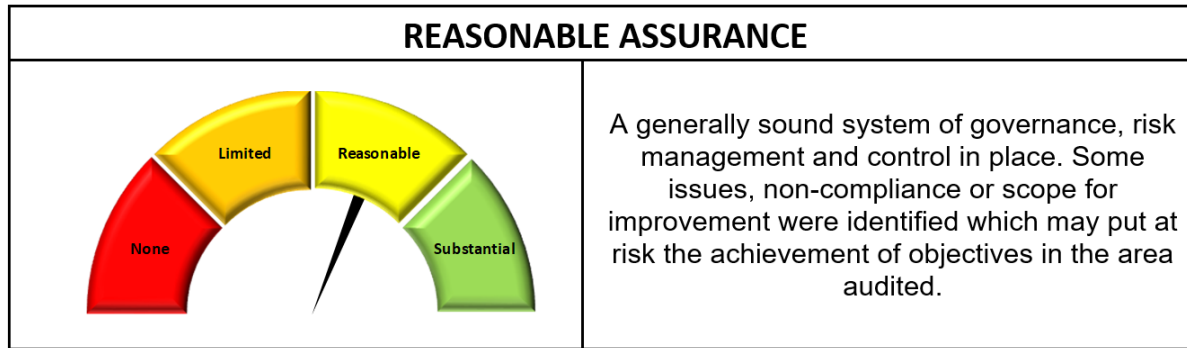
- Ownership, and content, of the Information Security Policy needs to be addressed.
- To ensure that all interested stakeholders are involved in further policy reviews and changes.
- An internal strategy document is drafted regarding Information (IT) Security.
- The outputs from the IT Security group meetings should be shared with all interested stakeholders.
- The role of the designated ADMINS in service areas should be documented.
- Steps need to be taken to address some of the issues identified with IT Applications reviewed within the service areas and IT.
- Physical security weaknesses, regarding use of key PIN's and the BT room at Whitwick Business Centre, should be addressed.
- Action should be taken regarding the internal data breach system (House on the Hill (HOTH)) to ensure use, including testing, is managed accordingly.

- Some documented procedures need to be developed for IT related user reviews.

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
1. Steps should be taken to resolve the ownership of the Information Security Policy.	Medium	The ownership of the policy will sit with the ICT Team Manager but support in updating will be provided by the Data Protection Officer.	ICT Team Manager	November 2025
2. Steps should be taken to fully review the content of the Information Security Policy for adequacy and completeness.	High	A review of the policy will be carried out by the ICT Team Manager with input from the Data Protection Officer and updated, where necessary, to include any additional points they deem appropriate.	ICT Team Manager	November 2025
3. Further reviews of the core policy should include the sign off of all core stakeholders.	Medium	Any relevant officers/ services will be consulted, as needed, during the review process.	ICT Team Manager	November 2025
4. A "strategy" document for information security, that includes key tasks / timescales and resources required, should be prepared.	Medium	A relevant strategy/ action plan will be developed to support the IT security requirements of ICT.	ICT Team Manager	December 2025
5. The full role / responsibilities for the designated ADMINS regarding Information (IT) security, and related tasks, should be documented.	Medium	A spreadsheet is in place for the yearly app checks. There is a tab that details the admins which will be expanded to detail the roles. This will then be communicated to all Admins.	ICT Team Manager	Implemented
6. The IT Manager, going forward, should establish a mechanism to include other key stakeholders in the outcomes of the IT security group's work, findings and actions agreed.	Medium	TOR's finalised. DPO and IT Manager have a quarterly catch-up meeting now to discuss IT security. Minutes from the IT Security group will be circulated to IA Manager and the DPO.	ICT Team Manager	Implemented
7. Documented procedures should be drawn up relating to the tasks completed for the annual review completed by IT.	Medium	A further tab will be added to the spreadsheet detailing the procedures to follow for the annual review.	ICT Project Officer	Implemented
8. The IT Manager should take steps to ensure that applications are secured in line with best practice and agreed organisational policy.	High	A procedure note will be written to advise system admins of their responsibilities regarding security within systems and advise of IT responsibility to ensure it is clear and officers take responsibility as necessary. There is also a task to have individual meetings with system admin across the authority to ensure they fully understand their responsibilities.	ICT Team Manager	Implemented

9. The IT Manager should ensure the PIN combination is periodically changed or in the event a member of ICT leaves or changes their duties. Additional staff should be reminded to ensure PIN's in use are not revealed when used.	High	Implemented. PIN code has now been changed and going forward will be changed every 6 months.	ICT Team Manager	Implemented
10. The IT Manager, and other key stakeholders, should ensure access to the BT room are adequate to protect all equipment from any unauthorised access.	High	Implemented	ICT Team Manager	Implemented
11. Cable cabinets in the BT room should be made secure.	High	Implemented	ICT Team Manager	Implemented
12. Access logs should be introduced to record work undertaken for key IT equipment locations.	Medium	Implemented. A third-party access form is completed for access to the server rooms. All staff accessing the server rooms must raise a ticket on the HOTH system.	ICT Team Manager	Implemented
13. The Data Protection Officer must ensure the integrity of the current internal data breach system (House on the Hill (HOTH)) is reviewed and managed accordingly. The IT Manager should assist as necessary.	High	An internal procedure document will be produced for the users of the system to set out what the required housekeeping settings should be, that only the Data Protection Officer has authority to amend those settings and how any testing on the system will be carried out. The procedure will be shared with all any other officers that have access to the system.  As part of the procedure, the Data Protection Officer will review the settings on an annual basis to ensure there have been no unapproved changes.	Data Protection Officer	Implemented
14. Testing should NOT be completed in the "LIVE" environment.	High	There is no test environment for HOTH. The above detailed procedure will include how testing will be carried out, including provision for all testing data to be logged in a separate document and for actual test records held within HOTH to be deleted.	Data Protection Officer	Implemented

## RENT ACCOUNTING



### Key Findings

Areas of positive assurance identified during the audit:

- Collection rates are regularly monitored for both rental income and arrears
- There is a robust process for ensuring that annual and new rents are set in line with the Rents Policy and appropriately uploaded to the system.
- Current tenant rent arrears are being appropriately monitored and actioned.
- Suspense accounts are regularly reviewed, and items are promptly investigated.
- Access controls to the housing rents system are appropriate for the user requirements and ensure that the integrity of the system is maintained

The main areas identified for improvement are:

- Former Tenant Arrears are not being appropriately monitored and actioned.
- Accounts in credit are not being appropriately monitored and managed.

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
Process and procedure notes for Rent Accounting should be reviewed and updated to reflect current working practice.	Medium	Agreed – The work has already commenced.	Housing Strategy and Systems Team Manager	December 2025
Former tenant rent arrears should be actioned appropriately and in line with the Housing Income Management policy.	Medium	Agreed	Housing Strategy and Systems Team Manager	March 2026
Agreements that are made with former tenants in regard to rent arrears should be fully documented within the housing management system (QL)	Medium	Agreed	Housing Strategy and Systems Team Manager	March 2026
Steps are taken to ensure that accounts that are in credit are managed and monitored in accordance with the agreed process.	High	Agreed – Although there is a manual process in place within housing management this is to be replaced with a new process by the end of July. The aim of the new process is to ensure that the accounts in credit will be reviewed and monitored regularly.	Housing Strategy and Systems Team Manager/ Housing Management Team Manager	September 2025

# Key Financial System Action Plan

## Policies and Procedures

Category	Finding	Detailed Action Plan	Responsible Officer	Implementation Date	Progress update
Creditors, Debtors, Main Accounting.	Key policies and procedures not in place for Creditors, Debtors and Main Accounting. Should include: Corporate Credit Card Policy Debt Recovery Procedure Bad Debt Write Offs Monitoring of Suspense Accounts Payment run procedures ensuring compliance with Fidelity Guarantee Insurance Review of Enhanced User Access / User Access - UNIT4 and access to Lloyds link Virements Committed Expenditure UNIT4 System guide not available.	Assign a responsible officer for each action and set individual timelines for completion, ensuring that 100% of policies and procedures are formally adopted and communicated to relevant staff by the deadline.  Complete a comprehensive review and update of user access for UNIT4 and Lloyds Link, confirming that all permissions align with current roles and responsibilities and meet best practice standards for user security.  Prioritise the implementation of automated bank reconciliation, direct debit processing, and invoice payment automation.  Measure success by establishing systems that reduce manual financial processes by at least 80% and eliminate outstanding reconciliation discrepancies.  Work closely with Embridge from March 2025 onwards to ensure each key priority is addressed according to plan, conducting fortnightly progress reviews through a project board and reporting outcomes to senior management.	Financial Services Team Manager	June 2026	

		Reduce risks associated with delays by completing each action within its specified timeframe, providing weekly highlight reports that demonstrate enhanced compliance, improved financial control, and strengthened operational efficiency.			
Main Accounting	Training was not provided to budget holders	<p>Conduct a comprehensive assessment to identify the training needs of all officers involved in Main Accounting, focusing on the specific requirements for budget holders. Based on this assessment, develop and implement a detailed training plan in collaboration with Embridge and HR, ensuring the inclusion of relevant Skillsgate courses.</p> <p>Distribute updated manuals and guidance documents to all key stakeholders.</p> <p>Progress will be measured by confirming that 100% of identified officers have completed the required training modules and received supporting documentation by the specified deadlines. This targeted approach will enhance user competency, ensure consistent understanding of procedures, and support the successful adoption of new accounting systems and processes.</p>	Finance Team Manager	December 2025	

## **Reconciliations**

Category	Finding	Detailed Action Plan	Responsible Officer	Implementation Date	Progress Update
<b>All - Creditors, Debtors, Main Accounting, Treasury Management</b>	Reconciliations for 2023/24 and 2024/25 have yet to be completed.	It has been formally agreed with the external auditors, Azets, that the Statement of Accounts for 2023/24 will be completed by 31 August 2025, and the Statement of Accounts for	Head of Finance	August 2025	

		<p>2024/25 will be finalised by 30 November 2025.</p> <p>In addition, Mazars have been engaged to complete the key reconciliations by the week ending 18 July 2025.</p> <p>Completion of these tasks will be demonstrated by reconciliation sign-offs by Mazars and formal sign-off of the Statements of Accounts by Azets, according to the agreed deadlines. The overall plan, developed in agreement with the external auditors, focuses on completing all outstanding reconciliations for 2023/24 and 2024/25 and finalising the respective Statements of Accounts within the specified timeframes.</p>			
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#### **Reporting - UNIT4**

Category	Finding	Detailed Action Plan	Responsible Officer	Implementation Date	Progress Update
<b>Creditors</b>	No standard system report available to show officer who raised a PO and officer who authorised. Report should highlighted when same officer raised and authorised PO.	<p>A detailed review of the current reporting capabilities within the UNIT4 platform to determine the most effective approach for capturing and displaying this information. Collaboration between the finance systems team, IT department, and accounts payable staff will ensure that technical requirements are clearly defined and that the proposed report aligns with operational needs.</p> <p>A new report will be developed to display, for every PO, the identity of both the creator and the authoriser.</p> <p>Critical to strengthening internal controls, the report will include a specific feature to highlight</p>	Financial Services Team Manager	December 2025	

		<p>instances where the same officer both raised and authorised a PO. This will enable timely identification and review of potential breaches in segregation of duties.</p> <p>Testing will be conducted to confirm accuracy and reliability of the report output, with adjustments made as necessary based on feedback from key stakeholders. Upon successful testing, relevant staff will be trained on how to access, interpret, and act upon the information provided by the report.</p> <p>The implementation of this report will enhance transparency, reinforce compliance with internal control policies, and support audit requirements. Progress will be monitored through regular reviews, and any issues or improvements identified during initial use will be addressed promptly to ensure the report continues to meet organisational standards and governance objectives.</p>			
<b>Creditors</b>	No standard report which would help to identify possible duplicate payments made (expect there will have been a report used for NFI purposes).	<p>To address the absence of a standard report to identify potential duplicate payments made to creditors, a standardised report will be developed and implemented within the UNIT4 platform. This report will be designed to compare key payment attributes, including invoice number, amount, date, and supplier, in order to flag any transactions that appear to be duplicates or that share highly similar details.</p> <p>Where applicable, any existing report previously used for National Fraud Initiative (NFI) purposes will be integrated or adapted for this purpose.</p>	Financial Services Team Manager	December 2025	

		<p>The successful implementation of this action will be measured by the creation of a fully operational report. Monthly reviews will be carried out to ensure that at least 98% of all payments are analysed for possible duplication. The report will also produce a summary of all flagged transactions for management review.</p> <p>Officers will design, test, and implement the report, leveraging existing expertise and available tools. Relevant staff will receive training on both the use and interpretation of the report.</p> <p>The design, testing, and implementation of the duplicate payments report will be completed within three months from the initiation of the project.</p>			
<b>Creditors</b>	No exception report detailing new and amended suppliers.	<p>The finance systems team will collaborate with IT and the procurement department to define key data points required for effective monitoring of supplier records. A comprehensive report will be developed within the UNIT4 platform or similar procurement platform to capture and flag all newly created and modified supplier entries on a real-time or regular basis.</p> <p>Testing will be conducted to ensure accuracy, with adjustments made as needed based on user feedback and audit requirements.</p> <p>Staff who are responsible for supplier management will receive targeted training on interpreting and responding to the report's findings. Ongoing monthly reviews will ensure</p>	Finance Services Team Manager/Procurement Officer	December 2025	

		the report remains effective and is utilised to mitigate risks associated with unauthorised or erroneous supplier changes. Progress will be tracked through regular project updates, and continuous improvement will be supported by incorporating feedback from internal audit reviews and end users.			
<b>Debtors</b>	Raising of debtor invoices is not automated.	<p>A structured and systematic solution will be implemented to enhance both efficiency and accuracy. The process will begin with a comprehensive review of current debtor invoicing procedures, involving key stakeholders to identify business requirements and document specific needs for automation.</p> <p>An evaluation of the existing capabilities of the UNIT4 platform will be conducted to determine the feasibility of automated invoice generation. This will include identifying any required configurations or integrations necessary to ensure a seamless implementation. Based on this assessment, a detailed design for the automated invoicing process will be developed, incorporating controls to maintain accuracy and compliance with organisational standards.</p> <p>Following approval, the UNIT4 platform or associated systems will be configured according to the agreed specifications. Rigorous testing, including user acceptance testing, will be carried out to ensure that all functionalities operate as intended and data integrity is maintained. Any issues identified during the testing phase will be addressed prior to full implementation.</p>	Finance Services Team Manager	March 2026	

		<p>Staff involved in debtor invoice management will receive targeted training to ensure they are fully competent with the new automated process. Updated process documentation will be distributed, and ongoing support will be made available as required.</p> <p>To ensure the continued effectiveness of the solution, regular review mechanisms will be established. Feedback from users and internal audit will be incorporated to support continuous improvement of the process.</p>			
<b>Debtors</b>	Automated debt recovery function in UNIT4 not utilised.	Review current debtor invoicing and debt recovery workflows in UNIT4, consulting stakeholders to define automation requirements. Evaluate existing system capabilities and determine necessary configurations or integrations. Develop and document updated procedures for automated invoice generation and debt recovery, assigning responsibilities and deadlines for each task. Monitor progress throughout implementation and adjust actions as required to ensure effective adoption.	Finance Services Team Manager	March 2026	
<b>Main Accounting</b>	No standard report to show virement postings to GL - also service do not maintain record of virements.	To address the absence of a standard report for virement postings to the General Ledger and the lack of record maintenance, a standardised process will be implemented. The current procedures related to virement postings in the accounting system will be reviewed, and stakeholders will be consulted to determine specific reporting requirements and necessary data fields. A standard report template for virement transactions will be designed and developed within the system.	Finance Team Manager	June 2026	

		A mandatory procedure for documenting all virements at the point of entry will be established. Responsible officers will be appointed to oversee report generation and ongoing record maintenance. An implementation timeline will be set, and all relevant staff will be informed of the process changes. Compliance will be monitored, and adjustments will be made as necessary to ensure the effectiveness and sustainability of the new process.			
<b>Main Accounting</b>	No standard report showing annual budget upload to UNIT4	To address the absence of a standard report for annual budget uploads to UNIT4, a review of current reporting practices will be conducted in consultation with key stakeholders. A standard report template will be designed and implemented within UNIT4 to ensure consistency and accuracy. A responsible officer will be assigned to oversee the development, with a defined timeline for completion. Relevant staff will receive training on the new process, and compliance will be monitored on an ongoing basis.	Finance Team Manager	June 2026	
<b>Main Accounting</b>	No standard report to confirm opening / closing balances / trial balance	A dedicated review of existing reporting procedures will be initiated to identify gaps in confirming opening and closing balances as well as the trial balance. A standardised report format will be developed and integrated into current systems to ensure accuracy and transparency. A responsible officer will be appointed to oversee the design, implementation, and periodic review of the report. Training will be provided to relevant staff to ensure consistent application, and compliance will be regularly monitored to support ongoing improvements.	Finance Team Manager	June 2026	

## **Performance - KPI's**

Category	Finding	Detailed Action Plan	Responsible Officer	Implementation Date	Progress Update
Creditors / Debtors	No KPI's for supplier payments and income collection. No performance monitoring /reporting.	<p>A comprehensive review of current payment and income collection processes will be conducted to identify relevant performance metrics.</p> <p>Following this, a set of KPIs will be developed to effectively measure the efficiency and timeliness of supplier payments and the effectiveness of income collection. These KPIs will include, but not be limited to, average payment processing time, percentage of payments made within agreed terms, and collection rates for outstanding income within defined timeframes.</p> <p>A responsible officer will be appointed to oversee the development and implementation of these KPIs. The officer will also be tasked with establishing a structured process for ongoing collection, analysis, and reporting of performance data.</p> <p>Staff involved in payment processing and income collection will receive targeted training to ensure understanding and compliance with the newly established performance measures.</p> <p>Performance data will be monitored on a monthly basis, and regular reports will be generated and reviewed by management to identify trends, address issues promptly, and support continuous process improvement.</p>	Financial Services Team Manager	December 2025	

		The objective is to ensure transparency, accountability, and enhanced financial management through systematic measurement and regular performance review.			
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### **Miscellaneous**

Category	Finding	Detailed Action Plan	Responsible Officer	Implementation Date	Progress Update
<b>Creditors</b>	Uncertain if action has been taken to recover duplicate payments.	To address the uncertainty regarding the recovery of duplicate payments, a comprehensive review of all recent supplier transactions will be conducted to identify any instances of duplication. Clear procedures for the identification and recovery of duplicate payments will be documented and communicated to relevant staff. Responsibilities will be assigned to designated officers to oversee the process, and deadlines will be established to ensure timely resolution. Progress will be monitored regularly, and findings will be reported to management for further action as necessary.	Financial Services Team Manager	September 2025	
<b>Creditors</b>	Supplier payments over £250 are published on the council website in excel and PDF. The PDF version of the report is not user friendly. Also suggest report those payments £500 as Transparency Code.	Furthermore, the accessibility and compliance of supplier payment reports will be enhanced. The current PDF version of the published report is not user-friendly, and improvements will be made to ensure greater clarity and public accessibility. Additionally, reporting practices will be updated to ensure that all payments over £500 are clearly identified and reported in accordance with the Transparency Code. The objective is to achieve a user satisfaction rate of at least 80 percent regarding the usability of the new report format and to ensure that all payments over	Financial Services Team Manager/Procurement Officer	September 2025	

		<p>£500 are accurately and consistently included in the published documentation.</p> <p>Monitoring measures will include the collection and review of user feedback as well as quarterly audits to verify full compliance.</p> <p>A lead from the finance department, in conjunction will be responsible for overseeing the development, implementation, and ongoing monitoring of these improvements.</p>			
<b>Debtors</b>	External debt recovery services are not used.	<p>To address the current lack of external debt recovery services, the Council will initiate a structured review and implementation process designed to improve the recovery of overdue accounts and support robust financial management.</p> <p>The first step will involve a comprehensive assessment of existing internal debt recovery methods, identifying any inefficiencies or barriers that may be contributing to the accumulation of aged receivables.</p> <p>Following this evaluation, the Council will research reputable external debt recovery agencies, ensuring they display a consistent record of ethical practices, regulatory compliance, and proven success in similar sectors.</p> <p>A set of criteria will be established for selecting an appropriate agency, taking into account cost-effectiveness, transparency of</p>	Financial Services Team Manager	September 2026	

process, and alignment with the Council's values.

If this is the approach the Council wishes to take, once a suitable partner is chosen, clear procedures and escalation protocols will be drafted to govern when and how external debt recovery services will be utilised.

Staff involved in financial operations will undergo training to familiarise themselves with these new procedures and ensure compliance. Communication will be maintained with debtors to inform them of the updated policy and encourage early resolution of outstanding balances prior to escalation.

To evaluate the effectiveness of this initiative, key performance indicators such as reductions in overdue accounts, recovery rates, and feedback from internal stakeholders will be monitored and reported at regular intervals.

## EXTENDED RECOMMENDATIONS

Audit Year	Audit	Recommendation	Priority	Response/ Agreed Action	Responsible Officer	CLT Lead	Due Date	1st Follow up comments	Extension Date	Second Follow up comments	Extension Date	Further Management update	Further extension date
2022/23	Payroll	2. A regular review of the iTrent audit log is carried out by an independent officer to ensure functions are appropriate to the officer.	High	Agree – appropriate audit log to be sourced, possibly reviewed by Senior HR Advisors.	Head of HR and Organisational Development.	Head of HR & OD	Dec-23	Dec 23 – Not implemented due to resourcing issues/ staff leaving. Will further discuss with Director of Finance and Head of Finance.	Jul-24	Jul 24 – No response received		Nov-24 Due to staffing changes it has not been possible to implement this recommendation. Apr-25 Head of HR to obtain a log report from Midland HR and then a review will be carried out on a regular basis.	<del>Apr-25</del> Jul-25
2022/23	Payroll	7. A full review of user access is carried out, in particular System Administrator access should be reviewed, and the number reduced.	High	Agree – access to be reviewed and removed where no longer required.	Head of HR and Organisational Development	Head of HR & OD	Dec-23	Dec 23 – Not implemented due to resourcing issues/ staff leaving. Will further discuss with Director of Finance and Head of Finance.	Jul-24	Jul 24 – No response received		Nov-24 Due to staffing changes it has not been possible to implement this recommendation. Apr-25 Head of HR to obtain an access report from Midland HR and following this a full review of access will be carried out.	<del>Apr-25</del> Jul-25
2022/23	Payroll	9. Consideration should be given to ICT undertaking the System Administration role within iTrent. This would assist with the separation of duties, referred to in recommendation 1.	Medium	Agree – will discuss transfer of responsibilities with IT Manager.	Head of HR and Organisational Development	Head of HR & OD	Dec-23	Dec 23 – Not implemented due to resourcing issues/ staff leaving. Will further discuss with Director of Finance and Head of Finance.	Jul-24	Jul 24 – No response received		Nov-24 Due to staffing changes it has not been possible to implement this recommendation. Apr-25 Head of HR to discuss with the IT Manager in conjunction with recommendation 7	<del>Apr-25</del> Jul-25

2023/24	Workforce Planning	<p>1.The Council should develop a Workforce Planning Strategy, supported by an action plan, that clearly sets out the desired approach and methodology to workforce planning along with roles and responsibilities across the Council. The Strategy should also include details of how the Council will react to any significant external factors such as emerging risks, changes in legislation, opportunities and staff satisfaction that could impact the resourcing structure or pressures across the organisation.</p> <p>Once developed the Strategy should be formally approved and communicated as appropriate, with the action plan becoming a live document that is appropriately reviewed, managed, monitored, and updated.</p>	High	Agreed. A Work Force Planning Strategy will be developed.	Head of HR and Organisational Development	Chief Executive	CLT September 2024 Followed by consultation Approval by Cabinet November 2024	Oct 24 – Plan due to be reviewed by CLT in Nov and will then will require relevant committee approval.	Jan-25	Nov 24 - Due to the committee approval process this recommendation is required to be further extended.	Apr-25	Mar-25 - Due to changes in Head of Service it has been advised that this needs to be extended to provide the new Head of Service an opportunity to update and review if required.	Oct-25
2023/24	Workforce Planning	2.The partners that the Council is working with need to be documented in either the Workforce Planning Strategy or supporting documentation	High	Agreed as per the recommendation.	Head of HR and Organisational Development	Chief Executive	CLT September 2024 Followed by consultation Approval by Cabinet November 2024	Oct 24 – Request for extension. Plan due to be reviewed by CLT in Nov and will then require approval.	Jan-25	Nov 24 - Due to the committee approval process this recommendation is required to be further extended.	Apr-25	Mar-25 - Due to changes in Head of Service it has been advised that this needs to be extended to provide the new Head of Service an opportunity to update and review if required.	Oct-25

2023/24	Asbestos Management	13.The Council should ensure that all relevant staff have received / undertaken the level of training in Asbestos Management as required by either their job role or their assigned role within the Asbestos Management Policy.	Medium	Whilst all operational staff have the minimum Asbestos Awareness training others at team leader, supervisor and management have received Duty to Manage training. Whilst this is recognised as a minimum requirement, it has been identified that team managers should receive P405 training to mitigate risk at a higher level and to cover duty holder requirements in the absence of other Responsible Persons. HR, in conjunction with managers/ Heads of Service, will be requested to carry out a review of which officers require which level of training across the authority. Following this, training will be arranged.	Health and Safety Officer	Head of HR & OD	September 2024  Training dates will be advised following the review.	Oct 24 – Head of OD & HR to discuss with H&S Manager and to arrange relevant corporate training. Extended to Mar-25 in CLT.	Mar-25	Mar-25 - All relevant officers have been identified with the levels of training required for each officer. A training plan is now being developed and all training will have been completed by March 2026. The action was previously assigned to the Asset Manager and Strategic Director of Communities but as the training is being managed by the Health and Safety Officer responsibility has now been moved.	Mar-26		
2023/24	Procurement and Contracts	3.The contract register should be reviewed and updated on a regular basis to ensure compliance with the Local Government Transparency Code. Responsibility for updating the contracts register should be relevantly assigned.	High	Agreed. This is currently in train. If the full information is not available, will publish and add full detail at a later date.	Procurement Officer	Director of Resources	Jun-24	June 24 – The data continues to be compiled. It is intended that the register will be published on the Council's website by the end of July.	Aug-24	July 24 - Currently reviewing how the software available can be utilised to ensure that the register is relevantly published.	Sep-24	Oct 24 – Extended as not yet in position to publish contracts register. Third party appointed to assist with procurement support. Dec-24 - Extended due to further work being required. Mar-25 - Meetings are being undertaken with V4, Heads of Service and Team Managers, but meetings are ongoing. After correspondence with V4, it is believed that the contract register will be ready for publishing in April/May therefore an extension is requested to May 2025. April 25- Extension requested to June 2025.	<del>Dec-24</del> <del>Mar-25</del> Jun-25
2023/24	Capital Programme Management	1. The Capital Governance procedures and forms are reviewed, updated as required are made available to all relevant staff.	Medium	Agreed.	Head of Finance	Director of Resources	Dec-24	Dec-24 - Standard report template produced. Considered part implemented.	Feb-25	Mar-25 - It has been agreed that to eliminate duplication the project office forms will be used for this, however this has meant that the forms will need to be amended.	Sep-25		

2023/24	Capital Programme Management	2. Officers are provided with training in respect of financial management and the capital governance process, commensurate to their role.	Medium	Agreed.	Head of Finance	Director of Resources	Mar-25	Mar-25 - It has been agreed that to eliminate duplication the project office forms will be used for this, however this has meant that the forms will need to be amended.	Sep-25				
2023/24	Capital Programme Management	3. The virement procedure and approval process for capital schemes is clarified to ensure that virements are clearly documented and approved.	Medium	Agreed. Updates to Unit4 will help to create relevant workflow. However, the process needs to be communicated. Will review the Financial Procedures Rules, specifically sections A24 – A28 to align with the approach of the development and active pool approach.	Head of Finance and Capital Accountant	Director of Resources	Feb-25	Feb-25 - No response received Mar-25 - Extension agreed to Sep-25	Sep-25				
2023/24	Capital Programme Management	4. The documented procedure and request form are published and made available to all relevant staff.	Medium	Agreed.	Head of Finance	Director of Resources	Mar-25	Feb-25 - No response received Mar-25 - Extension agreed to Sep-25	Sep-25				
2023/24	Capital Programme Management	5. Consideration is given to reviewing the virement scheme requirements as set out in Financial Procedure Rules, and approval levels to ensure that they are appropriate and prevent the use of cumulative transactions to circumvent Financial Procedure Rules.	Medium	Agreed.	Head of Finance and Capital Accountant	Director of Resources	Feb-25	Feb-25 - No response received Mar-25 - Extension agreed to Sep-25	Sep-25				
2023/24	Capital Programme Management	9. A full review of the capital expenditure to date for all capital projects is completed and reported to the Capital Strategy Group as soon as accurate information is available.	High	Agreed. Focus is on updating Unit 4 which focuses on revenue monitoring. Capital monitoring functionality is available and will be considered at a later date to support improved monitoring.	Head of Finance	Director of Resources	Sep-24	Sept 24 - Report is planned to be presented to Capital Strategy Group at end of September.	Oct-24	Oct-2024 No Response on evidence requested		Nov 24 - Work has been carried out in identifying the expenditure on capital projects but further work is required to ensure that all expenditure is captured within Unit 4. This will be completed as part of the close down process.	<del>Mar-25</del> Dec 25

2022/23	ASB	2. The performance indicators are reviewed and where appropriate new indicators added to measure performance against the incremental approach.	Medium	Review the indicators in line with the review of the ASB policy. With the intention to make the indicators for community safety and housing the same.	Housing Management Team Manager.	Head of Housing	Mar-24	March 23: New set of indicators within the policy. Extension to ensure that these are fully embedded and reported following the approval of the Policy at Cabinet	Jul-24	Jul 24 – Information provided does not detail any ASB performance indicators.		Nov-24 New service standards have been introduced but currently, due to the system used, it is not possible to report on performance. A new system is due to be implemented in April 2025 and it is hoped that this will have the capacity to accurately report performance.	Dec-25
2022/23	Rent Accounting and Arrears	10. With the introduction of Unit 4 (new Finance System) the rent debit should be uploaded automatically from the Housing System to the General Ledger each week. This should enable weekly reconciliations between the two systems to be carried out.	High	Agreed	Housing Strategy and Systems Team Manager/ Head of Finance	Head of Housing	Aug-23	Aug 23 – No response	Sep-23	Sept 23 - Issues regarding UNIT4 - meeting with Finance planned for w/c 11.9.23. Will require an extension to the implementation date.	<del>Oct-23</del>	Nov-23 Further extension requested. Aug-24: Due to the issues with Unit 4 it has not yet been possible to implement this recommendation. Apr-25: Due to issues with Unit 4 and the change in staff it has not yet been possible to implement this recommendation. An extension has therefore been requested to September 2025.	<del>Mar-24</del> <del>Sept-24</del> <del>Mar-25</del> Sept-25
2023/24	Planned maintenance	4. The procedures and system parameters are reviewed to ensure orders and variations are appropriately costed and authorised.	High	An action plan will be put in place to address issues, but these actions will not be able to be addressed until a full complement of Senior Management Team is in place.	Asset Manager	Head of Housing	Apr-25	Mar 25 - Due to there not being a full complement of managers in post this will be extended to March 2026. This will provide the team the opportunity to review and embed new and updated processes.	Mar-26				
2023/24	Planned maintenance	6. Procedures and processes are put in place to ensure relevant inspections are completed, documentation is retained, and completion is evidenced on the housing management system (QL).	High	Post inspections are now being carried out by the asset team.  Asbestos information is currently being addressed with the contractor to enable relevant users to access the information. This will be reviewed once a full complement of Senior Management Team is in place.	Asset Manager	Head of Housing	Apr-25	Mar 25 - Due to there not being a full complement of managers in post this will be extended to March 2026. This will provide the team the opportunity to review and embed new and updated processes.	Mar-26				

2023/24	Planned maintenance	7. Processes are put in place to ensure certificates are obtained upon completion and are filed appropriately for future reference.	High	The reconciliation will, going forward, be carried out by the financial Asset Management Support Officer (AMSO). The process has been confirmed as – the in-house team complete compliance via a tablet. Contractors send through compliance certificates which are uploaded to the MRI software system with relevant reference number. Audit to review in three months to ensure process is now working.	Support Services Manager	Head of Housing	Oct-24	Oct-24 No response on evidence requested.		Dec-24 - Audit testing highlighted controls are not in place for all types of certification, this has been due to resource issue. To ensure that the process is followed for all certificates an extension is required.	Mar-25	Mar-25 Due to current manual intervention required this still is not being fully completed. A review of the CAFM system will be done to confirm if this is an appropriate compliance system for housing and consideration will be given to using this in the future. The extension date reflects the time needed to review the system, go live if agreed, and upload all relevant documentation.	Mar-26
2023/24	Planned maintenance	8. Processes are put in place to ensure snagging works are identified, recorded and monitored to ensure remedial works are completed.	High	Agreed in principle, this will be reviewed once a full complement of Senior Management Team is in place.	Asset Manager	Head of Housing	Apr-25	Mar-25 Due to current manual intervention required this still is not being fully completed. A review of the CAFM system will be done to confirm if this is an appropriate compliance system for housing and consideration will be given to using this in the future. The extension date reflects the time needed to review the system, go live if agreed, and upload all relevant documentation.	Mar-26				

2023/24	Planned maintenance	9. A review of the process is undertaken and documented to ensure that there is a clear and transparent audit trail in place and the process is relatively managed and monitored, and all officers are aware of the responsibilities in relation to authorisation and payment processes.	High	Agreed in principle, this will be reviewed once a full complement of Senior Management Team is in place and the financial architecture is in place to support this.	Asset Manager	Head of Housing	Apr-25	Mar-25 Due to current manual intervention required this still is not being fully completed. A review of the CAFM system will be done to confirm if this is an appropriate compliance system for housing and consideration will be given to using this in the future. The extension date reflects the time needed to review the system, go live if agreed, and upload all relevant documentation.	Mar-26					
2023/24	Planned maintenance	10. The complexity of the spreadsheets being used are reviewed and the process is documented to for business continuity purposes. Additionally, any duplication of work should be removed.	High	Agreed in principle, this will be reviewed once a full complement of Senior Management Team is in place.	Asset Manager	Head of Housing	Apr-25	Mar-25 Due to current manual intervention required this still is not being fully completed. A review of the CAFM system will be done to confirm if this is an appropriate compliance system for housing and consideration will be given to using this in the future. The extension date reflects the time needed to review the system, go live if agreed, and upload all relevant documentation.	Mar-26					

2023/24	Planned maintenance	13. Performance data is obtained and reviewed to ensure managers can monitor contractors' performance against targets and contract terms and conditions. Where targets are not being met the contractor should submit proposals for improving performance. Additionally, officers should be aware of any financial implications of contractors not meeting their contractual agreements, to ensure that these can be enforced if required.	High	The planned structure for the service includes provision to enable this process. New contracts also support this approach. The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Asset Manager	Head of Housing	Q4 2024/25	Mar-25 Due to resourcing issues this has still not been implemented. When resources are in place contract supervisors will be assigned to each relevant contract.	Mar-26				
2023/24	Responsive Repairs	7. Regular monitoring of orders, follow on work, and variations is undertaken to ensure orders are issued, progressed, follow on work scheduled, variations promptly approved, and orders completed.	High	An extensive amount of work has been done since the audit and all numbers have been reduced. Regular monitoring has now been introduced and Audit is requested to re visit this recommendation with the service in Q4 to provide assurance on this identified control weakness.	Building Safety and Tenant Involvement Team Manager	Head of Housing	Q4 2024/25	Feb-25 - Extension requested due to staff absences and team changes.	May-25	Mar-25 - A review of the recommendation has been carried out by the new Team Manager and this has led to the creation of follow-on "work pots" in QL. As a full cleanse is still required an extension to September 2025 is needed.	Sep-25		

2023/24	Responsive Repairs	9. Pre inspection and post inspections showing on the housing management system as outstanding should be reviewed to confirm their status.	Medium	A management decision will be made on closing inspections over a set time. Inspections going forward will be undertaken on a percentage of work – urgent, Housing Health & Safety Rating System (HHSRS) and high value works.	Responsive Repairs Team Manager	Head of Housing	Dec-24	Jan-25 A decision that all post inspections, as at 31/01/2025, over a month old, will be closed has been made by Housing Management team. Audit will carry out testing on inspections that do not meet the close criteria.	Mar-25	March-25- All inspections pre 31/01/25 to be closed. Post/Pre inspections. Going forward the automated post inspection rules are set to move a percentage of orders to post inspections. This will not include those under a certain amount and all of those over a set amount will be automatically selected. Extension to embed the process and then audit to test.	May-25	Jun-25 - Extension agreed to enable Quantity Surveyor posts to be filled and allowing time for the processes to be fully embedded.	Dec-25
2023/24	Responsive Repairs	10. A process is put in place to capture, document and monitor pre-inspection, post inspection and specialist surveys to ensure appropriate work is undertaken and tenants' homes meet the standard required.	High	These processes will be put in place once a substantive management and operational team is in place within the service, and contractors are embedded.	Responsive Repairs Team Manager	Head of Housing	Apr-25	Mar-25 DMC Process has started to be built into QL and this will be rolled out asap. Surveys are being monitored and actioned through the recently mobilised DMC work force. Notes are being recorded against QL orders. Pre/Post inspections as no9 rec. Extension is to ensure full testing can be carried out.	Sep-25				
2023/24	Responsive Repairs	11. Management should consider the use of e-forms or appropriate software to capture and store inspections and review the system parameters for the automatic selection of properties to be post inspected to ensure they are appropriate.	Medium	Agreed – the Service is enacting an e-form process as described.	Responsive Repairs Team Manager	Head of Housing	Apr-25	Mar-25 An officer has been tasked to build pre/post inspection forms with Systems Team as an e-forms. Parameters are already set as above	Sep-25				

2023/24	Responsive Repairs	12. The signing off of the work completed by the QS is documented on the order within the housing management system (QL).	Medium	These processes will be put in place once a substantive management and operational team is in place within the service, and contractors are embedded.	Building Safety and Tenant Involvement Team Manager	Head of Housing	Apr-25	Mar-25 The process will be reviewed when a QS is in post.	Dec-25				
2023/24	Responsive Repairs	13. Orders are changed to a history status when the contractor has been paid to prevent duplicate payment and ensure QL is accurate and up to date.	Medium	Work is ongoing with finance on overall process review. As part of the procedures work (elsewhere covered on this audit) it will also address this. The Service is seeking to automate this process between the finance and Housing systems. Historic jobs will be closed.	Building Safety and Tenant Involvement Team Manager	Head of Housing	Apr-25	Mar-25 The process has been overhauled and invoices are being put through QL. Consolidated invoices are not being processed. Audit to test in April 25 when the process is fully embedded.	Apr-25	May-25 - Audit is in the process of undertaking testing. Jun-25 - Extension agreed to enable Quantity Surveyor posts to be filled and allowing time for the processes to be fully embedded	Dec-25		
2023/24	Responsive Repairs	14. A payment mechanism is agreed with contractors and is put in place for the processing of consolidated invoices, ensuring a timely, consistent approach.	Medium	The service is re-contracting all major suppliers. During this process the management of batch payments and invoicing has been addressed. The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Building Safety and Tenant Involvement Team Manager	Head of Housing	Q4 2024/25	Feb-25 - Extension requested due to staff absences and team changes. This will be fully discussed with the Asset Management Team to ensure that there is a consistent process across the teams.	Apr-25	May-25 - Audit is in the process of undertaking testing. Jun-25 - Extension agreed to enable Quantity Surveyor posts to be filled and allowing time for the processes to be fully embedded	Dec-25		
2023/24	Responsive Repairs	15. Payment Certificates are signed by the Contract Administrator before payment is made.	High	The planned structure for the service includes provision to enable this process. New contracts also support this approach. The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Building Safety and Tenant Involvement Team Manager	Head of Housing	Q4 2024/25	Feb-25 - Extension requested due to staff absences and team changes. Payment certificates were not used consistently within the Housing teams but are now being implemented. Audit to test June 2025.	Jun-25	Jun-25 - Extension agreed to enable Quantity Surveyor posts to be filled and allowing time for the processes to be fully embedded	Dec-25		

2023/24	Responsive Repairs	18. Each contract is assigned to a specific contract officer who will be responsible for managing and monitoring the relevant contracts. This will ensure that any breaches are identified and rectified promptly.	High	The planned structure for the service includes provision to enable this process. New contracts also support this approach. The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Responsive Repairs Team Manager	Head of Housing	Q4 2024/25	Feb-25 - Extension requested due to staff absences and team changes.	May-25	Mar-25 - Due to current staff vacancies it has not been possible to implement this recommendation. Following the appointment of relevant staff this will be fully implemented. The extension reflects the time taken to have officers in post and implement the new processes.	Mar-26		
2023/24	Responsive Repairs	19. Performance monitoring data is obtained from the contactors for review to ensure contract conditions are being met.	Medium	The planned structure for the service includes provision to enable this process. New contracts also support this approach.  The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Responsive Repairs Team Manager	Head of Housing	Q4 2024/25	Feb-25 - Extension requested due to staff absences and team changes.	May-25	Mar-25 - Due to current staff vacancies it has not been possible to implement this recommendation. Following the appointment of relevant staff this will be fully implemented. The extension reflects the time taken to have officers in post and implement the new processes.	Mar-26		
2023/24	Responsive Repairs	20. Outstanding recharges debt is regularly monitored and relevantly reported.	Medium	A review of the process of managing and reporting rent accounts is in progress. This will be addressed as part of this review.	Housing Strategy and Systems Team Manager	Head of Housing	Mar-25	Mar-25 Due to staffing changes an extension to this is required.	Sep-25				
2023/24	Responsive Repairs	21. Management explore using the housing management system (QL) to identify and create recharge rent debit removing the need for internal recharge forms.	Medium	A review of the process of managing and reporting rent accounts is in progress. This will be addressed as part of this review.	Housing Strategy and Systems Team Manager	Head of Housing	Mar-25	Mar-25 Due to staffing changes an extension to this is required.	Sep-25				

2023/24	Responsive Repairs	22. Processes are reviewed, and appropriate controls are put in place to identify, accurately cost, document, and recover recharges to tenants. In conjunction with the above, management consider introducing a minimum recharge limit and explore the capabilities of the Aareon Versa Mobile System to streamline the process.	Medium	In April 24, a new policy regarding repairs approaches was adopted. This includes an improved management of recharges for works related to repairs. Other aspects of this recommendation will be addressed via the review of our reporting and management of rent accounts.	Housing Strategy and Systems Team Manager	Head of Housing	Mar-25	Mar-25 Due to staffing changes an extension to this is required.	Sep-25					
2023/24	Asbestos Management	3.The Council should conduct an assessment to identify all areas of non-compliance of statutory duties in relation to Asbestos Management. Following this an action plan should be put in place to ensure that the non-compliance is addressed. Assessments should then be scheduled at regular intervals to ensure ongoing compliance.	High	The Asset Management team holds reports to cover compliance of over 95% of the domestic stock and 100% of communal to comply with CAR2012. The Asset Management team has assessed where non-compliance is occurring and, in the majority, falls down to lack of resources that are managed or influenced by the following – • Two managers absent on long term sick leave. • Failing to recruit to three team crucial posts. • One post being carried out by an unqualified member of staff. Due to the lack of resources, the data received day to day, operational admin and data management is not being completed to a sufficient standard. Minimal admin is undertaken, and other staff resources are being utilised to pick up the short fall. Quality assurance is at risk due to insufficient administration of the asbestos data and as a consequence puts operatives, contractors, staff and other end users at risk. Failure to manage properly exposes NWLDC to prosecution from the	Asset Manager	Head of Housing	Nov-24	Nov-24 No response		Dec- 24 No response		Jan-25 - Due to multiple unsuccessful recruitment attempts this will need to be extended. Mar-25 - All asbestos recommendations have been reviewed and it has been agreed that the asbestos contractor will carry out all new surveys to provide a baseline of information and the use of their portal will provide the Council with an asbestos register. In addition to this a new asbestos management plan will be written, circulated and appropriately approved.	<del>Apr-25</del> Mar-26	

				Regulator, HSE and leading to unlimited fines. The service is continually trying to actively recruit, however, to reduce/ remove the risks associated with the control issues identified, the Housing Asset Management team is currently reviewing options available to them which include outsourcing the control and quality assurance of the asbestos data that is relied on.									
2023/24	Asbestos Management	5.Asbestos surveys should be uploaded to QL / MRI within a reasonable period of time following receipt of the survey.	High	This is a known issue that can only be resolved by adequate resourcing and addressing the issues detailed in the response to recommendation 3 above. The Tersus portal will be used initially to reduce the risks.	Compliance Team Leader – when appointed	Head of Housing	Nov-24	Nov-24 No response		Dec- 24 No response		Jan-25 - Resources and staffing has prevented full implementation. Mar-25 Following the completion of new surveys these will be uploaded to the appropriate software and, linked to QL.	<del>Apr-25</del> Mar-26
2023/24	Asbestos Management	6.There should be a central record containing details of asbestos surveys, the results of the surveys and any action to be taken. The record should be used to enable effective monitoring of actions required. Responsibility for ensuring the record is maintained and actions completed should be assigned.	High	Whilst there are various locations for data held, Asset Management have been working on reducing data depositories to MRI, QL or the contractor portal. A central record is being developed to stream line how these are maintained so there is adequate visibility to all users of the data held. It is to be noted again that this is only feasible with the resourcing issues identified in the response section in recommendation 3. being addressed.	Compliance Team Leader – when appointed	Head of Housing	Mar-25	Mar-25 Following the completion of new surveys these will be uploaded to the appropriate software and, linked to QL.	Mar-26				

2023/24	Asbestos Management	8. All contracts should have a named contract manager and formal contract management arrangements should be put in place.	High	This is a known process within Asset Management. Actioning this process and formally following through with normal contract administration is not possible with the current lack of resources to manage individual contracts. The planned structure for the service includes provision to enable this process. New contracts also support this approach. The audit plan for 2024/25 includes a housing contract management audit, to be carried out later in the year which will test and validate this approach.	Asset Manager	Head of Housing	Q4 2024/25	Mar-25 Due to resource issues it has not been possible to complete this recommendation. An extension is required to provide the time to recruit to the positions and then embed all new processes.	Mar-26					
2023/24	Asbestos Management	9.Key performance indicators (KPI's) and the frequency to which they should be reported to management should be agreed with asbestos contractors. Service Plan KPI's should be a standard agenda item in any contract management meetings.	High	This is a known process within Asset Management and when administrating contracts. The delays in executing and mobilising the contract have set back formalising these arrangements. Adequate resourcing is also essential in capturing this data set. The new suite of KPI's will be discussed at contract management meetings now the new contract is nearly in place.	Asset Manager	Head of Housing	Q4 2024/25	Mar-25 The current contract is due to expire in June 2025. The new contract will have relevant KPI's in place and these will be monitored appropriately.	Dec-25					
2023/24	Asbestos Management	10. Advice should be sought from the Procurement Team/ Director of Resources regarding overspends against contract values and any action to be taken.	High	Central finance systems are difficult to extract and interrogate financial expenditure and budgets to effectively manage contracts.  Training sessions have been identified and are being rolled out.  Asbestos removal is contractually administered by the Repairs Team Manager – which has been vacant for a considerable time.	Asset Team Manager / Asset Manager/ Commercial services Team Manager / Repairs Team Manager / Finance	Head of Housing	Dec-24	Dec-24 - No response		Jan-25 - The current contract is due to expire in June 2025 and has been adjusted to cater for increased expenditure and will go out as an open procedure to achieve better VFM.	Jun-25	Jun- 25 The new contract is not yet in place, expected July 2025. Extension to confirm that contract and spend in being managed?	Sept-25	

2023/24	Asbestos Management	12.For each of the asbestos contracts financial information should be produced and presented to management for both monitoring and discussion at contract management meetings.	High	This is a known process within Asset Management and when administrating contracts. The delays in executing and mobilising the contract have set back formalising these arrangements. Adequate resourcing is also essential in capturing this data set. Agree in principal but, until Unit 4 is fully operational this will not be possible to implement.	Asset Manager	Head of Housing	Mar-25	Mar-25 This is currently reliant on Unit 4 information which is not readily available.	Sep-25				
2023/24	Fleet Management	2.A management and monitoring process is introduced to reduce the occurrence of non-compliance with the Operating Licence regulations.	High	A full review O Licence has been completed and all non-compliance has been identified. A manual recording process has now been implemented to ensure compliance going forward. A standard monitoring process is to be introduced and evidence to ensure continued compliance.	Transport Manager	Head of Community Services	Apr-25	May-25 As yet there has been no standard monitoring process in place. It is intended to submit a report to the Fleet Management and Driver Compliance Delivery team on a monthly basis. Extension requested to embed the process.	Jul-25				
2023/24	Fleet Management	12.Regular refresher training for completion of daily vehicle checks should be put in place. This could form part of the Councils mandatory training programme.	Medium	Refresher training programme to be developed incorporating vehicle checks on all fleet vehicles. Discussions will be held with HR to add the training programme into mandatory training requirement (job specific).	Transport Manager	Head of Community Services	Feb-25	Feb-25 - No response received.		Mar-25 - Extend to June 2025.	Jun-25	Jun-25 Progress has been made but further work is required, and also a discussion regarding including this on skillgate. Further extension requested until Sept-25	Sep-25

2023/24	Fleet Management	19. In year stock takes of motor stores and clothing should be introduced. The results of stock takes should be provided to management and explanation provided in support of any discrepancies. All parts used are recorded against a relevant job. Fuel usage is appropriately reviewed and managed.	High	<p>Stock Management will be reviewed on a quarterly basis.</p> <p>In conjunction with audit a review of monitoring fuel usage will be carried out.</p>	Transport Manager	Head of Community Services	<p>Dec-24</p> <p>Apr-25</p>	<p>Dec-24 - Not yet implemented, extended to first review March 2025 and 2nd in June 2025.</p>	<p>Mar-25</p> <p>Jun-25</p>	<p>Jun-25 There have been delays in implementing the recommendation due to staff absences, therefore this will require an extension until July 2025</p>	Jul-25		
2021/22	Corporate Estates Management	2 A performance monitoring and reporting framework is introduced which includes contractor and legislative compliance performance monitoring and periodic reporting to the Statutory Duty Group and, where necessary, the Corporate Leadership Team.	High	Overlapping with the audit we have begun the introduction of a performance monitoring framework, utilising a RAG system. This will be reported through to CLT. It would be beneficial to include properties not managed by property services into this report.	Head of Economic Regeneration	Head of Economic Regeneration	<p>Oct-22</p>	<p>Update - consultants have been employed to develop a Corporate Asset Management Toolkit. This will cover frequency of inspections and recording of compliance</p>	Jul-23	<p>Jul-23 – Good progress is being made but consultants still engaged.</p>	Dec-23	<p>Dec-23 Contractor performance is currently being monitored via the Statutory Duty Group. Further improvements are expected to be delivered by the council adopting a digital Asset Management System to work alongside the Asset Management Toolkit currently being prepared. Work to identify Asset Management Systems is with implementation and onboarding likely to take 6 months.</p> <p>Nov-24 The Statutory Duty Group standing agenda includes an item where all services are invited to discuss support contracts with the intention of providing early warning of contracts about to end and new contracts that are being procured. The item also allows discussion and noting of any poor performance by contractors.</p> <p>The CAFM system, will enable data fields to be introduced within the system for all matters that the Council is required (and if additional -choose) to monitor in terms of compliance. The system will be able to capture any KPI that have been attached compliance related contracts and to record data that evidences accordance or otherwise with those KPI.</p> <p>This will allow for the introduction of a metric based rather than subjective assessment and management of compliance type contracts.</p>	<p>Oct-24</p> <p>Sept 25</p>

												<p>The CAFM system is to be operational by 1/4/2025. Data input over a number of quarters will be required in order to provide evidence that KPIs are being monitored and managed. The system will enable the Council to fully evidence that this audit recommendation has been complied with by the end of September 2025 (to allow two quarters of data to be collected post introduction of the CAFM system)</p>	
2021/22	Corporate Estates Management	4 The process for recording and monitoring issues through the compliance tracker is fully implemented and a reporting framework is put in place, to ensure that any remedial actions or works required are identified and tracked to fruition in a timely manner	Medium	Agreed – for the property services managed properties. This may take longer to fully implement if we follow a corporate landlord model. If not then there will not be assurance for all properties.	Head of Economic Regeneration	Head of Economic Regeneration	Oct-22	Update - consultants have been employed to develop a Corporate Asset Management Toolkit. This will cover frequency of inspections and recording of compliance.	Jul-23	Jul-23 – Good progress is being made but consultants still engaged.	Dec-23	<p>As per recommendation 2:</p> <p>Dec-23 Contractor performance is currently being monitored via the Statutory Duty Group. Further improvements are expected to be delivered by the council adopting a digital Asset Management System to work alongside the Asset Management Toolkit currently being prepared. Work to identify Asset Management Systems is with implementation and onboarding likely to take 6 months.</p> <p>Nov-24 The CAFM system being procured contains a compliance module which allows both officers and contractors to upload compliance reports, reinspection dates and logs of remedial actions with “to complete by” dates. The system then provides alerts to nominated officers when remedial actions are required and reminders when overdue.</p> <p>Managers with access to the system will via the dashboard be able to identify how many remedial actions are overdue at any time and to identify who has been allocated responsibility for dealing with the remedial action.</p> <p>This module will provide for close monitoring of remedials.</p> <p>The CAFM system will be operational by 1/4/2025 and it will be possible to monitor the number of remedial actions that are overdue once all users and managers have been trained and are comfortable</p>	Oct-24 Jul-25

												interrogating the system (allow three months) therefore it should be possible to demonstrate compliance with this recommendation by 1/7/2025	
2021/22	Corporate Estates Management	6 A comprehensive record of all assets and statutory inspections/ checks that are required by the Council is introduced These records should cover all services and be monitored and reported against on a regular basis to ensure testing/ checks have taken place as required. Note: This recommendation was made in the Health and Safety Audit, undertaken in February 2021 (due for implementation in June 2021) and as yet has not been implemented.	High	Not all of these assets are owned by the authority. The scope of the contracts need to be known and recorded and performance monitored against this. Where assets are owned by the authority these will be detailed as required.	Head of Economic Regeneration	Head of Economic Regeneration	Mar-23	Extended to align with other recommendations	Jul-23	Jul-23 – Good progress is being made but consultants still engaged.	Dec-23	<p>The digital Asset Management System will automatically schedule inspections at the required frequency. It is expected that a decision on which Asset Management system is to be adopted will be taken by 31/3/2023 with implementation and onboarding likely to take 6 months thereafter.</p> <p>Nov-24 This recommendation effectively goes hand in hand with number 2 above. The Performance Monitoring is carried out against the comprehensive record of checks and inspections.</p> <p>A comprehensive list of checks and inspections has been established through the compliance toolkit work completed earlier in 2024 by EX1. This recommendation has yet to be complied with, however, as the compliance records are not kept in one place, against a comprehensive (single) asset register. The CAFM system to be operational from April 2025 will provide the single asset list, the single point of recording and the ability to check compliance metrics.</p> <p>Once the system is operational records of inspections will be able to be uploaded but we will require a number of periods of data gathering in order to prove compliance with this audit recommendation. Sufficient evidence will be available by 1/10/2025 (2 quarters post CAFM becoming operational).</p>	Oct-24 Oct-25

2023/24	Asbestos Management	11.Following receipt of the Schedule of Rates from Tersus Consultancy, invoices from the start of the contract should be reviewed to confirm that the Council has been correctly invoiced.	High	<p>This is a known process within Asset Management and when administrating contracts. The delays in executing and mobilising the contract have set back formalising these arrangements.</p> <p>Adequate resourcing is also essential in capturing this data set.</p> <p>The planned structure for the service includes provision to enable this process.</p> <p>This issue may have been due to the agency contractor not having site of the framework rates.</p> <p>A review will be carried out</p>	Asset Manager	Head of Housing		Mar-25	Mar-25 There is a SOR in place with Tersus and audit are currently in the process of testing to ensure that charges are correct.	Apr-25	Apr-25 Testing has been carried out by audit which has highlighted that, although there is a schedule of rates in place, there are inconsistencies in how these are being applied and therefore it was not possible to confirm if the Council had been correctly invoiced.		Jun-25 Awaiting further information to carry out additional testing as initial follow-up testing indicated invoicing was incorrect.	Jul-25
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## 2025/26 INTERNAL AUDIT PERFORMANCE

Performance Measure	Position as at 18/06/2025	Comments
Quarterly Progress Reports to Management Team and Audit and Standards Committee	On track	
Follow up testing completed in month agreed in final report	On track	
To ensure audit coverage is sufficient to enable the Audit Manager to provide a year-end opinion on the governance, risk and control environment - Annual Opinion Report		Annual opinion report for 2024/25 is due to be reported at Audit and Governance Committee in August 2025
95% Customer Satisfaction with the Internal Audit Service		There have not been any satisfaction surveys issued during 2025/26 to date
Compliance with Global Internal Audit Standards in the Public Sector		For 2025/26, measurement will be achieved via internal processes (see separate indicator), and full assessment by external independent assessor in November/ December.
To provide an efficient and compliant audit service - <ul style="list-style-type: none"> <li>Fieldwork is completed within two months of the start date.</li> <li>Management Debriefs are scheduled within two weeks of field work being completed.</li> <li>*Management Responses are received within two weeks of the debrief meeting.</li> <li>Draft audit reports are issued within one week of receipt of full management responses</li> <li>Final audit reports are issued within one week of draft audit reports.</li> <li>*, **75% of agreed actions are subsequently signed off as implemented within the agreed time scale. This will increase to 85% in 2026/27 and 100% in 2027/28.</li> </ul>		

*\*This measure is not exclusively a reflection on the Internal Audit Service's performance.*

*\*\*Whilst Internal Audit will track the implementation of agreed actions, management is responsible for completing the actions and ensuring that desired outcomes are achieved.*