

CEREDIGION COUNTY COUNCIL

Report to:	Governance and Audit Committee
Date of meeting:	24 January 2024
Title:	Internal Audit Management Actions Report 1/4/23 – 30/9/23
Purpose of the report:	To provide Members with an update on the work undertaken by internal audit of the monitoring and updating Management Actions during the above period

As stated in the Institute of Internal Auditor's International Professional Practices Framework, Performance Standard 2500 states that Internal Audit must establish a process to monitor and follow up management actions.

The Corporate Manager – Internal Audit is responsible for monitoring progress made against these actions and reporting to Governance & Audit Committee.

This report updates the Governance & Audit committee of progress made by management in addressing management actions issued in the action plan of Internal Audit reports.

Recommendation(s):	To consider the work undertaken and current position of the Internal Audit Section
Reasons for decision:	That the Committee is satisfied that the Internal Audit Section is effectively monitoring progress made against management actions issued and reporting to Governance & Audit Committee to provide a realistic assurance at year-end, whilst adding value and assisting the Council in achieving its objectives.
Appendices:	Internal Audit Management Action Report 1/4/23-30/9/23
Corporate Lead Officer:	Elin Prysor CLO-Legal and Governance / Monitoring Officer
Reporting Officer:	Alex Jenkins Corporate Manager – Internal Audit
Date:	8 November 2023

Mae'r adroddiad yma ar gael yn Gymraeg.
This report is available in Welsh.

**Gwasanaethau Cyfreithiol a
Llywodraethu**

Legal & Governance Services

Gwasanaeth Archwilio Mewnol

Internal Audit Service

Management Actions

Date of Issue: 8th November 2023

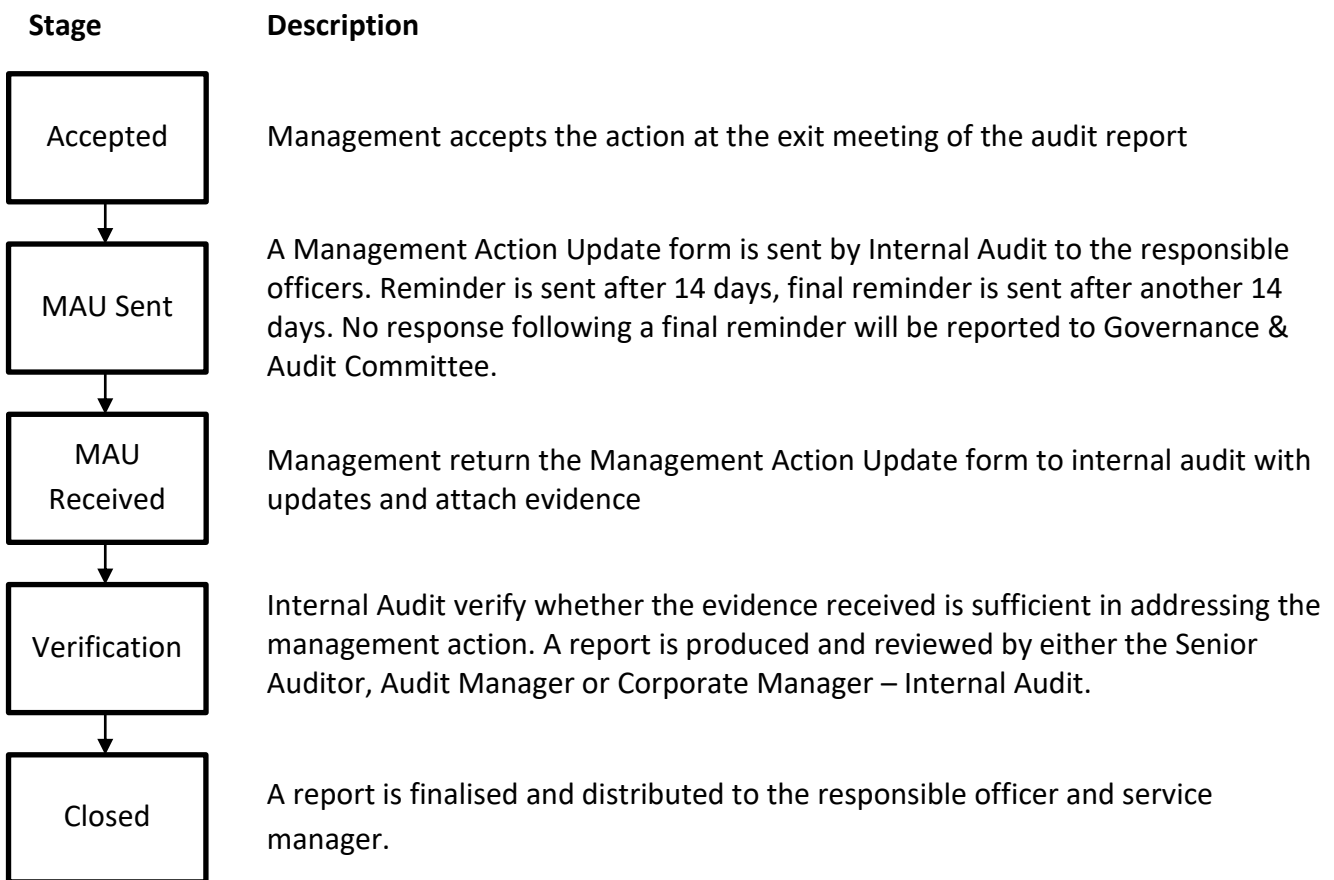
Report Created by: Alex Jenkins, CMIA



Cyngor Sir
CEREDIGION
County Council

Introduction

1. As stated in the Institute of Internal Auditor’s International Professional Practices Framework, Performance Standard 2500 states that Internal Audit must establish a process to monitor and follow up management actions.
2. It is the responsibility of management to implement management actions. The Corporate Manager – Internal Audit (CMIA) is responsible for monitoring progress made against these actions and reporting to Governance & Audit Committee (GAC).
3. Management Action Update forms (MAUs) have been developed to distribute to agreed responsible officers to provide an update along with any supporting evidence.
4. Internal Audit’s process for following up management actions is as follows:



5. The progress of all significant and fundamental actions will be reported to GAC as part of this report on a six-monthly basis.
6. Internal Audit maintain a spreadsheet to allow a real-time snapshot of the current performance which enables effective tracking and reporting of this information.
7. Due to a backlog of management actions as a result of the Covid 19 pandemic, Internal Audit will prioritise fundamental and significant actions for reports issued 2020/2021 and older. From 2021/2022, all management actions will be followed up.

Current Performance

- 8. The following charts show performance of Management Actions as at 30/09/2023.
- 9. The total open actions are shown in figure 1. There is a total of 87 open Management Actions. Management Actions are considered open until the CMIA agrees with management that actions have been sufficiently implemented to reduce the risk identified or the risk level is tolerated by management. Actions are then recorded as 'Closed'.

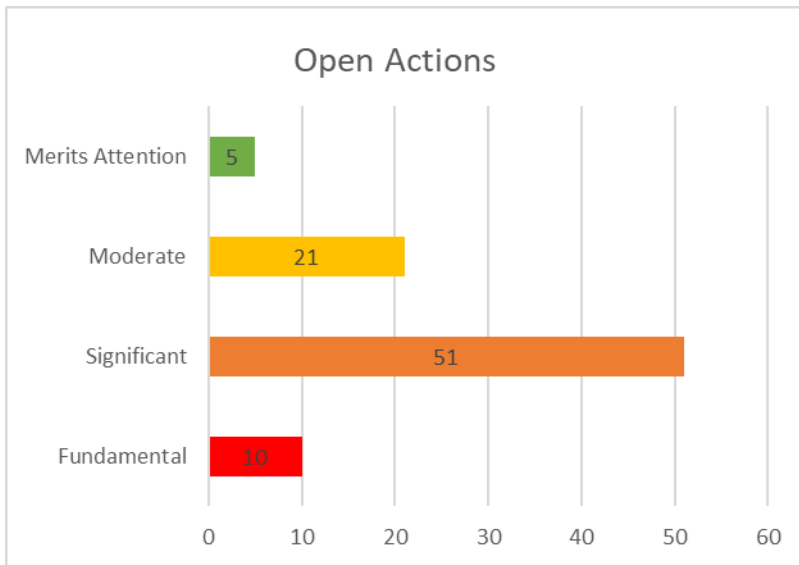


Figure 1

- 10. Open Management Actions by year issued is shown in figure 2a. Figure 2b sets out open actions per service area.

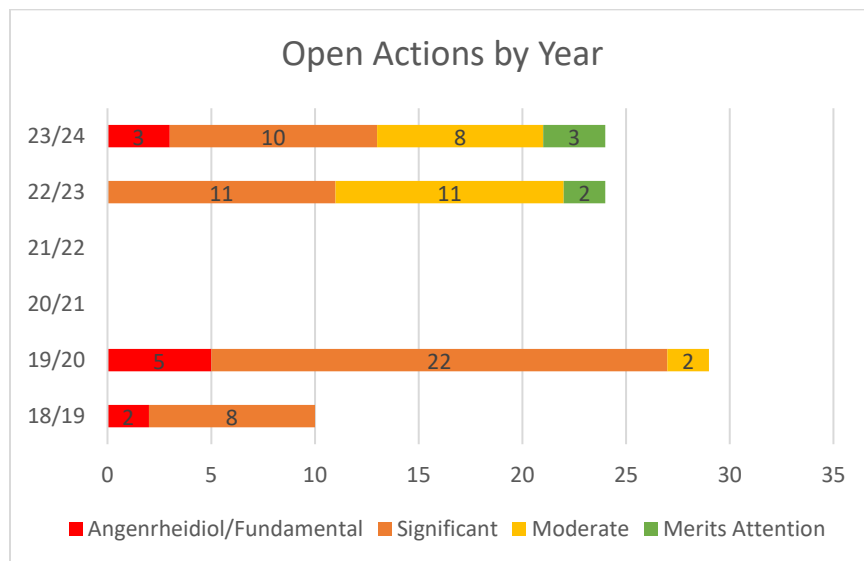


Figure 2a

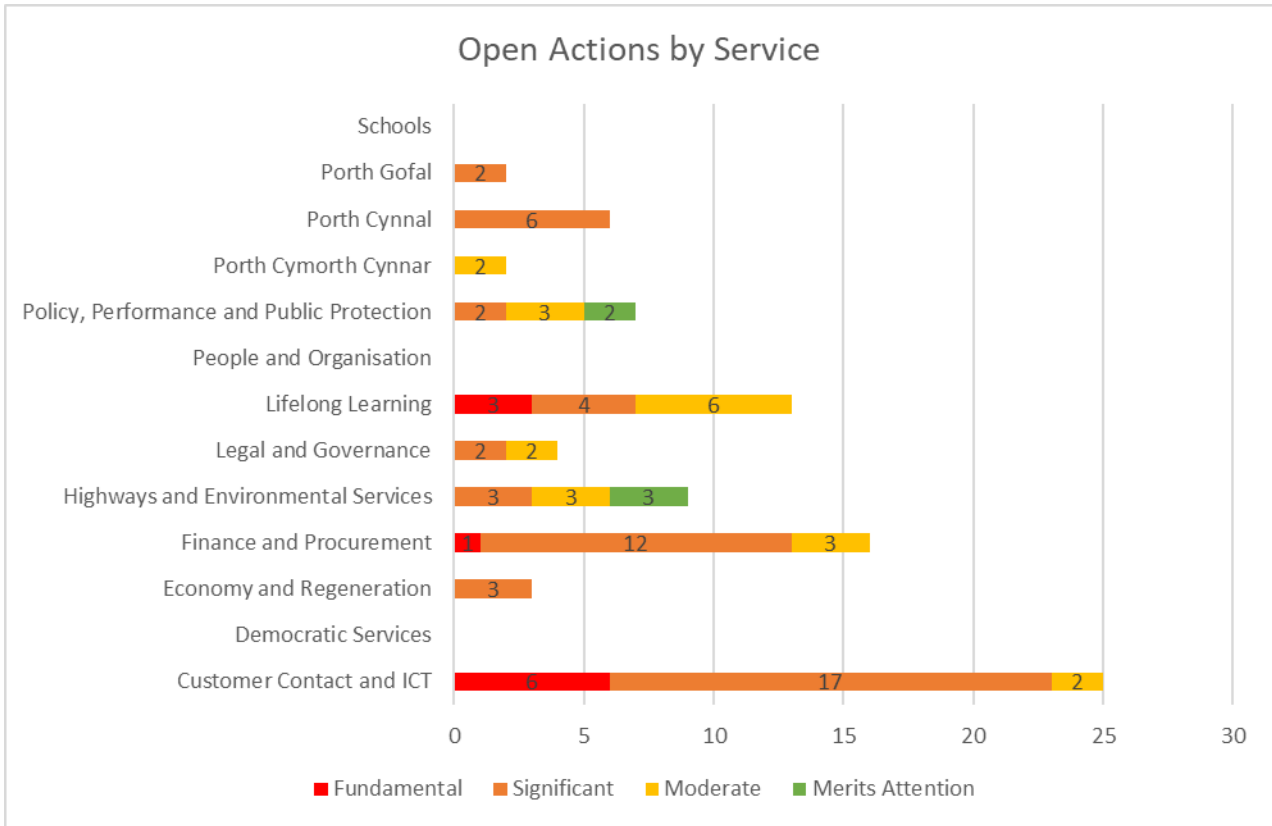


Figure 2b

11. The total overdue actions are shown in figure 3a. There is a total of 26 overdue actions. The overdue actions do not include Management Actions in the process of being followed up (i.e. in the MAU received, Verification, or Closed stages). Overdue actions include actions where MAU's have been sent but no response has been received. Figure 3b sets out overdue actions per service area.

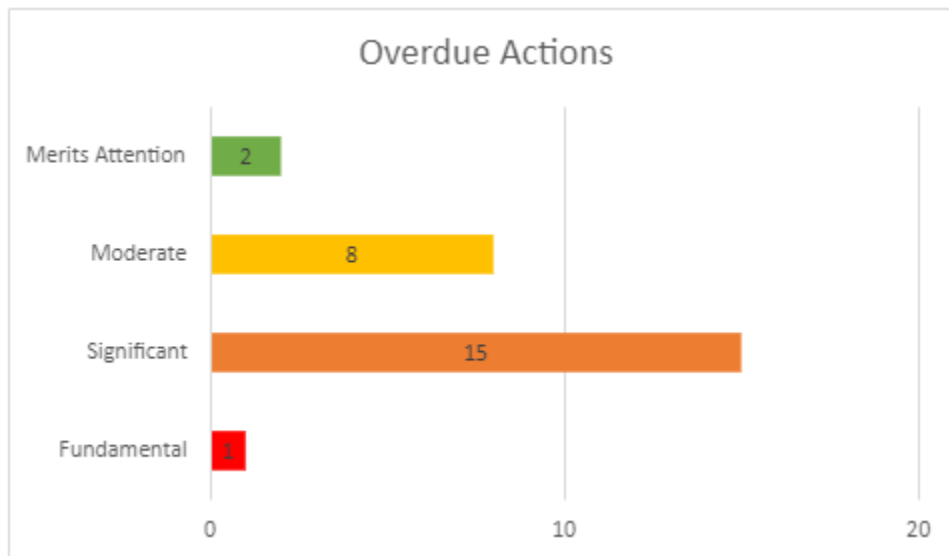


Figure 3a

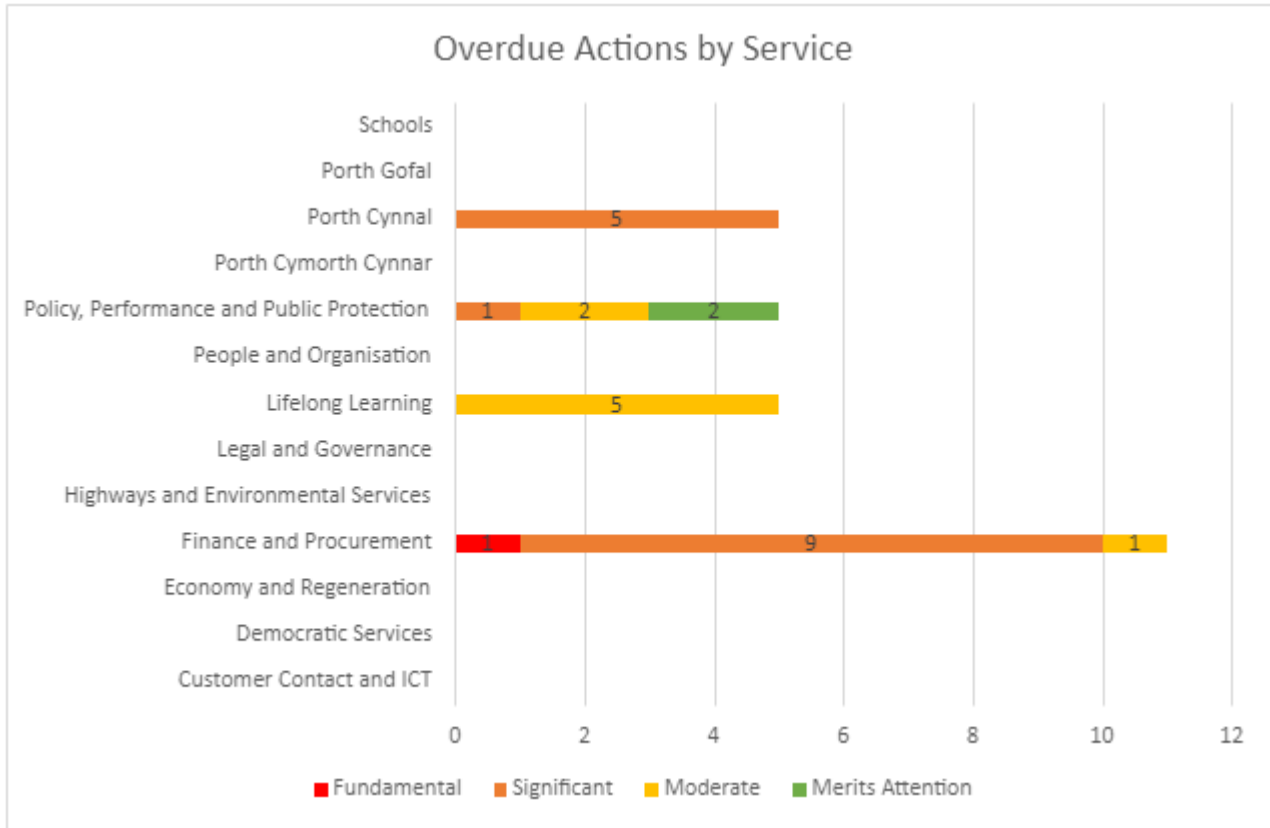


Figure 3b

12. The status of Management Actions is shown in figure 4. All outstanding actions monitored for the period are included in this chart regardless of whether they are overdue or not. Closed actions will then be removed from the monitoring spreadsheet for subsequent reports.

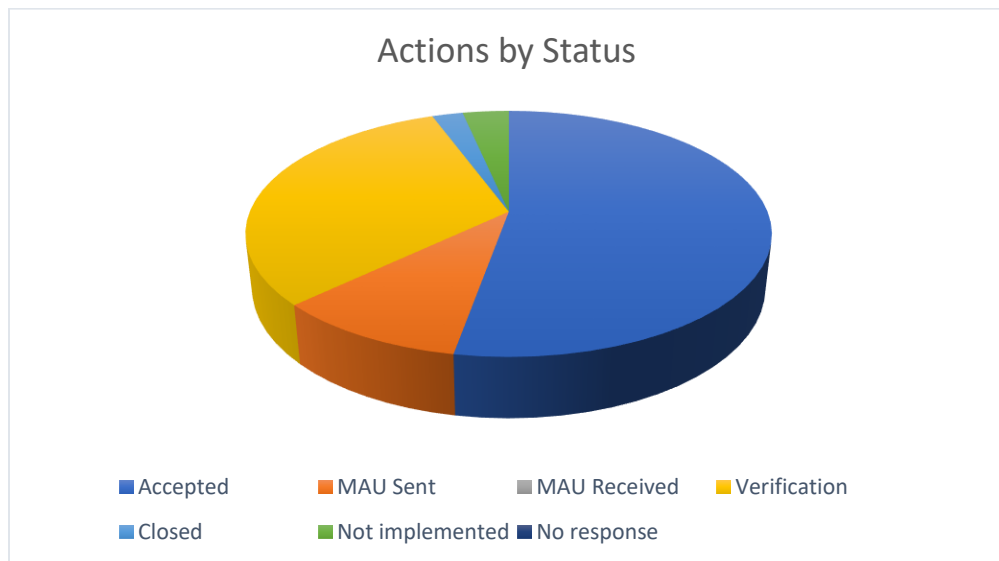


Figure 4

13. Internal Audit's progress of revisiting fundamental and significant Management Actions is detailed in Appendix 1.

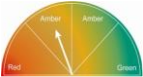
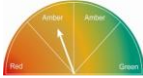


Management Actions progress: up to 30/09/2023

Management Action Reports issued:

Safekeeping

Assurance level:

Moderate

Management Action	Priority	Outcome	Updated Priority / Target Date	Status
The annual service 'audit' of safekeeping continues as it is a useful control.	 Significant	The actions have not been implemented. Emergency measures during the Covid-19 pandemic resulted in changed processes with Safekeeping. The service is currently reviewing Safekeeping processes to take into account changes to working practices in both residential homes and office staff.	 Significant 31 st December 2023	Not Implemented
Residential homes' clerks and managers continue to undertake the monthly reconciliations.	 Significant	The actions have not been implemented. Emergency measures during the Covid-19 pandemic resulted in changed processes with Safekeeping. The service is currently reviewing Safekeeping processes to take into account changes to working practices in both residential homes and office staff.	 Significant 31 st December 2023	Not Implemented

Closed Management Actions

The following Management Actions have been risk assessed by the CMIA and have been allocated as 'Closed' as part of the Management Actions Update programme (the reasons are outlined under each item below):

Travelling (original audit date: 2020/21)

Assurance level:

Unknown

Status

Closed

1 Significant

No record of audit report, therefore it is not possible to ascertain further information of the audit findings. Travelling claims are audited as part of other internal audits. Significant improvements have been made in recent years in the submission of travelling claims. All travelling claims must be submitted electronically through Dodi and are automatically sent to the claimant's line manager for authorisation. Guidance has also been updated on Cerinet.