

Risk, Audit and Governance Committee

23 July 2025

Agenda item number 7

Internal Audit Annual Report and Opinion

2024/25

Report by Head of Internal Audit

Summary

This report provides the Authority with the Head of Internal Audit's annual opinion for 2024/25 on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

Recommendations

- i. Receives and considers the contents of the Annual Opinion Report of the Head of Internal Audit.
 - ii. Notes that a 'Reasonable' audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2025.
 - iii. Notes that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration when developing and reviewing the Authority's Annual Governance Statement for 2024/25.
 - iv. Notes the outcomes of the Internal Audit's performance measures and the Quality Assurance and Improvement Programme (QAIP).
-

1. Introduction

- 1.1. In line with the Global Internal Audit Standards in the UK Public Sector an annual opinion should be generated which concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 1.2. The Annual Report should include where relevant: -
 - An opinion on the overall adequacy and effectiveness of the Authority's governance, risk management and internal control environment.

- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Detail a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Any control weakness considered by the Head of Internal Audit to be relevant to the preparation of the AGS.
- A summary of the work undertaken during the year to support the opinion, including any reliance placed on the work of other assurance bodies.
- An overall summary of the performance of the Internal Audit Service against its performance indicators.
- The results of the internal audit quality assurance programme, including details of compliance with Internal Audit Standards.

1.3. The Head of Internal Audit can provide a ‘**reasonable**’ opinion (positive) on the framework of governance, risk management and control at the Broads Authority for 2024/25.

Author: Teresa Sharman

Date of report: 09 July 2025

[Broads Plan](#) strategic objectives: All

Appendix 1 – [Internal Audit Annual Opinion Report 2024/25](#)

EASTERN INTERNAL AUDIT SERVICES



BROADS AUTHORITY

Internal Audit Annual Opinion Report 2024/25

Head of Internal Audit: Teresa Sharman

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Summary: Internal Audit Work 2024/25

4
Audits in 2024/25 Audit Plan

0
Urgent Recs Raised

4
Important Recs Raised

11
Routine Recs Raised

3
OEMs Raised

Assurance opinions issued in year	
Substantial	2
Reasonable	2
Limited	0
None	0
Position Statement	0
Cancelled	0
2 outstanding recommendations at year-end. Oldest – from 2023/24	



Executive Summary

Purpose

The Head of Internal Audit should provide an annual report, detailing its opinion on the framework of governance, risk management and control, to those charged with governance to support the Council's Annual Governance Statement (AGS).

This report should include the following: -

- An opinion on the overall adequacy and effectiveness of the Council's governance, risk management and internal control environment.
- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Detail a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Any control weakness considered by the Head of Internal Audit to be relevant to the preparation of the AGS.
- A summary of the work undertaken during the year to support the opinion, including any reliance placed on the work of other assurance bodies.
- An overall summary of the performance of the Internal Audit Service against its performance indicators.
- The results of the internal audit quality assurance programme, including details of compliance with Internal Audit Standards.

The purpose of this report is to satisfy this requirement, and Members are asked to note its content.

Background

The Internal Audit Service for the Authority is provided by the Consortium, Eastern Internal Audit Services, hosted by South Norfolk Council, which utilises the services of a main contractor, TIAA Ltd. In 2024/25, two other contractors were utilised for some of the quarter 4 audits across some of the Councils in the Consortium, the Shared Internal Audit Service at Hertfordshire County Council, and BDO LLP.

All audit work is completed in accordance with the Global Internal Audit Standards and the CIPFA Local Government Application Note 2025.

Internal audit provides an independent and objective opinion on the Council's internal controls by evaluation their effectiveness and operation in practice.

Scope of Responsibility

The Authority is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Authority's functions, and which includes arrangements for the management of risk.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

This opinion statement is provided for the use of the Council in support of its AGS for the year ended 31 March 2025.

Head of Internal Audit Annual Opinion Statement

Opinion

In summary: -

I have considered the audit work for 2024/25 for the Authority and am able to provide **Reasonable Assurance** in relation to the framework of risk management, governance, and internal control.

My opinion is based on the audit work completed in 2024/25, which resulted in positive opinions, other third-party assurances where these were available, the relative materiality of the issues arising from audit work and management's progress in addressing any control weaknesses identified.

In detail: -

In arriving at my overall annual opinion: -

- I have considered the outcomes of all audits completed in 2024/25, noting also the positive opinions provided in the previous three years.
- I have considered management's progress with addressing outstanding recommendations from previous years as detailed below.
- I have considered the outcome of the work that assessed the suitability and availability of the local aids to navigation under the management of the Broads Authority, against elements of the Port Marine Safety Code, which was found to be satisfactory by the Navigation Inspectorate in July 2024.

Third party assurances

Navigation Inspectorate audit of Local Aids to Navigation – Good and efficient order.

Limited opinions

No limited assurance opinions were issued in 2024/25, and no urgent recommendations were raised.

Outstanding Recommendations

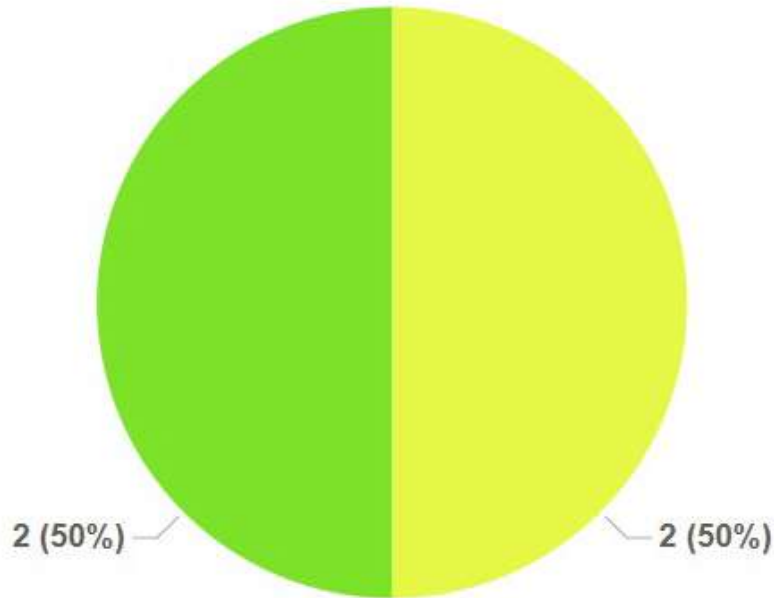
In relation to the follow up of management actions, to ensure that they have been effectively implemented, the position at year end 2024/25 is that two recommendations from 2023/24 are outstanding as the table below details which has been accounted for in my overall annual opinion. I noted that older recommendations are now implemented, and the progress made with implementing this year's recommendations.

The important recommendation from the Port Marine Safety Code audit has a revised due date of January 2026 and for the Corporate Governance audit, the routine recommendation has a revised due date of December 2025.

Audit Year	No. Outstanding	No. of Urgent	No. of Important	No. of Routine
2023/24	2	0	1	1
2024/25	0	Only the recommendations for the Cyber Security audit are still to be fully implemented; due dates for all are September 2025.		
Total	2	0	1	1

Audit Outcomes

Below is the spread of audit opinions across audit work completed in 2024/25. For a detailed summary of audit work completed, please refer to Appendix 1.



Appendix 2 shows the assurances provided over previous and current audit years to provide an overall picture of the control environment.

The Executive Summaries for the three audits that finalised since the last Audit Committee meeting are included in Appendix 3. Details of the recommendations for the Cyber Security audit are not detailed as these are deemed confidential.

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.
Position Statement	Advisory work and Follow Up.

Performance Measures Outcomes

Internal Audit PM Outcomes

At Consortium level – all Councils

Detailed below are the outcomes of Internal Audit's performance measures which relate to the performance of the main contractor delivering internal audits across all the Councils and the Authority in the Consortium. With only four KPIs met, the overall performance status is 'Red'.

Overall Performance Status		Red
KPI Ref.	Description	Outcome
Senior Management		
KPI 1	S151, S17 Satisfaction, annual minimum good	Below Expected
Internal Audit Process		
KPI 2	APM issued minimum 20 working days before agreed start date - 90% quarterly	✗
KPI 3	Draft reports issued within 10 working days of fieldwork end date - 95% quarterly	✗
KPI 4	Final reports issued within 5 working days of management responses - 95% quarterly	✗
KPI 5	Quarterly Performance pack reported to the Contract Manager within 15 working days of the end of the quarter	✗
KPI 6	Respond to the Contract Manager within 3 working days where unsatisfactory feedback has been received	✓
KPI 7	PSIAS compliance - Deep dive review of files indicates good quality evidence saved on file - 100%. Four files per quarter.	Not completed

Clients		
KPI8	Average feedback scores from key clients, quarterly minimum average	x
Innovation and Capabilities		
KPI9	Percentage of recommendations accepted by management 90% overall	✓
KPI 10	Percentage of qualified / experiences staff working on the contract each quarter - 60%	✓
KPI 11	Number of training hours per members of staff completed each quarter - minimum 1 day per quarter	✓

Other than KPI 1, which is measured annually and KPIs 6 and 8 which are measured continuously, all KPIs are measured quarterly.

Please note, this is the overall performance status at the time of writing our report. There are still one or two reports to be finalised across the Consortium and feedback surveys to be returned. As all KPIs are measured across all clients in the Consortium, if the remaining final reports are issued on time, KPI 4 would turn green, and if the average feedback score for remaining audits was to be 3 or more, KPI 8 could turn green overall; therefore, the overall performance status could turn amber with 6 KPIs being met. The table below shows the number of KPIs that need to be met to achieve an overall performance status red, amber or green as per the contract.

9-11 KPIs have met target	
6-8 KPIs have met target	
5 or below KPIs have met target	

KPIs in more detail

Operational KPIs at Council level

The table below shows the outcomes of the operational KPIs 2, 3, 4 and 8 for the Council: -

KPI 2 (Issue of APMs)	KPI 3 (Issue of Drafts)
1 out of 4 on time	4 out of 4 on time
KPI 4 (Issue of Finals)	KPI 8 (Feedback)
4 out of 4 on time	3 out of 4 returned
Feedback score	
3.6	

For KPI 8, the range for the possible scores is, 4 - excellent and 1 – poor with the minimum requirement being 3 - average.

Although for the Authority the minimum feedback score was achieved, this KPI is measured across all clients in the Consortium and in this case the average of all the surveys received back out of those sent at the time of writing, was 2.9.

KPI 7 – PSIAS compliance - deep dive review of files

Regarding KPI 7, compliance with PSIAS deep dive review of files, these have yet to be completed this year, and a sample will be reviewed post year-end. However, the Head of Internal Audit reviews and approves the issue of all APMs, draft and final reports and views all completed work programmes.

KPI 1 S151 satisfaction

The S151s' satisfaction, KPI 1, was also deemed to be below that expected when reviewed as a collective although only three of the Consortium clients responded. A score of 3 – good, the minimum required, was only assigned by one out of the three S151 Officers, with the other two indicating 2 – average.

Actions to Improve

As the tables above highlight, the Contractor has not met our targets for several of the KPIs this year.

Reasons for poor performance

Performance in 2024/25 was affected by the carried forward audit work from the previous audit year and although another team was assigned to start quarter 1 audits, this did not start until May and progress was slow, with our current team eventually progressing these audits.

Delays in audits starting and progressing in year, continue to be for many reasons, with both the Councils and Contractor at fault, covering sickness, lack of responses from Council officers to communication from the Contractor, lack of escalation by the Contractor to the Head of Internal Audit or S151s when responses are not received, and audits are delayed and lack of communication from the Contractor when auditor resource issues occur.

As the issues stated above did not have a direct impact on the work completed for the Authority, the 10% quality payment, which is withheld until the end of the year annually, was paid in full, as agreed with the Authority.

Action to address poor performance

The following action is being taken to improve performance: -

- The Contractor has been reminded of their responsibilities in particular to escalate matters in accordance with the Protocol, our 'ways of working together document' issued last year.
- As the Contractor does not have exclusivity, the two other contractors engaged with in 2024/25 continue to be used in 2025/26, BDO LLP and the shared internal audit service at Hertfordshire County Council. Both share one half of the overall audit plan across members of the Consortium.
- Support auditors have been assigned to our contract to support our current team when there is sickness and delays.
- A manager has been replaced on the contract.
- The contract is due to be re-procured in year five, 2026/27, and some preparation work on this will commence this year.

Quality Assurance and Improvement Programme (QAIP)

QAIP

What do the Standards say?

The chief audit executive must develop, implement and maintain a quality assurance and improvement programme that covers all aspects of the internal audit function. The programme has two elements, internal assessments and external assessments.

At least annually, the chief audit executive must communicate the results of the internal quality assessment to the Audit Committee and senior management covering the internal audit function's conformance with the Standards and achievement of performance objectives and plans to address deficiencies and opportunities for improvement.

A quality assurance and improvement programme is designed to evaluate and promote the internal audit function's conformance with the Standards, achievement of performance objectives, and pursuit of continuous improvement.

The Head of Internal Audit is responsible for ensuring that the internal audit function is continuously seeking improvement. This requires developing measures to assess the performance of internal audit engagements, internal auditors, and the internal audit function. These measures form the basis for evaluating progress toward performance objectives including continuous improvement.

Internal Assessment

What do the Standards say?

The Head of Internal Audit must establish a methodology for internal assessments, that includes ongoing monitoring of the internal audit function's conformance with the Standards and progress toward performance objectives, periodic self-assessments to evaluate conformance with the Standards, and communication with the Audit Committee and senior management about the results of internal assessments. An action plan to address instances of nonconformance with the Standards and opportunities for improvement must be developed.

Ongoing monitoring

This involves the day-to-day supervision, review, and measurement of the internal audit function and is incorporated into ours and our contractor's routine policies and procedures used to manage the internal audit function. Ongoing monitoring is primarily achieved through supervisory reviews throughout audit work and the use of template working papers and documents, to ensure standardisation and consistency in the application of audit work.

Performance measures are in place to determine the efficiency and effectiveness of the internal audit function as reported above. Currently, we are only reporting against these for the main contractor, but several performance measures are being agreed with the two other contractors as part of their contract for the audits they will complete in 2025/26.

Weekly operational and quarterly performance meetings are held with the main Contractor, as will be the case for the other two contractors.

Periodic self-assessments

These enable the internal function to validate its conformance with all the Standards. These evaluate: -

- The adequacy of the internal audit function's methodologies.
- How well the internal audit function supports the achievement of the Council's objectives.
- The quality of internal audit services performed, and supervision provided.
- The degree to which stakeholder expectations are met and performance objectives are achieved.

Results of self-assessment

A self-assessment has not been completed for 2024/25. This is because a wider self-assessment against the GIAS is still being completed by the Head of Internal Audit. Annual self-assessment will recommence once this is completed.

External Assessment

What do the Standards say?

The chief audit executive must develop a plan for an external quality assessment (EQA) and discuss the plan with the Audit Committee. The EQA must be performed at least once every five years by a qualified, independent assessor or assessment team.

Last EQA

An EQA was carried out in October 2022 by the Chartered Institute of Internal Auditors (IIA) against the previous Standards. The Internal Audit Service received a 'generally conforms' result, with conformance in 60 out of 64 areas (two areas were not applicable, and two resulted in 'partially conforms').

Progress with actions

One area of partial conformance was highlighted in coordinating and maximising assurance. Within the Strategic and Annual Plans report for the audit year 2023/24 presented in March 2023, an Assurance Map was provided, outlining the then top risks, along with first, second and third lines of assurance. This has not been repeated since.

The second area of partial conformance was raised to ensure that all EIAS clients receive an external quality assessment as it falls due on the five-year anniversary. This will be ensured at the five-year anniversary in 2027.

Summary of Internal Audit Work 2024/25

Appendix 1

Audit Area	Status	Opinion	Total Recs	Urgent	Important	Routine	OEMs
Farming and Protective Landscapes (FiPL) Grant Programme	Audit completed	Substantial	1	0	0	1	0
Key Controls and Assurance Framework	Audit completed	Substantial	0	0	0	0	1
Cyber Security	Audit completed	Reasonable	9	0	2	7	0
Corporate Governance and Risk Management	Audit completed	Reasonable	5	0	2	3	2

(Note: OEMs are Operational - Effectiveness Matter)

Grant Certifications

The following grants were certified by EIAS during 2024/25: -

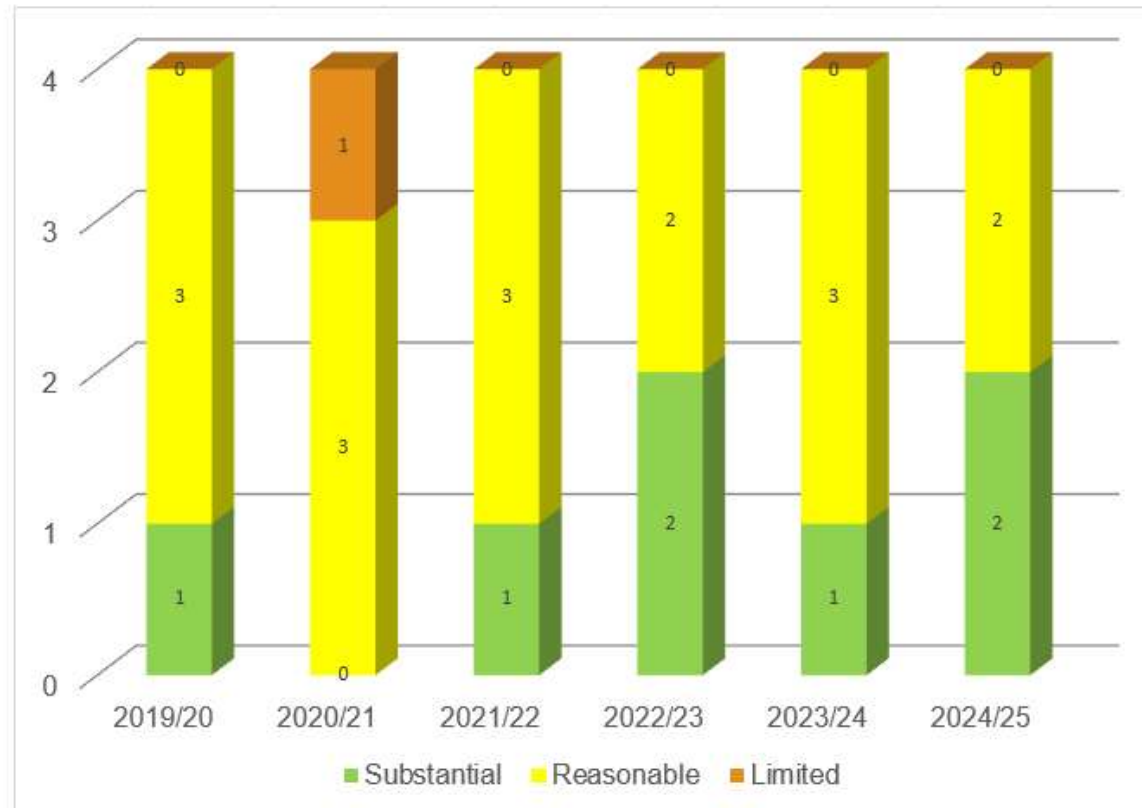
- NCF Paludiculture Exploration Fund Grant (PEF) p/e March 2023/24
- Nature for Climate Peatland Grant Scheme: Restoration Grant 2023 (RES) p/e March 2023/24

For Your Information: -


Urgent – Priority 1	Fundamental control issue on which action to implement should be taken within 1 month.
Important - Priority 2	Control issue on which action to implement should be taken within 3 months.
Needs Attention – Priority 3	Control issue on which action to implement should be taken within 6 months.

Audit Opinions by Year


The following chart shows the audit opinions over the last six years: -



Executive Summary – BA2501 Cyber Security Maturity Assessment

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS																																																		
	<table border="1"> <thead> <tr> <th>Control Area</th> <th>Urgent</th> <th>Important</th> <th>Needs Attention</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>Engagement and Training</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Asset Management</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Architecture & Configuration</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Vulnerability Management</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Identity and Access Management</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Data Security</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Logging & Monitoring</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Supply Chain Security</td> <td>0</td> <td>2</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>0</td> <td>2</td> <td>7</td> <td>0</td> </tr> </tbody> </table>	Control Area	Urgent	Important	Needs Attention	Operational	Engagement and Training	0	0	1	0	Asset Management	0	0	1	0	Architecture & Configuration	0	0	1	0	Vulnerability Management	0	0	1	0	Identity and Access Management	0	0	1	0	Data Security	0	0	1	0	Logging & Monitoring	0	0	1	0	Supply Chain Security	0	2	0	0	Total	0	2	7	0
Control Area	Urgent	Important	Needs Attention	Operational																																															
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Total	0	2	7	0																																															
<p>ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE</p> <p>Assurance was provided over the following risk: "Risk 10 A breach in data security or data protection, or loss of data"</p>	<p>GOOD PRACTICE IDENTIFIED</p>																																																		
<p>SCOPE</p> <p>This maturity assessment has focussed on the National Cyber Security Centre's revised 10 steps to Cyber Security framework that covers Cyber Risk Management, Engagement and Training, Asset Management, Architecture and Configuration, Vulnerability Management, Identity and Access Management, Data Security, Logging and Monitoring, Incident Management and Supply Chain Security.</p>	<p>ACTION POINTS</p> <table border="1"> <thead> <tr> <th>Urgent</th> <th>Important</th> <th>Routine</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>2</td> <td>7</td> <td>0</td> </tr> </tbody> </table>	Urgent	Important	Routine	Operational	0	2	7	0																																										
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Executive Summary – BA2503 Key Controls and Assurance

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS
 <p>The diagram illustrates the assurance level achieved. It features a central green circle labeled 'SUBSTANTIAL ASSURANCE' surrounded by a blue ring with the text 'Advocate & effective governance, risk and control processes'. To the right, four horizontal bars represent the assurance scale: 'SUBSTANTIAL ASSURANCE' (green), 'REASONABLE ASSURANCE' (yellow), 'LIMITED ASSURANCE' (orange), and 'NO ASSURANCE' (red). The green bar is highlighted, indicating the current assurance level.</p>	<p>Adequate controls were found to be in place for Treasury Management/Investments; Asset Management; Budgetary Control; Control Accounts; Accounts Receivable; Toll Income; Payroll; Journals; Cash and Bank.</p> <p>A previous recommendation for the Asset Management Strategy (AMS) has been implemented with the Authority’s updated version effective from the 12th April 2024. This AMS will be reviewed every three years or more frequently if significant changes arise.</p> <p>The budget for 2024/25 was approved on the 26th January 2024. The Proposed navigation charges for 2024/2025 in the navigation area and adjacent waters was approved on the 24th November 2023.</p> <p>Notices of contraventions (unpaid tolls) are monitored and adequately documented on both the Tolls Management System (TMS) and SharePoint with audit trails maintained of recovery action. Recovery action was/and is being promptly taken.</p> <p>Data analysis was undertaken on the full population (596) of purchase orders (POs) raised since 1st April 2024 to date to verify that all POs were authorised within the users’ delegated authorisation limits. The review confirmed that all POs adhered to the delegated limits as outlined in the Broads Authority’s authorised signatory list with no instances of non-compliance identified.</p> <p>The Broads Authority changed payroll provider from Norfolk County Council to Durham County Council on the 1st April 2024. Checks and measures are in place, including segregation of duties, to ensure the accuracy of payroll including those for joiners/leavers, third-party payments, expenses, and mileage claims, before payments are made. Monthly pay runs are authorised in accordance with the Broads Authority’s List of Authorised Signatures; there are only four officers that can authorise the payroll.</p>

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE
The audit has sought to provide assurance over the following key risk: "Non-compliance with key financial controls".

GOOD PRACTICE IDENTIFIED

SCOPE
This audit looks at the fundamental systems that feed into the statement of accounts to provide assurance on the key financial controls. The areas reviewed as part of this audit were: Treasury Management/Investments, General ledger, Asset Management, Budgetary Control, Accounts Receivable, Accounts Payable, Toll Income, Control Accounts, Payroll and Follow Up of Internal Audit Recommendations.

ACTION POINTS			
Urgent	Important	Routine	Operational
0	0	0	1

Executive Summary – BA2504 Corporate Governance and Risk Management

OVERALL ASSESSMENT



KEY STRATEGIC FINDINGS

The 2023/24 review of Corporate Governance and Risk Management (BA2401) found the Broads Authority does not have any rules or requirements regarding expectations for attendance and consequences for non-attendance in the Members' Code of Conduct. It was agreed to add this by 31st March 2025. This audit established that this action is still on track and the requirement has meanwhile been added to the Member appointment letter.

Included in the previous review (BA2301) was a recommendation to link directorate workplans to risks in the Annual Business Plan. This remains outstanding, although it has been agreed to add workplan links to directorate risk registers similar to the Corporate Risk Register.

The Risk Management Policy outlines responsibilities and processes for identifying, scoring and managing risks. However, there is no agreed risk appetite statement. We have made a recommendation for this to be added to the Risk Management Policy along with further enhancements raised in this report.

Appropriate risks are recorded on the registers. Registers would benefit from the addition of controls, assurances, gaps, deadlines and owners for actions and target risk ratings in line with risk appetite.

The Corporate and Directorate Risk Registers are regularly reviewed by management team including providing a moderation and escalation processes. There is insufficient resilience for the day-to-day co-ordination of risk management processes with one person currently supporting risk management processes.

Requirements for declaring interests are set out in the Members Code of Conduct. A register of interests is maintained; meeting minutes state interests declared.

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The audit has sought to provide assurance over the following key risks: "Failure to identify and manage risks, adversely impacting on the Authority's ability to operate effectively and reputational damage and undermining of public confidence in the Authority caused by failure to meet statutory requirements in regard Members allowances and expenses".

SCOPE

Our annual review of governance and risk management has been carried out to support the Head of Internal Audit Opinion. This audit sought to provide assurance that the systems in place to control and manage the Broads Authority are operating effectively and that significant risks are being identified and managed. Our review will also provide assurance over the Risk Management Policy to give a view as to whether it has supported the achievement of strategic priorities, that corporate and operational risks are being managed effectively and there is sufficient oversight of risks. This review will also provide assurance that Members' allowances and expenses are paid correctly and whether there is oversight of Member attendance, declarations of interest and training.

The constitutional documents comprehensively describe Member governance. The newly established Standards Committee is responsible for complaints and breaches.

Members are paid the correct allowance and expenses. Attendance is monitored to confirm compliance with the terms of their appointment and Members' training is provided.

GOOD PRACTICE IDENTIFIED

ACTION POINTS

Urgent	Important	Routine	Operational
0	2	3	2

Recommendation	Priority	Implementation Time
Agree an organisational risk appetite statement covering all risks.	2	31/05/2025
Review format of registers as follows: - <ul style="list-style-type: none"> •To separate controls, assurances and gaps. •To ensure all mitigating actions have clear deadlines and ownership. •Add a target risk rating in line with risk appetite. •Add links to Annual Business Plan workplans in the directorate risk registers. 	2	31/05/2025
Introduce a risk proforma, available to all staff via the intranet, for capturing new risks in a standard format for inclusion on risk registers. Add this new process to the risk policy so it is clear to staff.	3	31/05/2025
Add detail on the process for the review of low scoring, high frequency risks, and high scoring low frequency risks and closing risks to the Risk Management Policy, along with the revised processes for risk appetite, the risk register format and the new risk capture proforma and process.	3	31/05/2025
Introduce greater resilience in the team that provides continuity of day-to-day co-ordination of risk management processes.	3	31/05/2025

For Your Information

Definitions	
Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.
Position Statement	Advisory work.

Urgent Priority 1	-	Fundamental control issue on which action to implement should be taken within 1 month.
Important Priority 2	-	Control issue on which action to implement should be taken within 3 months.
Routine Priority 3	-	Control issue on which action to implement should be taken within 6 months.

OEMs are Operational - Effectiveness Matter. These can be proposed, and these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.