

# Internal Audit Progress Report

## Audit Committee (29 July 2025)

Pendle Borough Council

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## Global Internal Audit Standards (UK public sector)

Our work was completed in accordance with Global Internal Audit Standards (UK public sector).

## 1 Introduction

This report provides an update to the Accounts & Audit Committee in respect of closure of the 2024/25 Internal Audit Plan and progress being made with delivery of the 2025/26 internal audit plan and brings to your attention matters relevant to your responsibilities as members of the Accounts & Audit Committee.

This progress report provides a summary of Internal Audit activity and complies with the requirements of the Global Internal Audit Standards (UK public sector).

Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request. In addition, a consolidated follow up position is reported on a periodic basis to the Audit Committee.

This progress report covers the period 15 March to 21 July 2025.

## 2 Key messages for Accounts & Audit Committee

Since the last meeting of the Accounts & Audit Committee, there has been the focus on the following areas:

### 2024/25 Audit Reviews

Work on delivery of the 2024/25 audit plan has been completed. The following reviews have been finalised:

- **Finance Deep Dive** – Accounts Payable and Accounts Receivable – Moderate assurance
- **Risk Management** – Substantial assurance
- **Council tax & NNDR** – Substantial assurance
- **Emergency Planning** – Substantial assurance

Refer to **Appendix C** for details of Key Areas and Actions to be delivered.

The remaining 2024/25 reviews are at draft report stage:

- **Disabled Facilities Grant** (draft report issued)
- **Customer Care** (draft report stage, discussions have taken place regarding this review, and some further work being undertaken)
- **IT Critical application (IDOX system)** (draft report stage)

## 2025/26 Audit Reviews

Work has commenced on delivery of the 2025/26 internal audit plan with the following reviews in progress:

- **Follow up** – see Appendix D
- **Payroll** – fieldwork
- **VAT audit** – fieldwork
- **Health & Safety** – planning
- **Governance** - planning

## Follow up of previous internal audit recommendations

A summary of the current status of follow-up activity is included in Appendix D, however, we would draw the committee's attention to the following:

- Of the 83 recommendations set out in Appendix D, 15 of these are not due for follow up.
- This leaves 68 recommendations of which 39 have been fully actioned and 29 recommendations which are in progress.
- There are no critical and 6 high priority recommendations outstanding/not yet due:
  - Three relate to the Information Governance audit and are in progress with a revised date of 31 August 2025.
  - One relates to the staff performance/appraisals review are not due until 31 August 2025.
  - One relates to the cyber resilience review which is currently being followed up.
  - The final recommendation relates to Finance Deep Dives – Accounts Payable & Accounts Receivable and follow up is in progress.

See **Appendix D** for further details.

## Audit Plan Changes

Audit Committee approval will be requested for any amendments to the original plan and highlighted separately below to facilitate the monitoring process. There is one proposed change to the audit plan:

- Discussions have been held with the Corporate Leadership Team regarding the planned audit of the Carbon Plan. It is proposed to replace the audit of Carbon plan with a review of the Council's project management arrangements in quarter 4. This area was selected by management as new processes are being implemented in this area.

The Accounts & Audit Committee are requested to consider the above proposal for approval.

## Added Value

### Briefings

Our latest briefings/blogs/podcasts are:

- [25/26 MIAA Insight - Local Authority Audit Committee Members Roles and Responsibilities](#)
- 25/26 MIAA Insight – Audit Committee Briefing – Global Internal Audit Standards UK Public Sector
- [Planning for AI and the future digital landscape - Key considerations for Audit Committees](#)

### Events

- [Prevention: How do we shift the focus on tackling the causes of ill health and make prevention a priority? \(18th September 2025\)](#): This event will consider the government's shift within the 10 year Plan to focus on preventing ill health and the research underpinning the case for change. We will showcase how North West colleagues are leading the charge on prevention and the wider determinants of health.

## Appendix A: 2025/26 Contract Performance

The Global Internal Audit Standards (UK public sector) state that 'In the UK public sector, a chief audit executive must prepare such an overall conclusion at least annually in support of wider governance reporting, mindful of any specific sector obligations or processes. This overall conclusion must encompass governance, risk management and control.'

Below sets out the overview of delivery for your Head of Internal Audit Opinion for 25/26:

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Core/Mandated Assurances				
Risk Management		Q3		
Finance Systems Deep Dive		Q4		
Council tax & NNDR(Revenue & Benefits)		Q4		
Risk Based Assurances				
Payroll	✓	Q1 – Fieldwork		
Governance Review		Q2 - Planning		
VAT Audit	✓	Q2 - Fieldwork		
Contract Management		Q2		
Health and Safety	✓	Q2 - Fieldwork		
Nelson Town Deal		Q3		

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Procurement		Q3		
Licensing		Q4		
IT Critical application review: IT Asset Management		Q3		
Audit area to be identified – proposed audit Project Management Arrangements (was Carbon Plan)		Q3		
2024/25 reviews not included in 2024/25 HOIAO				
IT review – IDOX system	✓	Draft report stage		
Customer services review	✓	Draft report stage		
Follow Up				
Qtr 1	N/A	Completed	Not applicable	29 July 2025
Qtr 2	N/A	In progress		
Qtr 3	N/A			
Qtr 4	N/A			

## Appendix B: Performance Indicators

The primary measure of your internal auditor's performance is the outputs deriving from work undertaken. The following provides performance indicator information to support the Committee in assessing the performance of Internal Audit.

Element	Reporting Regularity	Status	Summary
Delivery of the Head of Internal Audit Opinion (Progress against Plan)	Each Audit Committee	Green	There is ongoing engagement and communications regarding delivery of key reviews to support the Head of Internal Audit Opinion.
Issue a Client Satisfaction Questionnaire following completion of every audit.	Each Audit Assignment	Green	Questionnaire issued with each audit report.
Percentage of recommendations raised which are agreed	Each Audit Committee	Green	Actions agreed by the Council on all recommendations raised.
Qualified Staff	Annual	Green	MIAA have a highly qualified and diverse workforce which includes 75% qualified staff. The Senior Team delivering the Internal Audit Service to the Council are CCAB/IIA qualified.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. MIAA conforms with the Global Internal Audit Standards (UK public sector).



## Appendix C: Key Areas from our Work and Actions to be Delivered

Report Title	Finance Deep Dive – Accounts Payable and Accounts Receivable			
Executive Sponsor	Director of Resources			
Assurance opinion	Moderate			
Objective	<p>To provide assurance that the most significant key controls in respect of Accounts Payable and Accounts Receivable have been appropriately designed and are operating effectively.</p> <p>Scope Limitation: The controls reviewed related to the 2024/25 financial year. IT system administration and management was not included within the scope of the review</p>			
Recommendations	0 x Critical	1 x High	3 x Medium	4 x Low
Summary	<p>Overall, there was an adequate system of internal control, however, in some areas weaknesses in design and inconsistent application of controls put the achievement of some aspects of the system objectives at risk.</p> <p>Areas of good practice included purchase orders (POs) having segregation of duties in place and appropriate approval limits. All payments to creditors totalling over £5k in any given week were checked and authorised by the Head of Finance. There was sufficient back up in place for raising invoices and credit notes. Proposed debt write offs in the sample selected were all approved by the Director of Resources/S151 Officer.</p> <p>Areas for improvement related to; the Council's authorisation limits currently include a signatory with more than one limit with no control in place to ensure the correct limit is used for the relevant budget area. Three signatories in the sample had significant approval limits but the signatories were not documented on the AP1 - Service and Budget Managers document. The Council advised the employees are part of the Creditors Team. While they are not budget holders, they are required to input and authorise transactions such as direct debits and investments into the system as part of their role.</p>			

	<p>On occasion they may have to authorise a transaction on behalf of an authorised person where authorisation has been given via email etc <b>(Medium priority)</b></p> <p>Non PO testing identified 2 non-POs that were incorrectly matched on the system and were actually POs. PO testing identified the PO amount did not always reconcile to the invoice amount. <b>(Medium priority)</b></p> <p>The Council did not keep records of the checks undertaken when verifying bank detail changes with suppliers. <b>(High priority)</b></p> <p>Testing of the Council's aged debt identified areas for improvement relating to the clearing and chasing of aged debt. <b>(Medium priority)</b></p> <p>Other areas for improvement related to the 'Setting Up/Amending Creditors procedure' as this did not reference Anti-Fraud guidance <b>(Low priority)</b>. Sample testing of bank set ups and changes, identified one instance where the approval of the changes was not noted. Management advised this was an oversight. The changes would have been completed, and the feeder document has now been updated accordingly. <b>(Low priority)</b> Credit note testing identified one credit note request form that was signed by the same employee for both the issuing officer and authorising supervisor. <b>(Low priority)</b> The debtors breakdown showed 13 customers who had a credit balance with no invoices/credits after 2024. This total amount was £605.69. <b>(Low priority)</b></p>
Key Areas Agreed for Action	<ul style="list-style-type: none"> <li>• Supplier bank detail verification - Agreed -New process guidelines to be put in place with immediate effect. All new bank details should be check by a direct phone call from finance team to the payee (number to be found from a different source than the requesting documentation). Note of name of the person spoken to, to be added to creditor account. <b>(High priority, action by 31<sup>st</sup> May 2025)</b></li> <li>• Authorised signatories – Recommendation partially agreed - In some cases it will still be necessary to accept email authorisation from directors/heads of service. Access to the financial system requires laptop sign-in and VPN, which is not always possible. Where possible all requests for payments (with the exception of investment/banking transactions which follow a separate process) will be moved to financial system online approval by appropriate manager. <b>(Medium priority, action by 30 June 2025)</b></li> <li>• Purchase order invoices – Recommendation partially agreed– Our current processes do not include Goods Received Noticing, as the system development required has been slow. Upgrade is due in June/July. This will allow us to structure controls to ensure Purchase Ordering is key to</li> </ul>

	<p>authorisation of spend. At present not all invoices require Pos. <b>(Medium priority, action by 31<sup>st</sup> December 2025)</b></p> <ul style="list-style-type: none"> <li>• Aged debt - – Full review required and new monthly structured process to review debt. <b>(Medium priority, action by 30<sup>th</sup> September 2025)</b></li> <li>• Setting up/amending Creditors procedure – Recommendation agreed - – New process document to highlight banking fraud risks. <b>(2 x Low priority, action by 30 June 2025)</b></li> <li>• Credit notes - – Recommendation agreed – Segregation of duties to be included in processing of credit notes/adjustments in debtors' system. <b>(Low priority, action by 31<sup>st</sup> May 2025)</b></li> <li>• Debtors with credit balance – Recommendation agreed – work to fulfil Recommendation 4 will capture accounts in credit for action by the Debtors Team (Liberata). <b>(Low priority, action by 30 September 2025)</b></li> </ul>
Key Risks Highlighted with No Agreed Action	N/A

Report Title	Risk Management			
Executive Sponsor	Director of Resources			
Assurance opinion	Substantial			
Objective	<p>The overall objective was to provide assurance that core risk management controls have been adequately designed and are operating effectively.</p> <p>Scope Limitation: The review does not provide assurance on the management of individual risks. The review focussed on risk management at a strategic level.</p>			
Recommendations	0 x Critical	0 x High	2 x Medium	1 x Low
Summary	<p>Whilst the Council had good processes in place in relation to risk management specifically in relation to the governance arrangements around risk management, there were areas where the council could further strengthen the existing controls and processes.</p> <p>Review of the strategic risk register identified that further improvements could be made such as detailing the risk appetite/tolerance for each risk, including a target date for when the risk score will be expected to reach the target risk score, providing a rationale / reasoning for the current risk score, inclusion of assurances received as well as documenting any gaps in controls and assurances which link to the action plan with the council already making progress on these areas with the Q4 Strategic Risk Register updates. <b>(Medium priority)</b></p> <p>The council should further strengthen the actions that are associated with individual risks within the Strategic Risk Register ensuring that all the actions have progress and updates detailed against them. At the conclusion of our audit the council had already made progress in this area with the Q4 Strategic Risk Register updates <b>(Medium priority)</b>.</p> <p>Review of the Risk Management Strategy identified that it did not have a process map, or a one-page process summary on how the Council identifies, evaluates, controls and monitors and review risks. <b>(Low priority)</b></p>			
Key Areas Agreed for Action	<ul style="list-style-type: none"> <li>Some of the recommendations have already been implemented, such as the provision of a rationale or reasoning for the current risk score. We also apply target dates on actions identified to address any gaps in assurances, controls or mitigations. In an ideal world the last action due</li> </ul>			

	<p>to be delivered should be the target date for when the risk score will reach its target score; however, the Council appreciates this may need more work and will consider this.</p> <p>With regards the agreed risk appetite for each risk and detailing the assurances on the effectiveness of the controls, this will require further consideration how this can be managed and taken forward. <b>(Medium priority, action by 31<sup>st</sup> July 2025)</b></p> <ul style="list-style-type: none"> <li>• This issue was addressed during the Quarter 4 Strategic Risk Register Review and a copy of the Quarter 4 Update Report has been provided to MIAA in the review of this report. We now ensure that all actions have a progress update provided at least quarterly regardless of due date. <b>(Medium priority, action already completed)</b></li> <li>• A Risk Management Toolkit and Guidance for Scoring Risks has been developed and was launched to Extended Management Team at a session in February 2025. There has also been a template developed to aid the identification, assessment and scoring of risks for submission to Corporate Leadership Team who decide what is a Strategic Risk for inclusion on the Register. This template mirrors the format of the Strategic Risk Register for ease of reference and familiarity. Each of the documents have been shared with the auditor prior to this report being finalised. <b>(Low priority, action completed)</b></li> </ul>
Key Risks Highlighted with No Agreed Action	N/A

Report Title	Council Tax & NNDR			
Executive Sponsor	Director of Resources			
Assurance opinion	Substantial			
Objective	<p>The overall objective of our review was to identify and evaluate the controls in place to manage key risks which would affect the effective operation of the systems for Council Tax and NNDR.</p> <p>Scope Limitation: the review did not include consideration of IT system controls for the Northgate system.</p>			
Recommendations	0 x Critical	0 x High	1 x Medium	1 x Low
Summary	<p>Overall, the review identified that controls were designed and operating effectively.</p> <p>There are robust processes for the input and sign-off of Council Tax and NNDR parameters within Northgate and regular reconciliation of databases to Valuation Office Agency (VOA) records.</p> <p>We confirmed that the council tax single person discount review which Liberata are contractually required to deliver had been undertaken in 2024/25 and there are also additional reviews in place undertaken by the Visiting Team.</p> <p>There are regular monthly reconciliations between Northgate and the general ledger, which is checked by the Head of Finance, and there is a framework in place for the reporting and monitoring of performance.</p> <p>We identified some areas in which improvements could be made including the regular identification and approval of accounts with balances for write off (<b>Medium priority</b>) and noting the reasoning for discrepancies between the NNDR system and VOA schedules (<b>Low priority</b>).</p>			
Key Areas Agreed for Action	<ul style="list-style-type: none"> <li>Updated write-off process to be approved and review of Council Tax and NNDR debts identified for write off to be undertaken. (<b>Medium priority, action by 30 November 2025</b>)</li> <li>We will ensure that we note any discrepancies &amp; actions going forward. (<b>Low priority, action by 31<sup>st</sup> August 2025</b>)</li> </ul>			
Key Risks Highlighted with No Agreed Action	N/A			

Report Title	Emergency Planning			
Executive Sponsor	Director of Place			
Assurance opinion	Substantial			
Objective	<p>To evaluate the design and operating effectiveness of the arrangements that the Council has in place to ensure it is prepared for emergencies, arrangements in place are robust and tested and that any lessons learnt have been identified and implemented.</p> <p>Scope Limitation: No detailed testing or review of the emergency arrangements in place in any specific area were undertaken. Our audit did not assess IT disaster recovery and business continuity arrangements.</p>			
Recommendations	0 x Critical	0 x High	3 x Medium	1 x Low
Summary	<p>The Council had good processes and plans in place in relation to emergency planning specifically around having a detailed overarching Local Civil Emergency Plan through to individual plans of Strategic Crisis, Flood, Business Recovery, Humanitarian and Cyber Incident Plans in place. Also, effective risk management processes were in place around the Council's emergency planning processes. The Council has also participated in several emergency planning exercises, with a variety of scenarios utilised to test plans and processes in place.</p> <p>Areas where the council can further strengthen the processes around emergency planning relate to governance and reporting on emergency planning with the need for the Council to provide reports on any updates and assurances through the governance structures that emergency planning is being managed appropriately (<b>Medium priority</b>). Other issues identified include the review and updating of the Pendle Flood plan which was dated as requiring a review November 2020 to ensure that it accurately reflects the current council guidance and practice (<b>Medium priority</b>). The Council should also ensure that for all emergency exercises that it is a part of that a post exercise report is produced, this is to ensure that any lessons or actions that the Council could adopt to improve are identified and reported as such (<b>Medium priority</b>).</p>			

	Review of the Local Civil Emergency Plan identified that the Chief Executive Officer needs to be updated to reflect the change of Chief Executive Officer. <b>(Low priority)</b>												
Key Areas Agreed for Action	<ul style="list-style-type: none"> <li>The Council has recently revised its Elected Member responsibilities and has listed Emergency Planning as a responsibility of the Housing and Customer Services Portfolio holder. The Council's Local Civil Emergency plan was revised in February 2024. The annual refresh is programmed to take place in December 2025. Following this refresh arrangements and updates will be documented through the Corporate Governance Working Group, Portfolio holder discussion and submission of reports to Executive or Council as deemed appropriate. <b>(Medium priority, action by 22 January 2026)</b>.</li> <li>Recommendation acknowledged. The Council will review and revise the MAFP(2). The Council has sight of the Lancashire Resilience Forum flood response plan. The document was last revised in April 2024. The County Wide plan is programmed for review on a 3 yearly cycle. The Council will align its own revisions to the County Council cycle as shown below. Table below evidences the County Council cycle.</li> </ul> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <table border="1" style="border-collapse: collapse; text-align: center;"> <tr> <td><b>Box 1</b></td><td><b>Generic</b></td></tr> <tr> <td><b>Box 2</b></td><td><b>Risk Specific</b></td></tr> <tr> <td><b>Box 3</b></td><td><b>Site Specific</b></td></tr> </table> <table border="1" style="border-collapse: collapse; text-align: center;"> <tr> <td><b>Version</b></td><td><b>6.2</b></td></tr> <tr> <td><b>Live</b></td><td><b>02/04/2024</b></td></tr> <tr> <td><b>Review By</b></td><td><b>02/04/2027</b></td></tr> </table> </div> <ul style="list-style-type: none"> <li>Copies of the County Council plans for flooding and reservoir responses are stored on the Council's emergency planning teams group. <b>(Medium priority, action by 31 December 2025)</b>.</li> <li>Recommendation accepted. The Council has taken part in multi-agency exercises and debriefs have been completed at a County Council level. De-brief reports are available to the Council if required. The Council has chosen not to receive reports due to their relatively minor participation in each exercise and the learning from those exercises being for other agencies to reflect upon. Lesson learnt and debrief reports for internal exercise will be shared with the Council's</li> </ul>	<b>Box 1</b>	<b>Generic</b>	<b>Box 2</b>	<b>Risk Specific</b>	<b>Box 3</b>	<b>Site Specific</b>	<b>Version</b>	<b>6.2</b>	<b>Live</b>	<b>02/04/2024</b>	<b>Review By</b>	<b>02/04/2027</b>
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<b>Live</b>	<b>02/04/2024</b>												
<b>Review By</b>	<b>02/04/2027</b>												



	<p>Management Team in the future. <b>(Medium priority, Provisional date for Rest centre exercise 20th October 2025. Report to CMT 30th November 2025.)</b></p> <ul style="list-style-type: none"> <li>• The Civil Emergency plan has been updated with correct CEO details. <b>(Low priority, action completed)</b></li> </ul>
Key Risks Highlighted with No Agreed Action	N/A

## Appendix D: Follow up of previous internal audit recommendations

AUDIT TITLE (YEAR)	NO OF RE CS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due/ FUIP	C	H	M	L	
Joint Ventures (2021/22)	5	Substantial	5	-	-	-	-	-	-	-	All recommendations actioned or superseded.
Council Tax and NNDR (2022/23)	3	Substantial	2	1	-	-	-	-	1	-	One recommendation is in progress in regard to production of debt write off policy, work on this is ongoing.
Mandatory Training (2023/24)	5	Substantial	-	5	-	-	-	-	5	-	Recommendations not due for follow up – revised dates have been provided again for these recommendations 31 October 2025. (Original dates were June/July 2024, then revised to 30 Nov 24 & 31 January 2025, further revised to 30 June/31 July 2025).  The recommendations are in progress, work has begun to collect information in terms of what training has been provided. Two training systems currently in use, review being undertaken to assess if Sharepoint can be used to record all training. The outstanding recommendations relate to putting in place a mandatory training policy, developing a training needs assessment, putting in place a process so that mandatory training can be recorded and monitored centrally, setting mandatory training requirements for councillors and producing compliance reports on mandatory training.
Budget setting & monitoring (2023/24)	8	Substantial	7	-	-	1	-	-	1	-	The outstanding recommendation is regarding the update of the Financial Procedure Rules to include a procedure for virements in excess of £100,000. Review of the FPR's is underway as part of a wider constitution review. (Original implementation date 30 September 2024). Revised date 31 July 2025.
Third Party Suppliers – Liberata (2023/24)	4	Substantial	3	1	-	-	-	-	1	-	Outstanding recommendation is in progress with revised implementation dates of 31 March 2025. (Original implementation date 31 August 2024) The outstanding recommendation relates to development of Customer Contact

AUDIT TITLE (YEAR)	NO OF RE CS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due/ FUIP	C	H	M	L	
											Strategy & Digital Strategy. This recommendation is being addressed through the audit on Customer Services.
Information Governance (2023/24)	5	Limited	-	5	-	-	-	3	2	-	Recommendations in progress. Revised dates of 31 August 2025 (original implementation date 31 August 2024, then revised to 31 December 2024 and 31 May 2025). The high priority recommendations relate to review of Council's IG resources, identifying IG training needs, ensuring there is a Record of Processing Activity including policy, ensuring all information assets are recorded in an Information Asset Register with IAO and IAA identified and ensuring that any contracts with suppliers which have an IG implication or provide support to IT systems that process council data are identified and that the contracts include the relevant IG clauses and a DPIA is undertaken. Work is ongoing to implement these recommendations.
Staff performance/ Appraisals (2023/24)	6	Limited	2	4	-	-	-	1	3	-	Due to the timing of the annual PDR cycle, some actions in respect of the recommendations, including compliance monitoring and reporting, and L&D requests arising from the appraisals cannot yet be evidenced. Outstanding recommendations have a revised implementation date of 31 August 2025 (original date 31 March 2025). The one high priority recommendation outstanding relates to putting in place a monitoring system to follow up any non-compliance.
IT Cyber Resilience (2023/24)	2	Substantial	-	2	-	-	-	1	1	-	Revised dates for implementation have been provided of 31 March 2025 (original dates were 30 November 2024). The high priority recommendation relates to putting in place a Council back up policy, review of Recovery Point Objectives and Recovery Time Objectives and ensuring completion of full back up restore test. An update on these recommendations has been received, however awaiting evidence to be provided.
Council tax & NNDR (2024/25)	4	Substantial	3	1	-	-	-	-	1	-	The outstanding recommendation relates an enhancement being made to the Citizens Access system. This has been marked as in progress as a new system is currently in test. However, the functionality needs to be understood to confirm if the enhancement is included and this could have additional costs attached, so an implementation date is still TBC.

AUDIT TITLE (YEAR)	NO OF RE CS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due/ FUIP	C	H	M	L	
Sickness absence (2024/25)	3	Substantial	3	-	-	-	-	-	-	-	All recommendations actioned.
Colne Municipal Theatre (2024/25)	4	N/A	2	2	-	-	-	-	-	-	Outstanding recommendations are in progress - a working group has been set up to develop a suite of project/ programme management documents.
Complaints & Learning (2024/25)	10	Moderate	2	8	-	-	-	-	6	2	Original implementation date 31 March 2025, revised dates 30 June 2025. Recommendations in progress and follow up in progress.
Homelessness (2024/25)	2	Substantial	2	-	-	-	-	-	-	-	All recommendations actioned.
Finance Deep Dives – Fixed Assets & Ledger	5	Moderate	5	-	-	-	-	-	-	-	All recommendations actioned.
Finance Deep Dives – AP/AR (2024/25)	8	Moderate	1	-	-	7	-	1	3	3	Remaining recommendations not due or follow up in progress.
Risk Management (2024/25)	3	Substantial	2	-	-	1	-	-	1	-	Remaining recommendation not due until 31 <sup>st</sup> July 2025.
Council tax & NNDR (2024/25)	2	Substantial	-	-	-	2	-	-	1	1	Recommendations not due until 31 August & 31 November 2025.
Emergency Planning (2024/25)	4	Substantial	-	-	-	4	-	-	3	1	Follow up not due.

AUDIT TITLE (YEAR)	NO OF RE CS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due/ FUIP	C	H	M	L	
<b>Totals</b>	<b>83</b>	<b>-</b>	<b>39</b>	<b>29</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>6</b>	<b>29</b>	<b>7</b>	<b>Plus 2 recommendations not risk rated</b>

Key to recommendations:

✓/S      Implemented or Superseded  
P      Partially implemented/recommendation in progress  
X      Recommendation not implemented  
ND/FUIP      Not due for follow up/Follow up in progress

C      Critical priority recommendation  
H      High priority recommendation  
M      Medium priority recommendation  
L      Low priority recommendation

## Appendix E: Assurance Definitions and Risk Classifications

Level of Assurance	Description
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.
Moderate	There is an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls puts the achievement of some aspects of the system objectives at risk.
Limited	There is a compromised system of internal control as weaknesses in the design and/or inconsistent application of controls puts the achievement of the system objectives at risk.
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.

Risk Rating	Assessment Rationale
Critical	Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none"> <li>the efficient and effective use of resources</li> <li>the safeguarding of assets</li> <li>the preparation of reliable financial and operational information</li> <li>compliance with laws and regulations.</li> </ul>
High	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives.
Medium	Control weakness that: <ul style="list-style-type: none"> <li>has a low impact on the achievement of the key system, function or process objectives;</li> <li>has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low.</li> </ul>
Low	Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control.

## Limitations

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

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