Somerset Council

Report of Internal Audit Activity 2024/25

Progress Report – October 2024

The Headlines

No Assurance or Limited Assurance Opinion based reviews in the period to report:
- Education Health Care Plans
- Disabled Facilities Grant (2023-24)
- Microsoft Dynamics FMS (User Access Management)

Progress against the 2024/25 Plan (Table 1 and 2 – Appendix C)
- 15 planned reviews and support activities completed
- 6 reviews at draft/review stage
- 20 reviews in progress/on-going
- 22 Additions to plan since March 2024
- 7 Deferred/Removed from the plan since March 2024

Follow-ups in the period 2024-25 (Table 3 – Appendix C)

- 2 follow up completed in period
- 5 in progress/Draft
- 12 outstanding to cover off previous areas of Limited/No Assurance

Recommendation Tracking

Number of recommendations completed 2024/25 - 40
Number of Priority 1 Audit Recommendations overdue - 15
Number of Priority 2 Audit Recommendations overdue - 66

Internal Audit Assurance Opinions 2024/25

	YTD
Substantial	1
Reasonable	3
Limited	3
No Assurance	-
Advisory	2
Follow Up (Advisory)	2
Grants	8
Total	**19**

Internal Audit Agreed Actions 2024/25

	YTD
Priority 1	6
Priority 2	26
Priority 3	6
Total	**38**

Final Reports only

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Summary

As part of our rolling plan reports, we will detail progress against the approved plan and any updates in scope and coverage.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating significant risks previously identified through audit activity.

The contacts at SWAP in connection with this report are:

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Summary

This is the October 2024 progress outturn report for 2024/25. It reports against the Internal Audit Plan agreed by the Somerset Council (SC) Audit Committee in April 2023. The schedule provided at **Appendix C** details progress made to date and any new work agreed.

The assurance opinion ratings have been determined in accordance with the Internal Audit "Audit Framework Definitions" as detailed at **Appendix A** of this document. The Committee can take assurance that improvement actions have been agreed with management to address each finding reported.

To assist the Committee in its important monitoring and overview role, a summary of the key audit findings that have resulted Limited assurance opinions can be found at **Appendix B**.

We perform follow-up reviews for all No and Limited assurance opinion audits. Follow-up reviews provide assurance that recommendations to mitigate identified risks have been implemented. There are no finalised follow up audits completed since the previous update in August.

As well as assurance provided by follow-up audits, managers responsible for agreed actions have provided us with progress updates. The current position is reflected in the table on page 4 where responses have been received.

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Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation's risk profile effectively.

For those areas where no audit coverage is planned, assurance should be sought from other sources to provide a holistic picture of assurance against key risks.

SWAP audit plan coverage against strategic risks

The table below maps 24-25 audit work at report stage to Somerset Council's key strategic risks to provide assurance of coverage 2024-25. Please note strategic risks are currently under review by SC and subject to change during 2024-25. Based on the changes we will re-evaluate our work against any new strategic risks.

| Strategic Risk	Substantial	Reasonable	Limited	No	Advisory	Grant	Follow Up
SC ORG0009 – Safeguarding Children		1	1				1
SC ORG0053 – Organisation Resilience							
SC ORG0057 – Financial Stability / sustainable MTFP		1	1				1
SC ORG0060 – Failure of ASC to meet statutory obligations			1		1		
SC ORG0061 – Climate Change						2	
SC ORG0062 – Health and Safety Management, Strategic Planning and direction is not embedded							
SC ORG0063 – Commercial Investments		1					
SC ORG0064 – General Housing: Failure to maintain affordable housing		1					
SC ORG0065 – Inability to recruit/retain staff							
SC ORG0066 – Financial instability in VCFSE Sector							
SC ORG0068 – Increase in fraudulent activity	1	1	1			6	
SC ORG0070 – Budget overspend in current year		1	1				
SC ORG0071 – ASC Transformation							
SC ORG0075 – LCN – failure to deliver key commitments							
NEW (Feb 24): SC ORG0079 – Future policy changes that affect funding in social care.							
NEW (Feb 24): SC ORG0080 – Increasing demand on services and impact on budgets							

NOTE: Above table contains all audits at final report stage. Audits undertaken may cover more than one strategic risk and will therefore be counted more than once.

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Internal Audit Plan Update

Follow up work confirms the responsive nature of management in implementing agreed actions to mitigate exposure to areas of risk.

Implementation of Agreed Management Actions

As well as assurance provided by follow-up audits, managers responsible for agreed actions provide periodic updates to internal audit. The chart below shows the current position for delivery of audit actions as of end-October 2024.
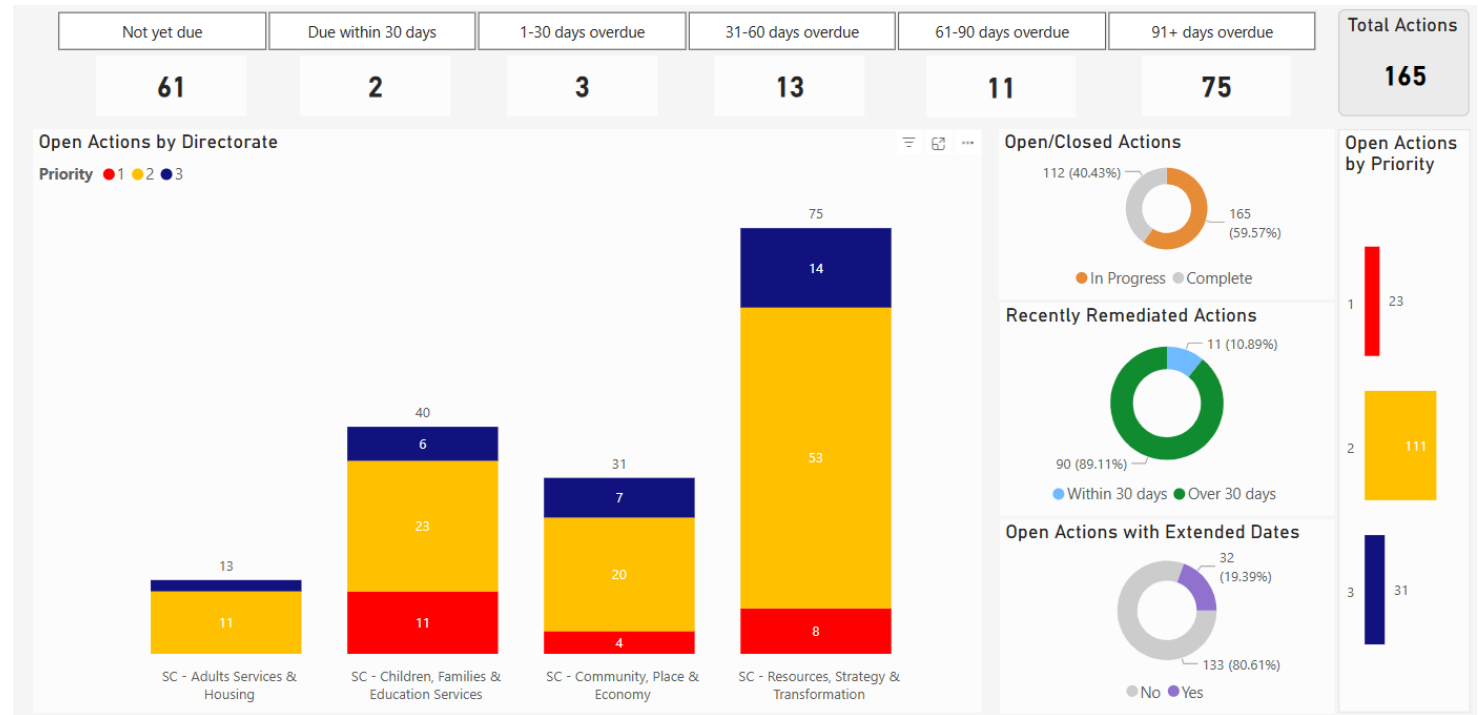
Members can access the dashboard and view recommendations progress via this Link

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Rolling Plan Approach - We keep our audit plans under regular review so as to ensure that we audit the right things at the right time.

The rolling plan approach allows us to have a clear view on projects covering the next three to six months, whilst maintaining a longer-term view on areas of priority over the next year.

Changes to the Audit Plan

The audit plan for 2024/25 is detailed in **Appendix C.** Inevitably changes to the plan will be required during the year to reflect changing risks and ensure the audit plan remains relevant to Somerset Council. The following are changes to the 2024-25 plan approved in March 2024 and updates previously reported to this committee:

Following on from the 13 additions to the plan reported in August, please find below details of further changes:

Assignment	Change	Reason
Investigation 2	Add	Request for investigation.
Elmhurst School	Add	Request to undertake Audit around financial controls.
Delivery of transformation of the Council's locality working	Removed	Time in for early critical friend role. Due to the separate position of partnerships & localities, devolution and LCNs, an audit on LCNs will replace this review with a 'watching brief' role on partnerships/devolution for future consideration.
Contract Management Audit including Survey (Q4) **(Addition to 24-25 plan)**	Amended	Scope expanded to compensate for the Q3 contract management review now focusing on data readiness regarding impact on contract management from the new procurement legislation scheduled for February 2025.
Local Community Networks (LCNs)	Add	Replacing the 'Delivery of transformation of council's locality working.
Wells Enterprise Centre	Add	Review on financial records for income and expenditure to confirm no profit is being made for state aid requirements. Return to MHCLG.
Wiveliscombe Enterprise Centre	Add	Review on financial records for income and expenditure to confirm no profit is being made for state aid requirements. Return to MHCLG.
Bruton Enterprise Centre	Add	Review on financial records for income and expenditure to confirm no profit is being made for state aid requirements. Return to MHCLG.
Chard Enterprise Centre	Add	Review on financial records for income and expenditure to confirm no profit is being made for state aid requirements. Return to MHCLG.
Fleet Management	Removed	Audit removed at this stage due to additional external support in this area. Original review to examine financial savings and operator role.
Organisational Culture and Behaviours	Deferred	The intention was to complete this review post restructure. To allow enough time post restructure this has been moved to Q1 of the 2025-26 plan.
Ethical Governance	Deferred	The intention was to complete this review post restructure. To allow enough time post restructure this has been moved to Q1 of the 2025-26 plan.

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Internal Audit Plan Update

Rolling Plan Approach - We keep our audit plans under regular review so as to ensure that we audit the right things at the right time.

The rolling plan approach allows us to have a clear view on projects covering the next three to six months, whilst maintaining a longer-term view on areas of priority over the next year.

Changes to the Audit Plan Continued

Assignment	Change	Reason
Residential and Fostering Placement contracts	Removed	Scope now covered under the children's element of the commissioning review.
Adult Services – contingency time	Removed	Time originally included for additional work from peer review. No additional assurance requirements to include.
Supplier Resilience	Removed	Key aspects of this scope to be picked up under the contract management review in Q4.
Investigation 3	Add	Request for investigation.
Investigation 4	Add	Request for investigation.

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Assurance Definitions

No Assurance	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.
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
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 audited.
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Definition of Corporate Risks

Risks	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Categorisation of Recommendations

In addition to the corporate risk assessment, it is important that management know how important the recommendation is to their service. Each recommendation has been given a priority rating at service level with the following definitions:

Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.

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Limited/No Assurance Audits – Where reports have been previously provided to Members, these are not included as part of this pack but are available to Members (in full) through the audit system. Individual school audits are not included as part of committee reporting due to schools having their own reporting arrangements.

Education Health Care Plan Payments

Education Health & Care Plan Payments – Final Report – August 2024

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Audit Objective
To review the process for making payments following SEND team decisions for Direct Payments, alternative provisions as part of EOTAS and Ombudsman Compensation.

Executive Summary

Assurance Opinion	Management Actions		Organisational Risk Assessment	High
The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.	Priority 1	5	Our audit work includes areas that we consider have a high organisational risk and potential significant impact. Both senior management and the Audit Committee should consider key audit conclusions and resulting outcome.	
	Priority 2	2		
	Priority 3	1		
	Total	**8**		

Audit Scope

The processes reviewed were those in place from April 2023 – June 2024. Processes have changed throughout the period and testing reflected this. Opinions given are based on the current processes at the time of issuing the report.

The audit included a review of the following:
- Process for EHCP decisions and assessment against whole financial picture, including financial considerations for where children should be placed.
- The effectiveness and efficiency of internal systems
- The timeliness of decision making and actions undertaken by relevant departments.
- Interfaces between systems and sharing of information across teams

- Governance of financial decision making and monitoring of spend and performance
- Follow up of SEND Costed Packages to confirm outstanding actions had been completed.

Scope Limitations
Assurance has been provided on the EHCP process from approval onwards only. The process prior to this point will be covered in the Inclusion Financial Management audit in 24/25. Additionally, the timeliness of payments was not assessed because sufficient data was not made available.

Key Conclusions

Vacancies within the SEND team means existing officers are unable to keep up with the workload, and there has been little available time to deliver staff training. The complexity of the EHCP process means it is prone to errors and delays, which again adds to the workload of the team. Cases cannot be tracked throughout the process beyond the EHCP Plan being issued and cases may be lost as information is shared back and forth between teams.

The quality and completeness of work and records is not consistent. Capita, the primary system currently in use, does not support the SEND team in carrying out their roles, and records are stored across multiple other systems. This can add to delays as the council cannot easily track progress and ensure all cases are being followed up. Additionally, there are no reconciliations between different systems where data is held. As a result, the progress of individual cases cannot easily be tracked, and this creates the risk of further delays.

Due to the high workload and lack of time for officers and managers to complete other duties, extensive performance monitoring is not carried out at a team or individual level. A robust performance monitoring process would assist the team in identifying gaps or bottlenecks in the EHCP process.

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Disabled Facilities Grant (2023-24)

SC DFG 23/24 – Final Report – October 2024

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Audit Objective

To assess whether there are sound governance and financial controls around Disabled Facilities Grants and that both value for money and compliance with relevant legislation is demonstrated.

Executive Summary

Assurance Opinion	Management Actions		Organisational Risk Assessment	Medium	Risk Ref
The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.	Priority 1	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact. The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.		SC ORG0060 - Failure of ASC to meet statutory obligations
	Priority 2	1			
	Priority 3	0			
	Total	1			

Key Conclusions

In the 23/24 financial year, there were delays in payments to contractors due to delays from Accounts Payable and Microsoft Dynamics. Internal Audit has anecdotally been informed that delays in receiving payments has meant some contractors are unwilling to accept contracts from Somerset Council.

The waiting time between a referral from Occupational Therapists (OT) to allocation to a Somerset Independent Plus (SIP) officer has been high, with some cases waiting over a year. Steps have been taken by SIP to successfully reduce the number of cases with high wait times. Time taken to move through stages, targets not met. These targets are internal

Assurance could not be given that the grant conditions are met, specifically better care fund reporting process.

From the sample reviewed, we consider that funds are being used appropriately to support those in need. Photographs of works done are submitted before evidence is released, and clients sign forms to state they are happy with the works, both of which are effective controls around the use of funds.

Audit Scope

This audit included a review of
- The application and eligibility process
- Financial monitoring and authorisations including procurement, contract management and value for money
- File management and performance monitoring / reporting
- Compliance with policies / procedures / legislation
- Value for money element of Somerset Independent Plus (SIP) now being in-house instead of an independent partnership

Data from April 2023 to January 2024 was reviewed

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Microsoft Dynamics FMS (User Access Management)

Microsoft Dynamics FMS (User Access Management) - Final Report - November 2024

Somerset Council   SWAP INTERNAL AUDIT SERVICES — Helping Organisations to Succeed

Audit Objective — To provide assurance on the accuracy, completeness, and reliability of the new Financial Management System following Local Government Reorganisation.

Executive Summary

Assurance Opinion

The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.

Management Actions

Priority 1	1*
Priority 2	3*
Priority 3	0
Total	4

Organisational Risk Assessment — **High**

Our audit work includes areas that we consider have a high organisational risk and potential significant impact.

The key audit conclusions and resulting outcomes should be considered by both senior management and the Audit Committee.

Key Conclusions

At the time testing was undertaken, we identified that database logging was not configured within the system. Without these logs there was no audit tail of actions executed, for example, the modification of key/sensitive data or in the event where internal control have been circumvented. Following completion of the audit fieldwork management have now enabled database logs for key databases. The logs are retained for review where required. The work undertaken by management has mitigated the risk of changes going undetected.

System Admin Access permissions assigned to nine Dynamics Support Officers allows the officer to perform operational duties as well as administrative duties which creates conflict of segregation of duties. This violation undermines the integrity of the system's security.

At the time of the fieldwork, we found the process for line managers to notify Microsoft Dynamic support team and the ICT team of an employee leaving the council for access to be disabled was not followed for each case. The ICT team has implemented a manual process as part of business-as-usual (BAU) to ensure the line managers that fail to complete a Halo Leavers form are followed-up. Also, there is work on-going to automate the process for the disabling of Microsoft Entra ID for a departing employee.

We found that dormant accounts are not disabled in a timely manner. This includes accounts of leavers and users that have not accessed their accounts within a defined period. Work is underway to address this issue, with the team carrying out bi-weekly checks now to identify and disable dormant accounts.

Audit Scope

Review of the records provided to provide assurance that:

- The functionality, performance, and security of the FMS solution and its integration with other systems and applications.
- The compliance of the FMS solution with the relevant standards and regulations for the Local Authority.
- System access restrictions are in place with adequate audit trail to restrict staff access to making unauthorised changes.

Audit testing included data analysis, comparing dataset of leavers records, Microsoft Dynamics record of active user accounts and records of active Microsoft Entra ID accounts. (Commonly referred to as Active Directory accounts).

Management wish to highlight that the Priority 1 and one Priority 2 action from this report have been completed.

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Table 1: Internal Audit Plan – Advisory and Assurance Work

Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate (Pre April 2024)	Opinion	Impact to Organisation	No of Rec	1 = Major	↔	3 = Medium
							Recommendation		
							1	2	3
Complete									
	Advisory	Decision Making Governance	Resources, Strategy & Transformation	Advisory	N/A	-	-	-	-
SC ORG0009	Assurance	Educational Health Care Plans (EHCP) (2023-24)	Children, Families & Education Services	Limited	High	8	5	2	1
SC ORG0063	Assurance	Asset Disposal		Reasonable	Medium	5	0	4	1
SC ORG0060	Assurance	Adult Social Care self-assessment	Adult Services & Housing	Advisory	Medium	1	0	1	0
SC ORG0068 SC ORG0064	Assurance	Stock Control Housing **(Addition to 24-25 plan)**	Adult Services & Housing	Reasonable	Medium	9	0	8	1
SC ORG0060	Assurance	Disabled Facilities Grant (2023-24)	Adult Services & Housing	Limited	Medium	1	0	1	0
SC ORG0057 SC ORG0068 SC ORG0070	Assurance	Microsoft Dynamics FMS (User Access Management) (2023-24)	Resources, Strategy & Transformation	Limited	High	4	1	3	0
SC ORG0009 SC ORG0057 SC ORG0070	Advisory	Inclusion Financial Management and Control, INMS	Children, Families & Education Services	Reasonable	Medium	9	0	6	3
SC ORG0068	Assurance	Elmhurst School **(Addition to 24-25 plan)**	Children, Families & Education Services	Substantial	Low	1	0	1	0
Draft									
SC ORG0009	Assurance	Children not in School, Incorporating children missing from education follow up	Children, Families & Education Services						
SC ORG0061	Assurance	Somerset Rivers Authority **(Addition to 24-25 plan)**	Community, Place & Economy						

Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate (Pre April 2024)	Opinion	Impact to Organisation	No of Rec	1 = Major		3 = Medium
							Recommendation		
							1	2	3
Field Work Complete/Review									
In Progress									
SC ORG0068	Assurance	Life Factory Glastonbury **(Addition to 24-25 plan)**	Community, Place & Economy						
SC ORG0068	Advisory	Revs and Bens Fraud Referrals (Q1-Q4)	Resources, Strategy & Transformation						
	Advisory	Revs & Bens System Migration **(Addition to 24-25 plan)**	Resources, Strategy & Transformation						
SC ORG0057 SC ORG0070	Advisory	Gravity	Community, Place & Economy						
SC ORG0068	Assurance	Baseline Assessment of Fraud	Resources, Strategy & Transformation						
SC ORG0057 SC ORG0070 Directorate Risk	Advisory	Octagon Theatre Project Support.	Community, Place & Economy						
Directorate Risk	Assurance	Network Boundary Defences (Including management of network assets)	Resources, Strategy & Transformation						
SC ORG0057 SC ORG0068 SC ORG0070	Assurance	Contract Management (Incl. follow Up)	Resources, Strategy & Transformation						
SC ORG0057 SC ORG0068 SC ORG0068	Assurance	Establishment Control, Overtime and Expenses	Resources, Strategy & Transformation						
SC ORG0071 SC ORG0057 SC ORG0070	Assurance	My Life My Future – Adults Transformation	Adult Services & Housing						
SC ORG0068	Assurance	CIFAS – Blue Badges (Apr 24 to Mar 25)	Adult Services & Housing						
SC ORG0068	Assurance	CIFAS – Insurance (Apr 24 to Mar 25)	Resources, Strategy & Transformation						

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate (Pre April 2024)	Opinion	Impact to Organisation	No of Rec	1 = Major	↔	3 = Medium
							Recommendation		
							1	2	3
Directorate Risk	Assurance	Housing Landlord Safety – Gas Safety	Adult Services & Housing						
Scoping									
Directorate Risk	Assurance	Schools Financial Management Scheme Incorporating SFVS Assurance	Children, Families & Education Services						
SC ORG0057 SC ORG0070 SC ORG0068	Assurance	Commissioning Arrangements	Resources, Strategy & Transformation, Children, Families & Education Services Adult Services & Housing						
SC ORG0057 SC ORG0068 Directorate Risk	Assurance	Highways Contract	Community, Place & Economy						
Directorate risk	Assurance	Highways Bridges Contract **(Addition to 24-25 plan)**	Community, Place & Economy						
SC ORG0064	Assurance	Housing – Rent collection and arrears	Adult Services & Housing						

Counter Fraud Work	Complete	Draft	Fieldwork Complete/Review	In Progress	Scoping
4 Investigations	-	-	1	1	2

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The following table constitutes the rolling audit plan and priority areas for work. As audit needs and priorities change during the year some of these audit areas will be rescheduled. We expect some impact due to the level of change at Somerset Council. Note, no only a limited number of audits have been deferred to accommodate the additional reviews that have been brought into the audit plan. Due to the level of change within the authority we expect some audits to be pushed back, but will look at a reconciliation of work in early quarter 4.

Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Priority	High level scope
Future Proposed					
SC ORG0057 SC ORG0070	Assurance	Delivery of savings	Resources, Strategy & Transformation	Higher	Assurance on the process for identifying, capturing and reporting on savings to be delivered as part of the transformation programme. Need to consider HR aspects too.
SC ORG0057	Assurance	Asset Management	Resources, Strategy & Transformation	Higher	Key theme area and regularly pops up in CIPFA public interest reports. Key area within the Financial Management Code for financial resilience. To review the overall framework and governance around asset management within the Authority.
Cross Cutting	Assurance	Performance and Benchmarking Management	Resources, Strategy & Transformation	Higher	Provide assurance on the management of performance and benchmarking information ensuring alignment to CIPFA best practice and its role in supporting effective governance and oversight and decision making within the organisation.
SC ORG0060	Assurance	Market Shaping	Adult Services & Housing	Higher	Care Act places a responsibility for market shaping on the LA. Review to provide assurance against this criteria that SC is meeting it statutory obligation.
SC ORG0065 SC ORG0057 SC ORG0070	Assurance	Workforce and Budgeting	Adult Services & Housing	Higher	Workforce planning is integral to ensuring w the organisation has the right people, with the right skills at the right time in trying to reduce budgets, Adults Services is also trying to reduce the reliance on locums and this review will assess the objectives behind this plan and provide assurance on how the objectives are being achieved within Adults workforce.
SC ORG0057	Assurance	High Needs Block – Deficit Management Plan (DMP)	Children, Families & Education Services	Higher	Work has been undertaken to improve the forecasting of expenditure and this sits under DMP. A review to consider the forecasting model and the reliance that SC can place on the model and considering the robustness to action taken to rein in spend in this area. To include views of Audit Chair around this – value for money aspects.

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Priority	High level scope
Cross Cutting	Assurance	Risk Management	Resources, Strategy & Transformation	Higher	A review to assess the effectiveness of the corporate risk management process within SC and how effectively it has been embedded. Consider review against industry standard ISO31000.
SC ORG0057 SC ORG0068 SC ORG0070	Assurance	Procurement	Resources, Strategy & Transformation	Higher	New legislation coming in now pushed back to February 2024. Review of the procurement process in SC for compliance to new legislation and arrangements for VFM.
SC ORG0053	Assurance	Business Continuity	Community, Place & Economy	Higher	With Somerset Council subject to massive changes in structure, this review will seek to ensure business continuity arrangements are adequate to deal with disruptions. Consider arrangements against the four pillars of BCP (assessment, preparedness, response and recovery. Also assess against the 4 p's (people, process, premises and providers.
SC ORG0062	Assurance	Health and Safety Compliance	Resources, Strategy & Transformation	Higher	Follow up of original culture audit undertaken in 23/24 and more detailed review providing assurance on H&S compliance across each directorate within Somerset Council.
SC ORG0057	Assurance	Waste & Recycling Service	Community, Place & Economy	Higher	Cost pressure area to SC and SWAP have been asked to provide support and assurance in this area.
SC ORG0057 SC ORG0068 SC ORG0070	Assurance	Key Financial Controls Contingency	Resources, Strategy & Transformation	Higher	Notional time for further work around the routine financial controls based on the work from 2023-24.
SC ORG0075	Assurance	Local Community Networks (LCNs) **(Addition to 24-25 plan)**	Community, Place & Economy	Higher	Key new area of the business case for one unitary. A review to see if operating effectively and in line with governance arrangements for outcomes required.
Cross Cutting	Assurance	Value for Money / Best Value	Resources, Strategy & Transformation	Medium	Local Authorities have a legal duty to delivery best value and make arrangements for continuous improvement in the way they function and operate. This review will be based around the seven bet value themes: Continuous Improvement; leadership; governance; culture, use of resources; service delivery; partnerships and community engagement.
Directorate Risk	Assurance	Public Transport Bus Operators	Community, Place & Economy	Medium	Emerging risk around getting required information from Bus Operators. They are funded with subsidies with requirements to provide data. Data is not always provided, or on time, or later told by the operators the data is inaccurate. A review to examine bus operators and the mechanisms they have in place to provide reliable and accurate information for SC monitoring purposes.

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Priority	High level scope
SC ORG0068	Assurance	CIFAS – Procurement	Resources, Strategy & Transformation	Medium	To support arrangements for setting up procurement for CIFAS checks to strengthen fraud controls.
SC ORG0068	Assurance	CIFAS – Recruitment and Vetting	Resources, Strategy & Transformation	Medium	To support arrangements for setting recruitment and vetting up for CIFAS checks to strengthen fraud controls.
SC ORG0053	Assurance	IT Audit: Back Up and Recovery	Resources, Strategy & Transformation	Medium	Review on controls in place on this key cyber security area.
SC ORG0053	Assurance	IT Audit: Security and Incident Management	Resources, Strategy & Transformation	Medium	Review around control in line with ISACA Security Incident management program.
SC ORG0064 Directorate Risk	Assurance	Housing Landlord – Electrical Safety	Adult Services & Housing	Medium	Part of the rolling Landlord H&S compliance audit programme.
SC ORG0057 SC ORG0068 SC ORG0070	Advisory	Contract Management Audit including Survey (Q4) **(Addition to 24-25 plan)**	Resources, Strategy & Transformation	Medium	Contract management review to take account of the new contract risks with all contracts from the 5 partners brought together under SC. Also follow up on outstanding SCC Contract Management weaknesses. To include aspects around supplier resilience and outcomes from pilot commercial continuous improvement assessment framework.
SC ORG0068	Advisory	Fraud Risk Assessment	Resources, Strategy & Transformation	Medium	Audit support to move the risk assessment along to become more integrated to council functions. Sharing best practice from other SWAP partners.
SC ORG0068	Advisory	Fraud Awareness Training	Resources, Strategy & Transformation	Medium	Delivery of fraud awareness training sessions for officers and members. Currently scheduled for January 2025.
SC ORG0057 SC ORG0070	Assurance	Education Transport, incorporate transport governance follow	Children, Families & Education Services	Medium	More demand is expected and also with inflation, this will have an impact on the budget. It needs to be assessed whether the education transport transformation work has achieved what was expected.
SC ORG0064	Assurance	Decent Homes – Capital Programme Contract Management	Adult Services & Housing	Medium	Area of significant spend to maintained the decent homes standard. Investigation work in 2023-24 has highlighted some poor control and practices in this area. A review to look at the overall governance and control processes in place within this area.
SC ORG0009	Assurance	Value for Money: Pupil Premium Grant for Children Looked After	Children, Families & Education Services	Medium	CLA will have a Personal Education Plan (PEP) that forms part of their wider care plan. Scope to focus on how Pupil Premium Grant is being used to support CLA education, VfM/outcome focus.

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Priority	High level scope
SC ORG0068	Assurance	IR35 compliance	Resources, Strategy & Transformation	Medium	With the formation of LGR and differing approaches to engaging consultants across legacy authorities, this review will provide assurance that there is proper management and controls in place to ensure legal compliance on assessing IR35 with consultants.
-	Assurance	Housing Governance Arrangement	Adult Services & Housing	Medium	Review looking at the overall housing governance arrangements including looking through controls and indicators to identify and minimise fraud risks.
-	Assurance	Multiply Fund **(Addition to 24-25 plan)**	Community, Place & Economy	Lower	Requirement that the Multiply fund is audited annually as part of the conditions contained in the award of grant from the Department of Education.
SC ORG0068	Assurance	CTAX/NNDR	Resources, Strategy & Transformation	Lower	To review the main system controls over this key income area for the local authority. Due to the current situation, this will be assurance across the 4 legacy CTAX/NDR systems still operating.
SC ORG0068 SC ORG0070	Assurance	CTAX/NNDR – Parameter Testing	Resources, Strategy & Transformation	Lower	ensuring that system parameters have been correctly applied to support the calculation of council tax and business rates.
	Assurance	HRA – Service and Lease Charges	Adult Services & Housing	Lower	Areas identified for improvement and has an impact on the HRA Business Plan. To review the process to ensure services charges are clearly identified and processes followed under Section 20 of the Landlord and Tenant Act 1985.
Deferred					
SC ORG0070	Advisory	Fleet Management	Community, Place & Economy	Audit removed at this stage due to additional external support.	
SC ORG0065 SC ORG0068	Assurance	Organisational Culture and Behaviours	Resources, Strategy & Transformation	Deferred to Q1 2025-26 to analyse the position with a settle structure.	
SC ORG0065 SC ORG0068	Assurance	Ethical Governance	Resources, Strategy & Transformation	Deferred to Q1 2025-26 to analyse the position with a settle structure.	
	Assurance	Residential and Fostering Placement contracts	Children, Families & Education Services	This area will be covered through the commission arrangements audit as the area of focus in the Children's & Families directorate.	
SC ORG0075	Assurance	Delivery of transformation of the Council's locality working	Community, Place & Economy	Time in for early critical friend role. Due to the separate position of partnerships & localities, devolution and LCNs, an audit on LCNs will replace this review with a 'watching brief' role on partnerships/devolution for future consideration.	
SC ORG0060 SC ORG0057	Assurance	Adult Services – contingency time	Adult Services & Housing	Time originally included for additional work from peer review. No additional assurance requirements to include.	

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Priority	High level scope
SC ORG0053	Assurance	Supplier Resilience	Resources, Strategy & Transformation		Key aspects of this scope to be picked up under the contract management review in Q4.
SC ORG0009	Assurance	Parent and Family Support (PFA)	Children, Families & Education Services		Removed at request of Children's DMT.

Table 2: Grant Sign Off Work

Local authorities can receive grant money from central government or other grant award bodies for specific purposes. Some grants awarded to local authorities require the Head of Internal Audit to sign off the grant to confirm that the grant money has been spent in accordance with the terms and conditions for which the grant was awarded.   This also includes a deadline for completing the audit.

Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Opinion	No of Rec	1 = Major	↔	3 = Medium
						Recommendation		
						1	2	3
Complete								
SC ORG0068 SC ORG0061	Grant Certification	DFT Zebra Grant **(Addition to 24-25 plan)**	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068	Grant Certification	Core Growth Hub	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068	Grant Certification	Mobile Boost	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068	Grant Certification	BDUK	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068	Grant Certification	Local Growth Fund	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068 SC ORG0061	Grant Certification	Bus Service Improvement Plan (BSIP) Plus	Community, Place & Economy	Certified	-	-	-	-

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Opinion	No of Rec	1 = Major	↔	3 = Medium
						Recommendation		
						1	2	3
SC ORG0068	Grant Certification	Chard High Street Heritage Action Zone (HSHAZ) **(Addition to 24-25 plan)**	Community, Place & Economy	Certified	-	-	-	-
SC ORG0068	Grant Certification	Woolaway (North Taunton) Homes England Compliance **(Addition to 24-25 plan)**	Adult Services & Housing	Certified	-	-	-	-
In Progress								
SC ORG0068	Grant Certification	Home Upgrade Grant (HUG)	Adult Services & Housing					
SC ORG0068	Grant Certification	Wells Enterprise Centre **(Addition to 24-25 plan)**	Community, Place & Economy					
SC ORG0068	Grant Certification	Wiveliscombe Enterprise Centre **(Addition to 24-25 plan)**	Community, Place & Economy					
SC ORG0068	Grant Certification	Bruton Enterprise Centre **(Addition to 24-25 plan)**	Community, Place & Economy					
SC ORG0068	Grant Certification	Chard Enterprise Centre **(Addition to 24-25 plan)**	Community, Place & Economy					
Not started								
SC ORG0068 SC ORG0061	Grant Certification	Bus Service Improvement Plan (BSIP) **(Addition to 24-25 plan)**	Community, Place & Economy					
SC ORG0068	Grant Certification	LTA Bus Subsidy (Revenue Grant)	Community, Place & Economy					
SC ORG0068	Grant Certification	Covid Outbreak Management Fund (SDC)	Adult Services & Housing					
	Grant Certification	Supporting Families (multiple Claims)	Children, Families & Education Services					
SC ORG0068	Grant Certification	Emergency Active Travel Fund (multiple Year Claims)	Community, Place & Economy					
SC ORG0068	Grant Certification	Local Transport Capital Block Funding (multiple Year Claims)	Community, Place & Economy					

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Table 3: Follow up Audits.

Where an audit returns an opinion of No or Limited Assurance, we will schedule a follow up audit to confirm recommendations have been implemented and risks reduced in that area. When we have received confirmation from management that recommendations have been completed, we will commence the follow up work. Where we believe a full review is required again, a new full audit will be scheduled in the audit plan instead. The table below shows the follow up audit position.

Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Opinion	No of Rec	1 = Major	↔	3 = Medium
						Recommendation		
						1	2	3
Complete								
SC ORG0057	Follow up	Brewhouse Theatre Support	Community, Place & Economy	Advisory	-	-	-	-
SC ORG0009	Follow up	SEND Costed Packages Follow Up (as part of EHCP Audit)	Children, Families & Education Services	Advisory	-	-	-	-
In Progress								
	Follow up	Direct Payments Follow up	Adult Services & Housing					
Directorate Risk	Follow Up	Homes England – Grant Compliance **(Addition to 24-25 plan)**	Adult Services & Housing					
SC ORG0009	Follow up	School Exclusion Data Follow Up	Children, Families & Education Services					
SC ORG0009	Follow up	Children Missing Education Follow Up	Children, Families & Education Services					
	Follow up	Schools Financial Value Standard (2022-23)	Children, Families & Education Services					
Not started								
	Follow up	CSC Training & Safeguarding Follow Up (2022-23)	Adult Services & Housing					
SC ORG0057	Follow up	Transport Budget Governance Follow Up (2022-23)	Children, Families & Education Services					

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Strategic Risk Link OR Directorate	Audit Type	Audit Name	Directorate	Opinion	No of Rec	1 = Major	↔	3 = Medium
						Recommendation		
						1	2	3
Directorate Risk	Follow up	Strategic Commissioning Follow Up (2022-23)	Resources, Strategy & Transformation					
Directorate Risk	Follow up	School Balances Follow Up (2022-23)	Children, Families & Education Services					
	Follow up	Community Learning Partnerships Follow Up	Children, Families & Education Services					
SC ORG0009 SC ORG0057	Follow up	CLA – Procurement and Contracts (2023-24)	Children, Families & Education Services					
SC ORG0061	Follow up	Climate Change Strategy Follow Up	Community, Place & Economy					
Directorate Risk	Follow Up	Housing Landlord Health & Safety compliance– Fire Safety (2023-24)	Community, Place & Economy					
	Follow Up	Whistleblowing Policy Awareness & Outcomes (2023-24)	Resources, Strategy & Transformation					
SC ORG0057 SC ORG0068 SC ORG0070	Follow Up	Routine Financial Control Audits – Debtors ; Main Accounting (2023-24)	Resources, Strategy & Transformation					
SC ORG0057	Follow Up	Value for Money: PRU and Behaviour Partnerships (2023-24)	Children, Families & Education Services					
SC ORG0009	Follow Up	Educational Health Care Plans (EHCP) (2023-24)	Children, Families & Education Services					

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