SUBJECT:	**INTERNAL AUDIT** **Monitoring Implementation of Previous Recommendations 2023/24**
DIRECTORATE:	**Resources**
MEETING:	**Governance & Audit Committee**
DATE:	**May 2025**
DIVISION/WARDS AFFECTED: All	

1. PURPOSE

To provide the Governance & Audit Committee with an update on the progress operational managers have made against implementing Internal Audit recommendations issued during the 2023/24 financial year.

2. RECOMMENDATION(S)

That the Governance & Audit Committee note this report and the actions taken by operational managers.

3. KEY ISSUES

3.1 A requirement of the Public Sector Internal Audit Standards (PSIAS) is to monitor and ensure that management actions (recommendations) have been effectively implemented or that senior management have accepted the risk of not taking action (2500.A1).

3.2 As part of the Internal Audit Plan for 2024/25, follow-up work was undertaken to ensure that all audit reports issued during the 2023/24 year were revisited and the status of each recommendation confirmed.

3.3 The follow-up work was conducted January and February 2025 and excluded those reviews which had previously been issued with an unfavorable audit opinion. This was due to where unfavorable opinions had been issued, these audit reviews would then be subject to a formal follow-up audit visit. The outcome of these formal follow-up reviews would be reported to the Governance & Audit Committee separately.

- Chepstow School – Reasonable Assurance
- Commissioning & Contracts – Reasonable Assurance
- Private Sector Leasing – Reasonable Assurance
- CLA Savings – not yet followed up
- Employee General Expenses – not yet followed up
- Employee Travel Claims – not yet followed up
- Democratic Services & Governance – Reasonable Assurance
- Till Floats – Reasonable Assurance

3.4 Where a follow-up review had been conducted during the previous year which warranted an improved opinion, any remaining recommendations would be included as part of this process.

3.5 Our approach to completing this follow up exercise was based around the fact that all audit recommendations and the associated action plans are for managers to implement within the agreed timescales. The most effective use of internal audit resource was to contact managers to complete a self-assessment, providing detail with regards to the progress made. Internal Audit reviewed the responses received to provide assurance to both senior management and the Governance & Audit Committee that appropriate action had been taken. No specific audit testing has been undertaken and reliance was placed on operational managers in providing a true and fair appraisal of the progress made to date in the implementation of recommendations.

3.6 Internal Audit have previously been working with the Digital Design and Innovation team to create an 'Internal Audit Recommendation Tracker' App. Due to the staffing resource available within the team and the departure of the Officer leading on this project implementation of this has been postponed. This will be considered further as part of the Internal Audits Quality Assurance and Improvement Program (QIAP)

3.7 The Internal Audit team issued 141 recommendations during the 2023/24 financial year. Table 1 below provides an overall summary of results of this exercise while Appendix 1, provides further detail of the responses for each area. Overall, 96% of recommendations had either been fully or partially implemented. This was an improvement from 84% in the previous year.

Table 1

Measure	Number	Percentage
Recommendations fully implemented	93	66%
Recommendations partially implemented	42	30%
Recommendations fully or partially implemented	**135**	**96%**
Recommendations not implemented	3	2%
Recommendations considered no longer relevant	3	2%
Responses not received	0	0%
Total number of recommendations	**141**	**100%**

3.8 A total of 42 audit recommendations (30%) were classed as partially implemented. Managers provided details of the actions taken to date, along with revised implementation dates. The responses received have provided a good level of assurance that the risks identified have been mitigated by the progress made to date, and that full implementation will take place within a reasonable timeframe.

3.9 Three audit recommendations were stated as being not implemented (2%), the reasons for the delay were reviewed by Internal Audit and new target dates for implementation were confirmed by managers. The table below (Table 2) outlines the expected timescales involved. It is pleasing to report that this figure has reduced substantially since the previous year (10%).

Table 2

Revised implementation dates	Number of recommendations
By 31st April 2025	1
By 31st August 2025	1
By 31st December 2025	1
Total number of recommendations not implemented	3

3.10 There were 3 recommendations (2%) noted as being no longer relevant. The reasons for these were reviewed and were considered appropriate given the change in control environment.

3.11 A report on the implementation of Internal Audit recommendations was issued to members of the Council's Strategic Leadership Team in March 2025 to ensure Chief Officers were aware of recommendations which may be outstanding within their respective portfolios. The Chief Executive has asked all Chief Officers to review the report and to satisfy themselves that appropriate action is being taken by management. They are to ensure that any risks arising from recommendations not yet implemented have been reduced to an acceptable level.

4. RESOURCE IMPLICATIONS

None.

5 CONSULTEES

Strategic Leadership Team
Deputy Chief Executive / Chief Officer – Resources

Results of Consultation:

N/A

6. BACKGROUND PAPERS

None

7. AUTHORS AND CONTACT DETAILS

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Appendix 1

Directorate	Service	Job Name	Date of issue of FINAL report	Opinion given	No' of Recs made by Auditor	No' of Recs accepted by Client	No' of recs stated as fully implemented	No' of recs stated as partially implemented	No' of recs stated as not implemented	No' of recs stated as no longer relevant	% fully implemented	% partially implemented
Social Care, Health & Safeguarding	Social Services Finance	Appointeeships & Deputyships (2022/23)	08/08/23	Substantial	4	4	4	0	0	0	100%	0%
Communities & Place	Placemaking, Housing, Highways and Flood	Planning Applications (2022/23)	08/09/23	Substantial	3	3	3	0	0	0	100%	0%
Resources	Finance - Revenues, Systems & Exchequer	Revenues Shared Service (2022/23)	30/08/23	Reasonable	4	4	2	2	0	0	50%	50%
Corporate	Corporate	Partnership & Collaborations 2022/23)	08/09/23	Reasonable	3	3	1	2	0	0	33%	67%
Communities & Place	Neighbourhood Services	Winter Maintenance (2022/23)	05/09/23	Substantial	1	1	1	0	0	0	100%	0%
Corporate	Corporate	National Fraud Initiative (NFI)	06/11/23	Reasonable	3	3	1	2	0	0	33%	67%
People & Governance	Electoral Registration	Electoral Registration	13/02/24	Reasonable	8	8	7	1	0	0	88%	13%
Mon Life	Heritage	Old Station, Tintern (Follow-up)	21/12/23	Reasonable	6	6	5	1	0	0	83%	17%
Children & Young People	Primary Schools	Castle Park Primary School (Follow-up)	25/09/23	Substantial	7	7	7	0	0	0	100%	0%
Children & Young People	Primary Schools	Deri View Primary School	27/09/23	Reasonable	9	9	8	1	0	0	89%	11%
Resources	Finance - Revenues, Systems & Exchequer	Creditor Payments (2022/23)	05/12/23	Substantial	2	2	1	0	1	0	50%	0%
Resources	Finance - Corporate Accountancy	Insurances	27/11/23	Substantial	1	1	1	0	0	0	100%	0%
Children & Young People	Primary Schools	Archbishop Rowan Williams Church in Wales Primary	06/12/23	Reasonable	9	9	5	2	0	2	56%	22%
Resources	Commercial, Property, Fleet, Facilities	Cemeteries	27/11/23	Reasonable	4	4	3	1	0	0	75%	25%
Children & Young People	Primary Schools	Llantilio Pertholey Primary	23/02/24	Reasonable	9	9	9	0	0	0	100%	0%
Resources	Finance - Revenues, Systems & Exchequer	Benefits	14/02/24	Substantial	3	3	2	1	0	0	67%	33%
Mon Life	Active	Point of Sale System	18/01/24	Reasonable	9	9	5	2	2	0	56%	22%
Children & Young People	Primary Schools	Pembroke Primary	06/03/24	Substantial	5	5	1	3	0	1	20%	60%
Social Care, Health & Safeguarding	Public Protection	Trading Standards	15/02/24	Reasonable	6	6	3	3	0	0	50%	50%

Directorate	Service	Job Name	Date of issue of FINAL report	Opinion given	No' of Recs made by Auditor	No' of Recs accepted by Client	No' of recs stated as fully implemented	No' of recs stated as partially implemented	No' of recs stated as not implemented	No' of recs stated as no longer relevant	% fully implemented	% partially implemented
Mon Life	Outdoor	Countryside (2022/23)	19/03/24	Substantial	3	3	2	1	0	0	67%	33%
Communities & Place	Decarbonisation, Transport & Support Services	Passenger Transport	10/05/24	Reasonable	9	9	4	5	0	0	44%	56%
Chief Executive's	Policy, Performance & Scrutiny	Risk Management	06/03/24	Reasonable	3	3	2	1	0	0	67%	33%
Children & Young People	Primary Schools	Durand Primary	15/05/24	Reasonable	7	7	5	2	0	0	71%	29%
Children & Young People	Primary Schools	Our Lady & St Michaels RC (Follow-up)	30/05/24	Reasonable	9	9	4	5	0	0	44%	56%
Corporate	Corporate	Climate Emergency	19/07/24	Reasonable	4	4	1	3	0	0	25%	75%
Children & Young People	Primary Schools	The Dell Primary	01/07/24	Reasonable	10	10	6	4	0	0	60%	40%
				TOTALS	**141**	**141**	**93**	**42**	**3**	**3**	**66%**	**30%**