

Agenda Item No:	11	
Committee:	Audit and Risk Management	
Date:	28 July 2025	
Report Title:	Internal Audit Annual Report and Opinion 2024/25	

## 1 Purpose / Summary

To provide the Audit and Risk Management Committee with an overview of the work undertaken by Internal Audit during 2024-25.

To provide the Head of Internal Audit's annual opinion on the system of internal control, risk management and governance.

To consider the effectiveness of Internal Audit.

## 2 Key issues

Public Sector Internal Audit Standards (PSIAS or Standards) have been issued to set the standard of internal auditing in the public sector. These standards are mandatory for all principal local authorities subject to the Accounts and Audit Regulations 2015. The Chartered Institute of Public Finance and Accountancy (CIPFA) has provided an additional Local Government Application Note (LGAN). Both documents constitute 'proper practices' in internal control as per the Accounts & Audit Regulations 2015. The Standards and Application Note have been replaced by the Global Internal Audit Standards and UK Public Sector Application Note (GIAS(UKPS)), which are effective from 1<sup>st</sup> April 2025.

Under the Accounts and Audit Regulations 2015, the Council "*must conduct a review of the effectiveness of the system of internal control*".

The work of Internal Audit forms part of the assurance provided to Councillors and Management Team and supports the Annual Governance Statement (AGS).

The PSIAS state that the Internal Audit Manager *must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement*. This report fulfils that requirement.

## 3 Actions/Recommendations

- To consider the outturn for Internal Audit for 2024-25, which highlights the audits that were completed and their associated assurance ratings and also the additional assurances gained from other sources of work completed in-house and externally to support the Annual Audit Opinion.
- To consider the Head of Internal Audit's opinion on the adequacy and effectiveness of governance, risk and internal control processes.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	Not applicable
<b>Portfolio Holder(s)</b>	Not applicable
<b>Report Originator(s)</b>	Deborah Moss – Head of Internal Audit
<b>Contact Officer(s)</b>	Peter Catchpole - Corporate Director & Chief Finance Officer Deborah Moss – Head of Internal Audit
<b>Background Paper(s)</b>	Internal Audit Plan 2024-25 Internal Audit Progress Report Q3 Public Sector Internal Audit Standards (& new Global Internal Audit Standards) CIPFA PSIAS Local Government Application Note 2019 (& new Public Sector Guidance Note 2025) Accounts and Audit Regulations 2015 CIPFA Guidance – Head of Internal Audit Annual Opinions: Addressing the Risk of a Limitation of Scope



**INTERNAL AUDIT ANNUAL REPORT & OPINION**

**2024/25**

## **1. Background / Introduction**

- 1.1 This report includes details, for the year 2024-25, of:
- the coverage provided by Internal Audit; and
  - the Head of Internal Audit's opinion on levels of governance, risk and control across the Council.
  - The implementation of agreed audit actions.
  - the review of the effectiveness of the Internal Audit team.
- 1.2 The Head of Internal Audit was appointed in May 2024 and has therefore been in place for nearly all of 2024-25.
- 1.3 The Head of Internal Audit has a professional reporting line to the Corporate Director & Chief Finance Officer, the responsible officer for duties under Section 151 of the Local Government Act 1972. The Internal Audit service provides assurance to Senior Management regarding levels of governance, risk and control for systems for which they are responsible.
- 1.4 Full details of the Internal Audit objectives are contained within the Internal Audit Charter, approved by the Audit and Risk Management Committee in July 2023.

## **2. Statement of Organisational Independence**

- 2.1 The Internal Audit Service has no operational responsibilities for any financial systems.
- 2.2 The Chief Internal Auditor is free from interference, although has due regard for the Authority's key objectives and risks and consults with Members and officers charged with governance, when setting the priorities of the annual audit plan, for example, determining the scope and objectives to be carried out and in performing the working and communicating the results of each audit assignment. There must be and is no compromise on the ability of IA to provide an independent assurance on the control framework. In this regard, declaration is made that for 2024/25, the HoIA was the lead officer for preparation of the Annual Governance Statement for the Council and also for preparation of the updated Local Code of Governance. Both of these documents were written in conjunction with senior management for representation of their views. This work is alongside the HoIA being a member of the Corporate Governance Group.
- 2.3 The Internal Audit Service has free and unfettered access to the Section 151 Officer, Chief Executive, Monitoring Officer, Leader of the Council and the Chair of the Audit & Risk Management Committee, which at FDC acts as the audit committee.

## **3. Internal Audit Outturn**

- 3.1 The annual Internal Audit Plan is formulated in advance of the Council year, following an assessment of risks inherent to services and systems of the Council based on Internal Audit and Management knowledge at that time. During the period that follows, changes in the control environment may occur, for example: -
- introduction of new legislation/regulations
  - changes of staff

- changes in software
- changes in procedures and processes
- changes in service demand.

3.2 Audit and Risk Management Committee approved the Internal Audit Plan 2024-25 on 25 March 2024.

3.3 In respect of the Internal Audit resources for the year, the team consisted of a part-time/term time auditor; a newly appointed auditor from July 2024, who has since left the Council in May 2025, and a contracted interim auditor only until September 2024, which brought the Internal Audit team back to previous resource levels.

It is important that sufficient audit resources are in place throughout the year to enable enough audit reviews to be carried out and allow for an appropriate assessment for the Annual Audit Opinion to be made.

3.4 In addition to the planned audit work further work has been undertaken and assurances obtained by the team as follows:

- Disabled Facilities Grants declaration
- National Fraud Initiative work (both data gathering and data matching investigation)
- Fraud Investigation work and responsive work to NAFN fraud alerts received
- Risk Management Group
- Corporate Governance Group
- Transformation project review support and advice, including process development advice
- Major Project support and advice
- Tracking and monitoring on outstanding audit actions
- Follow up verification work on actions.

3.5 Also, this is the sixth year of the shared auditing arrangements for Anglia Revenues Partnership (ARP) functions that cover Council Tax, Housing Benefits and Business Rates on behalf of several local authorities including the Council. Collaborative discussions have taken place and agreed the extension to this agreement by a further 12 months to Summer 2026.

3.6 Further assurances have been obtained from external organisations (and internal) to support the Internal Audit Opinion, by providing assurance of the following areas:

- National Cyber Security Centre (NCSC) – Cyber Essentials Plus Scheme – fully compliant.
- ICT – Public Service Network (PSN) compliance certificate – fully compliant.
- Local Government & Social Care Ombudsman Annual Review Letter 2024/25 - positive feedback on overall operations, and the way complaints are handled, and no issues referred to the Ombudsman upheld.
- Designated Person Report: Audit of the Marine Safety Management System of Nene Ports – 90.7% compliance achieved.
- International Ships and Port Security (ISPS) – Port (of Wisbech) Facility Security Audit – ‘well managed’ (March 2025).
- Customer Service Excellence (CSE) 2024 – reaccreditation.
- (Internal) Transformation Programme - the team worked with Services to review operations including their governance and efficiency.
- (Internal) Health & Safety services assessment programme.

- 3.7 Appendix A lists the processes and systems audited in the financial year and the assurance opinion provided within each final report. It also details the number of agreed actions made for each audit and the general theme of these actions.
- Appendix B highlights the status of agreed audit actions from previous years' audits. *(note that due to resources the currency of this data may not be fully up to date.)*
- 3.8 Audit work includes testing of system controls, and this has not highlighted any significant fraud. Any errors or irregularities that have been identified have been resolved during the course of the audit and/or Management action plans have been agreed with the system owners including timescales for improvement appropriate to the level of risk. These action plans will be followed up by Internal Audit with Management to ensure they are implemented.
- 3.9 A key performance objective of the team was to complete 'fundamental' audits, which are considered key financial systems. Four 'fundamental' audits, concerning ARP Enforcement, Council Tax, Housing Benefit and Business Rates, requiring review in the 2024-25 Plan were carried out as part of the SLA covering audits of the Anglia Revenues Partnership (ARP) that administers Revenues & Benefits on behalf of several local authorities including FDC.
- 3.10 The Internal Audit activity was conducted free from interference in determining the scope of internal auditing, performing work and communicating results throughout the year.

#### **4. Annual Internal Audit Opinion**

- 4.1 The Council is required to report in its annual statutory financial statements an assessment as to the adequacy of its governance arrangements, referred to as the Annual Governance Statement (AGS).
- 4.2 Information for this purpose is drawn from many sources one of which is the work of Internal Audit in that financial year, and up to the date of the approval of the annual accounts. All audits have been conducted in conformance with the Public Sector Internal Audit Standards (now replaced by the new Global Internal Audit Standards from 1<sup>st</sup> April 2025).
- 4.3 As part of the AGS evaluation, an assurance mapping exercise takes place which documents and establishes additional sources of assurance.
- 4.4 The annual Audit Opinion concludes on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control (GRC).
- 4.5 Based on the work that Internal Audit has performed the Head of Internal Audit's opinion for 2024-25 is that:
- there is REASONABLE ASSURANCE as to the adequacy and effectiveness of internal controls, risk management and governance arrangements.***
- 4.6 On the basis of the work undertaken during the year, it is considered that the key systems operate in a sound manner and that there has been no fundamental breakdown in control resulting in material discrepancy. However, the Head of Internal Audit's opinion can only provide a reasonable, not absolute, level of assurance as to the adequacy and effectiveness of these systems.
- 4.7 Following finalisation of internal audit reports, Management has adopted agreed actions for improvement in control, and within appropriate timescales, that will be followed-up to ensure these are delivered. Potential risks and opportunities for further improvement have been incorporated into Management action plans.

## **5. Review of the effectiveness of Internal Audit**

- 5.1 Regulation 5(1) of the Accounts and Audit Regulations 2015 requires that a relevant authority must 'undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.
- 5.2 All Public Sector Internal Audit teams are required to comply with the Public Sector Internal Audit Standards (PSIAS) issued by the Institute of Internal Auditors (IIA). CIPFA issued a 'Local Government Application Note' (LGAN) intended to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector. On the 1<sup>st</sup> April 2025 the new *Global Internal Audit Standards (GIAS)* were formally adopted in respect of Local Govt across the UK replacing the PSIAS.

In addition, the *UK Public Sector Application Note* (replacing the LGAN) became effective for 2025.26. CIPFA has also developed the Code of Practice for the Governance of internal audit in UK Local Govt designed to work alongside the new Standards (replacing the previous Statement on role of the Head of Internal Audit in Local Government').

- 5.3 The Internal Audit Charter, the Risk-Based Internal Audit Plan and delivery, are based on these professional standards. Performance monitoring is also supplemented through frequent interaction between the Head of Internal Audit and the Corporate Director & Chief Finance Officer. Audit and Risk Management Committee have also increased their oversight of the delivery of the Audit Plan through regular quarterly monitoring of performance including number of audits completed and number of and rating of agreed actions, and the implementation of these actions.
- 5.4 As reported in prior years' Annual Reports an external quality assessment (EQA) was carried out on the Internal Audit Service in 2022, to comply with the then PSIAS. The Service achieved a conformance rating together with identified issues for improvement. Of the six issues raised, two have been completed and the others, including IT Audit, are in progress.
- 5.5 The Service continues to operate in compliance with the PSIAS, also applicable under GIAS. This has continued and the results for 2024-25 can be seen in Appendix C. However, it is now necessary for the Service to conduct a self-assessment against the new GIAS standards to ensure that it conforms and to identify any gaps or areas for development.

## **6. Effect on Corporate Objectives**

- 6.1 The delivery of an effective Internal Audit Service is a key factor in maintaining an adequate level of internal control in the Council and contributes to the corporate objective of a Quality Organisation.

## **7. Conclusions**

- 7.1 The Council has maintained an effective Internal Audit function which demonstrates a commitment to comply with the Standards and Application Note, as standards of good quality, noting that it must now meet conformance to the new standards.
- 7.2 The Internal Audit function has provided audit and assurance work throughout the year to form an opinion on the effectiveness of internal control. There are no serious concerns highlighted and this assurance and annual opinion will form evidence to support the Council's Annual Governance Statement which accompanies the Statement of Accounts.

## Appendix A: Audits Completed 2024/25

Audit	Service	Assurance Opinion	Agreed Actions		Actions Themes
			High	Med	
<b>* Anglia Revenues Partnership (ARP) – Enforcement</b>	Revenues & Benefits	Adequate/ Reasonable	0	0	There were no actions arising from this audit. Additionally, it was confirmed that all 8 of the agreed actions from the previous year's audit had been successfully implemented.
<b>* Business Rates (NNDR)</b>	Revenues & Benefits	Adequate/ Reasonable	0	0	Majority of systems were functioning reasonably well, however these were still able to benefit from some suggested improvements to low-risk areas. There were no new high risk priority actions identified.  Follow up of last year's agreed actions found that 2 actions were outstanding and overdue (in relation to arrears and write-offs) but both were to be completed by June. 5 actions had been implemented.
<b>* Council Tax Billing, Housing Benefits and Local Council Tax Reduction Scheme</b>	Revenues & Benefits	Adequate/ Reasonable	0	10	There are no high-risk findings or actions raised. 10 medium-risk Agreed Actions relate to Council Tax refund process, account changes, awarding exemptions, system access controls, financial reconciliations, self-employed claimants and quality-assurance processes. All actions were agreed for implementation by June 2025.  Follow-up from the 9 reported actions from last year, found that 7 had been implemented and 2 were considered work in progress.
<b>* Council Tax Recovery and Housing Benefit Overpayments</b>	Revenues & Benefits	Adequate/ Reasonable	0	2	There are no high-risk findings or actions raised. 2 medium-risk actions were agreed that relate to improvements for write-offs and suppressed



					accounts.
<b>Contract Monitoring – Leisure Services</b>	Leisure	Limited	0	9	<p>No high risk issues were identified but there were 9 medium risk actions agreed in relation to:</p> <ul style="list-style-type: none"> <li>• Regular reporting and monitoring of performance</li> <li>• Recording of meetings</li> <li>• Property database</li> <li>• New Leisure strategy</li> <li>• Substantiation of annual outturns</li> <li>• Pursuance of exercise referrals</li> <li>• Service Plan and BCP</li> <li>• Due diligence checks</li> <li>• Assurance from audits at the centres.</li> </ul>
<b>Corporate Assurance – Performance Management</b>	Corporate	Reasonable	1	10	<p>The high-risk related to accuracy of methodologies for calculating a couple of PI results.</p> <p>The medium-risk actions related to:</p> <ul style="list-style-type: none"> <li>• Having robust written methodologies</li> <li>• Accuracy of performance results</li> <li>• Verification of data</li> <li>• Target setting</li> <li>• Timely submission of data results</li> <li>• Coverage of PIs</li> <li>• Previous actions</li> <li>• Protection of the data from change</li> <li>• Links to individual targets and appraisals</li> <li>• Monthly commentary by Services on the results.</li> </ul> <p>These are advised as completed and are currently being followed-up/verified by Internal Audit.</p>
<b>Creditors</b>	Finance	Reasonable	1	9	One high-risk findings was made in relation to

					<p>absence of purchase orders.</p> <ul style="list-style-type: none"> <li>▪ Documented written procedure for setting up users</li> <li>▪ procedure for obtaining and documenting the completed new user form requests from line managers. Create documentation that clearly outlines role permissions</li> <li>▪ Update of BCP to reflect current changes.</li> <li>▪ clear procedure for determining the timeframe for removing an employee from systems and platforms after departure</li> <li>▪ Establish and enforce a policy that requires a purchase order for all purchases.</li> <li>▪ system for creating and securely storing digital backups of CP02 and submission report.</li> <li>▪ robust verification process for supplier data changes</li> <li>▪ Independent check of bank account changes</li> <li>▪ Investigate and reallocate rejected remittance amounts</li> <li>▪ refresh training sessions for all officers involved in the BACS process</li> <li>▪ new suppliers form to include verification of VAT number</li> <li>▪ Investigate and resolve historic rejected invoices promptly.</li> </ul> <p>This was one of the last completed audits for 24.25 and whilst the actions were agreed, they will need time to be implemented and become operational.</p>
<b>Debtors &amp; Collection Agency – Follow-up</b>	Finance	Limited			The final audit report was issued in February

					<p>2024 with an opinion of limited assurance. At the follow-up testing to verify implementation could not be undertaken as none of the audit actions had been fully implemented and therefore the assurance opinion remained unchanged. Work has since been undertaken to implement some of the actions with regard to a new Debt Mgt Group and refreshed Debt Mgt Policy. The remainder of the actions are in progress or open and are being monitored by Internal Audit.</p>
<p><b>Declarations of Interest</b></p>	<p>Corporate</p>	<p>Reasonable</p>	<p>0</p>	<p>9</p>	<p>There were no high-risk actions. The medium-risk actions related to improvements in the declarations process:</p> <ul style="list-style-type: none"> <li>▪ timeframe for returning the acknowledgment Code of Conduct form and establish a procedure for chasing up non-returns.</li> <li>▪ Implement a clear version system for tracking policy distribution and employee acknowledgment. All corporate documents to have responsible officer, version control and standard template format.</li> <li>▪ Maintain the Conflict of Interests Register accurately and up to date. Record all declarations.</li> <li>▪ follow-up process annually April to verify that employees' declarations are up to date.</li> <li>▪ Record details of authorisation in the register.</li> <li>▪ Record and retain any rejected conflict of interest forms in the individual file.</li> <li>▪ refresher training for officers involved in Register.</li> <li>▪ Further investigation of individuals from NFI matching exercise who have not submitted a declaration.</li> <li>▪ Update the gift and hospitality form to include corporate director authorisation</li> <li>▪ procurement team given access to the conflict-of-interest records for comprehensive</li> </ul>

					<p>oversight and integrity throughout the procurement process.</p> <p>This was one of the last completed audits for 24.25 and whilst the actions were agreed, they will need time to be implemented and become operational.</p>
<b>Disabled Facilities Grants (return)</b>	Corporate	Satisfactory to enable the Return to be signed	-	-	<p>The purpose of this review was to provide assurance that DFG allocated monies received from government had been spent in accordance with the terms of the award. Reconciliation of the accounts and testing a sample of DFG cases provided assurance that grant conditions had been met in 2024/25.</p>
<b>Economic Development – Grant Funding</b>	Economic Development	Substantial	1	0	<p>The one high-risk action related to application tracking and due diligence.</p> <p>It required improvements over file management and folder hierarchy and acknowledged that the recently introduced system would provide consistency in recording appropriate documentation and only allowing applications to proceed on receipt of the information but grants back to 2022 would need to be verified.</p>
<b>Housing Options – Follow-up</b>	Housing	Reasonable			<p>The follow up verification of 4 previously reported actions found that 3 had been implemented but one had only been partially implemented. This related to the revised Homelessness and Rough Sleeping Strategy which still needed agreement</p>

					before publication. This is now in place.
<b>Insurance</b>	Finance	Reasonable	1	5	<p>The high risk was due to succession planning. The medium-risk actions related to:</p> <ul style="list-style-type: none"> <li>▪ Council's liability in the event of an incident occurring at an outside organised event.</li> <li>▪ Tracking and compliance of each Pride Group to the 78 insurance policy conditions.</li> <li>▪ Service Plan and Business Risk Assessment to be updated and provided for inclusion in the Risk Register.</li> <li>▪ Recording, tracking and reporting claims to be formalised.</li> <li>▪ Consideration given to investing in in-cab cameras, if considered economic, to support or defend claims and lower pay-outs.</li> </ul>
<b>Legal Service</b>	Corporate – Legal	Advisory	-	-	4 actions were recommended in relation to the Legal system, but these have been deferred on the basis that a new provision of legal service is necessary and will need to be decided first.
<b>Licensing – Taxi</b>	Licensing	Reasonable	1	6	<p>The high-risk action related to charging the fee rate approved by Cabinet.</p> <p>Medium actions related to:</p> <ul style="list-style-type: none"> <li>• Evidence of discussions on proposal not to increase will be retained.</li> <li>• Full on-costs recovery details and the costs gap will be given to O&amp;S and Cabinet to have full transparency over costs and potential missed income before they approve fees.</li> <li>• Published online fee schedule to match fees processed.</li> <li>• Automated reminders for missing documents</li> </ul>

					<p>or upcoming renewals, and automated reports on expired licences.</p> <ul style="list-style-type: none"> <li>• Consider other automated processes to make efficiencies and prevent human input error.</li> <li>• Improved monitoring and record keeping of expired plates and automated reminders for plate returns or swap new for old.</li> <li>• Formalise rank checks - volumes and frequency.</li> <li>• Secure storage of expired and blank plates.</li> </ul>
<b>Materials Recycling Facility</b>	Environment - Refuse	Reasonable	0	0	This review found no issues concerning the recycling calculation and invoicing with our contractor.
<b>Payroll post implementation review</b>	Payroll	Reasonable	0	0	<p>The review found many examples of good practice in the project and installation of the new system. However, it also concluded that:</p> <ul style="list-style-type: none"> <li>▪ It has not been possible for Internal Audit to fully verify the accuracy and completeness of the data migration as there are limited system reports to evidence the reconciliation of the old and new system balances, and the portal of sign offs and project management is closed and no longer accessible.</li> <li>▪ Limited documented evidence to support the project as this was mainly managed via an online portal which is no longer accessible, and a lack of project evaluations and lesson learnt</li> <li>▪ Project management across the Council may not be consistent and effective.</li> </ul>
<b>Port Berthings (Special) - Follow-up</b>	Port Services	Reasonable	0	1	This follow up audit reported that satisfactory improvements had been made in respect of the previous recommendations raising the audit

					<p>opinion from limited to reasonable assurance levels.</p> <p>All the high-risk and medium–risk actions had been implemented and were working well, except for one medium action and this has since been confirmed as implemented.</p>
<b>Procurement</b>	Corporate – Procurement	Reasonable	0	6	<p>There were no high-risk issues or actions. The medium actions related to:</p> <ul style="list-style-type: none"> <li>▪ Concise workflow on the decision-making process to be developed to raise awareness and understanding.</li> <li>▪ Completion of Procurement Training for key Officers</li> <li>▪ Raise awareness across the Council, training issued to all Officers to obtain more understating of the Procurement Process.</li> <li>▪ Official order template updated to include details on the Procurement Act 2023</li> <li>▪ Agresso reporting developed to ensure key reporting requirements can be complied</li> <li>▪ Revised Procurement Strategy to align with the key priorities.</li> <li>▪ A process map prepared to supplement the existing arrangements surrounding the decision-making process for approval to spend.</li> <li>▪ Report procurement exemptions/waivers to the audit committee.</li> </ul>

\* These audits have been undertaken by other Councils under the SLA and have been reviewed by Fenland District Council Head of Internal Audit as part of the Quality Assurance process. The Agreed Actions relate to the partnership as a whole and are not reported upon in quarterly progress reports or the implementation figures below.

An assurance opinion/rating is applied when a system or process is reviewed, which reflects the effectiveness of the control environment:

Assurance	Description
Substantial	A sound system of governance, risk mgt and control exists, with internal control operating effectively and being consistently applied to support the achievement of objectives of area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
None	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.



## Appendix B – Implementation of Agreed Audit Actions

(by year 2020/21 - 2024/25)

The tables below do not include the Agreed Actions made in relation to the ARP audits, conducted by partner authorities as they are reported to their respective authorities at this stage. Follow up of these actions is undertaken and reported on at the next audit.

### Total Agreed Actions 2020/21

All agreed actions are completed for 2020/21.

Total Agreed Actions 2021/22				
	High	Medium	Low	Total
Total Agreed Actions				77
Total Complete				75
Open / Outstanding				2
Overdue	1		1	2

The outstanding & overdue high-risk action relates to the Trading Operations – Port Commercial & Marine audit in respect of an agreed operating lease with LCC (due July 2024) - finalisation of the formal joint venture documents for the lease are still not signed.

### Total Agreed Actions 2022/23

All agreed actions are completed for 2022/23.

Total Agreed Actions 2023/24				
	High	Medium	Low	Total
Total Agreed Actions	9	57	5	71
Total Complete	7	33	2	42
Open / Outstanding				29
Overdue	2 (incl. 1 now cancelled)	24	3	29

The two overdue high-risk actions relate to:

- the continuation of a phishing exercise for cyber security. The original exercise is complete but a phishing recheck exercise was decided and is in progress.
- The Asset Management Plan – this action has been cancelled as with the advent of LGR management has considered and decided that this document is no longer required and to continue with the previous document and priorities established there. The Properties Database will be maintained instead.

Total Agreed Actions 2024/25				
	High	Medium	Low	Total
<b>Total Agreed Actions</b>				<b>65</b>
<b>Total Complete</b>	1	20	1	<b>22</b>
<b>Outstanding</b>	2	41	0	<b>43</b>
<b>Overdue</b>	0	20		<b>20</b>

All outstanding actions are being monitored with the action owners on a regular basis.

All overdue actions are reported to Management Team.

## Appendix C: Summary of Effectiveness of Internal Audit against the PSIAS

					Compliance		
		Cat	Category of checklist	Comments	C	P	N
	Mission of Internal Audit	1	To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.	Audit Charter	C		
	Definition of Internal Auditing	2	Definition of Internal Auditing	Audit Charter	C		
Core Principals	The Core Principals are based on conformance with the Code of Ethics (Integrity, Seven Principles of Public Life)	3.1	Demonstrates integrity	Declaration of Interests	C		
		3.2	Demonstrates Competence and due professional care	Qualification	C		
		3.3	Is objective and free from undue influence	Reporting Lines	C		
		3.4	Aligns with the strategies, objectives, and risks of the organisation	Audit Plan	C		
		3.5	Is appropriately positioned and adequately resourced	Audit Plan		P	
		3.6	Demonstrates quality and continuous improvement	Progress Reports		P	
		3.7	Communicates effectively	Progress Reports	C		
		3.8	Provides risk-based assurance	Audit Plan	C		
		3.9	Is insightful, proactive, and future-focused	Audit Plan	C		
		3.10	Promotes organisational improvement	Audit Plan	C		
Code of Ethics	These address the characteristics of organisations and parties performing internal audit activities	4.1	Integrity	QA review	C		
		4.2	Objectivity		C		
		4.3	Confidentiality	QA Review	C		
		4.4	Competency	QA Review	C		
		4.5	Seven Principals of Public Life	QA Review	C		
Performance Attribute	These address the characteristics of organisations and parties performing internal audit activities	5.1	1000 Purpose, Authority and Responsibility	QA Review	C		
		5.2	1100 Independence and Objectivity	QA Review	C		
		5.3	1200 Proficiency and Due Professional Care	QA Review	C		
		5.4	1300 Quality Assurance and Improvement Programme	QA Review	C		
	These describe the nature of internal audit activities and provide quality criteria against which the performance of these	6.1	2000 Managing the Internal Audit Activity	Audit Manual	C		
		6.2	2100 Nature of Work	Audit Manual	C		

	services can be evaluated.	6.3	2200 Engagement Planning	Audit Manual	C		
		6.4	2300 Performing the Engagement	Audit Manual	C		
		6.5	2400 Communicating Results	Audit Manual	C		
		6.6	2500 Monitoring Progress	Audit Manual	C		
		6.7	2600 Communicating the Acceptance of Risks	Audit Manual	C		
					26	2	

C = Conforms: P = Partial: N = Not conforming

\* Assessment is made against the PSIAS which were in place during the year. The new replacement GIAS are now effective from 1<sup>st</sup> April 2025 and an assessment against these new standards is underway.