



# **INTERNAL AUDIT SHARED SERVICE**

## **Blaby District Council**

### **Internal Audit Progress Report 2024/25 Q4**

## 1. Introduction

- 1.1 Internal Audit is provided through a shared service arrangement led by North West Leicestershire District Council and delivered to Blaby District Council and Charnwood Borough Council. The assurances received through the Internal Audit programme are a key element of the assurance framework required to inform the Annual Governance Statement. The purpose of this report is to highlight progress against the 2024/25 Internal Audit Plan up to 31 March 2025.

## 2 Internal Audit Plan Update

- 2.1 The 2024/25 audit plan is included at Appendix A for information and shows the audits in progress.

Since the last update report seven final reports have been issued. The executive summaries for the reports are included at Appendix B.

## 3 Internal Audit Recommendations

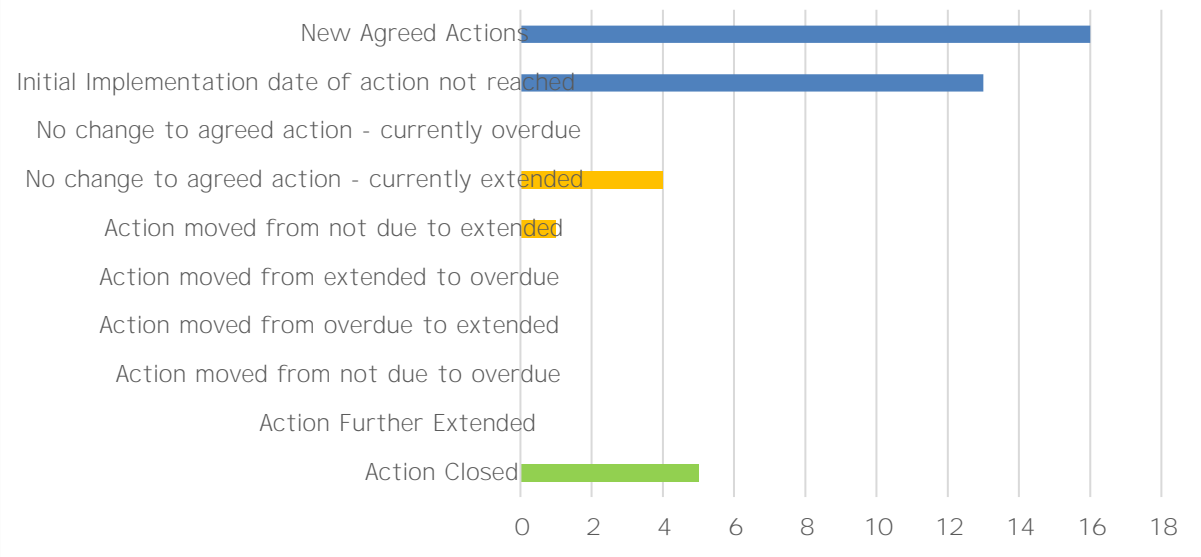
- 3.1 Internal Audit monitor and follow up all critical, high and medium priority recommendations. Further details of extended recommendations are detailed in Appendix C for information.

Year	Not Due		Extended		Overdue	
	High	Medium	High	Medium	High	Medium
22/23	-	-	3	1	-	-
23/24	-	-	-	-	-	-
24/25	2	11	-	1	-	-

## 4 Internal Audit Performance Indicators

- 4.1 Progress against the agreed Internal Audit performance targets are documented in Appendix D. There are no areas of concern at this stage.

Action Movement During Quarter 4



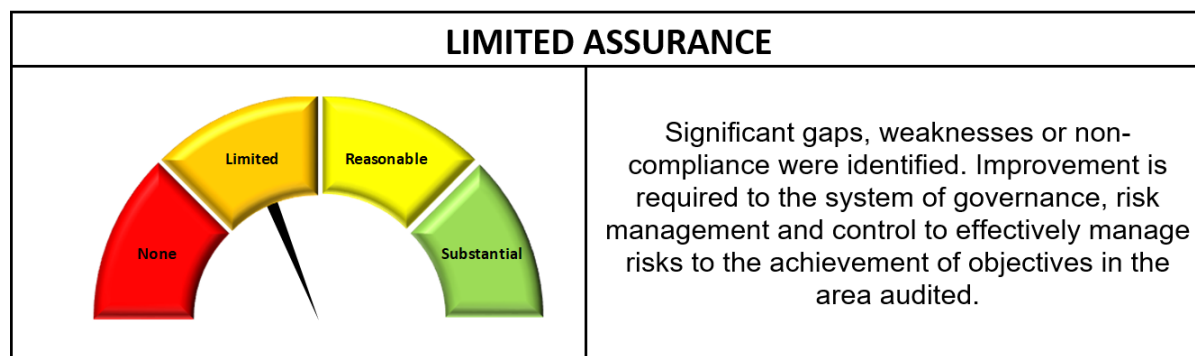
## Appendix A

### 2024/25 AUDIT PLAN PROGRESS

Audit Area	Type	Planned Days	Actual Days	Status	Assurance Level	Recommendations				Comments
						C	H	M	L	
HR	Audit	8	11	Completed	Limited	-	2	6	2	
IT Asset Management	Advisory	5		As required						
IT Implementation Support	Advisory	4		As required						
Customer Complaints	Audit	8	0.5	In progress						
Parks & Open Spaces	Audit	10	8	Completed	Reasonable	-	-	3	-	
Disabled Facilities Grant Determinations	Grant	3	3	Completed	N/A					
Building Control	Audit	10	10	Completed	Reasonable	-	-	4	-	
Lightbulb	Advisory	3		As required						
Licensing	Audit	8	3	In progress						
Temporary Accommodation	Audit	10	5	In progress						
Safeguarding Process	Audit	5	2.5	In progress						There has been a change of focus in this area, and it has been agreed the audit will now become advisory to support the work in progress.
Implementation of Elections Act	Audit	3	3	Completed	Substantial	-	-	-	-	
Service Planning & Performance	Audit	8	15	Review						
Benefits	Audit	5	2.5	Completed	Reasonable	-	-	1	-	
Council Tax	Audit	8	9.5	Draft	Reasonable					This will be finalised by the end March
NNDR	Audit	3	2.5	Completed	Reasonable	-	-	1	-	
Creditors	Audit	4	5	Completed	Reasonable	-	-	1	-	
Debtors	Audit	4	3	Completed	Reasonable	-	-	-	-	
Main Accounting	Audit	4	7	Completed	Reasonable	-	-	3	-	

Payroll	Audit	4	1	In progress						
Treasury Management	Audit	9	1	In progress						
Property Services Compliance	Audit	15	14	Draft	Reasonable					
Planning	Audit	15		Q4						Carried forward to 2025/26
Culture	Audit	8		Q2/3						Carried forward to 2025/26
Garden Waste Collection	Audit	5	1.5	Completed	Reasonable	-	-	-	-	Addition to the plan
Benefits Subsidy	Advisory		5							Addition to the plan

## HR



## Key Findings

Areas of positive assurance identified during the audit:

- A Policy and Procedure Action Plan is in place to review and update the existing key documents.
- Automatic notifications are issued to key services as part of the starter and leaver processes.

The main areas identified for improvement are:

- Pre-employment checks.
- The management of long term sickness absence.
- The policy and procedures relating to market supplements.

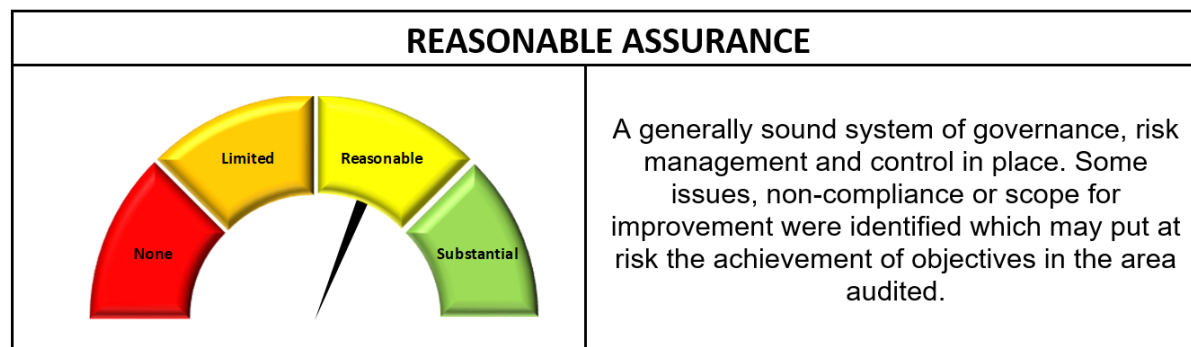
Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
1. Officers are reminded of the correct procedure and additional training is delivered if required.	Medium	<p>Managers have been reminded at the Service Managers meeting on 7 Nov 2024.</p> <p>HR will refer applications back to the relevant recruiting manager if gaps have been identified.</p> <p>DBS guidance does not support copying the certificate. However, the proposed revised process will keep a record on iTrent of the DBS reference number and the outcome, purpose of the check and the dates that it is valid for.</p> <p>This will allow it to be managed by the manager of those staff members.</p> <p>HR have engaged with the system provider to get the consultant days to implement this ability in iTrent.</p>	<p>N/A</p> <p>HR Advisor</p>	<p>Implemented</p> <p>April 2025</p>
2. A document naming and retention procedure for HR employee records is agreed, documented and communicated to all relevant staff in order to provide a clear and consistent audit trail.	Low	Agreed, work is in hand to ensure there are no duplicate copies and documents will be referenced consistently going forward.	HR Services Manager	June 2025
3. The automatic notification process is reviewed to eliminate duplication and ensure that notifications are sent to a generic departmental email address for each relevant service.	Medium	The process will be reviewed following ICT moving in house	HR Services Manager	September 2025

<p>4. Manager notifications are redirected to an alternative officer in the event of absence.</p>	<p>Medium</p>	<p>There is a documented process in place (within the iTrent guide). HR advisors have reminded managers at their regular meetings of this capability in the system.</p> <p>There isn't agreement that manager notifications should be redirected as a matter of course.</p> <p>Leaver notifications come in advance of the event and managers make the necessary arrangements should they be absent.</p> <p>Likewise where officers wish to hand in their notice which isn't done electronically they either notify HR or another senior person in their own manager's absence.</p>	<p>HR Services Manager/ HR Advisors</p>	<p>Implemented</p>
<p>5. Sickness absence is managed in accordance with a robust and detailed documented process to ensure consistency, with action being taken within the agreed timescales, and any deviation from the procedure fully documented and relevantly approved.</p>	<p>High</p>	<p>The two cases highlighted were known to management and the decision taken to extend the interval between stages of the procedure.</p> <p>The Sickness Absence and Reporting documents are currently being reviewed and updated.</p> <p>Following the approval of the documents managers will be advised of the updated process.</p>	<p>HR Services Manager</p>	<p>April 2025</p>



6. Exception reports are run periodically to identify absences which have not been approved and recorded in accordance with procedure.	Medium	Exception reports will be run quarterly, starting April 2025, and any queries will be referred to the relevant Service Manager.	HR Services Manager	April 2025
7. The request and approval process for Union work absences is agreed, documented and made available to all relevant staff.	Medium	Internal guidance will be developed and will follow enactments from the Employment Rights Bill (Oct 2024).	HR Services Manager	October 2025
8. The procedure is updated to reflect the current organisational structure and consideration is given to including details of the approval process required to extend an honorarium which was originally approved for less than twelve months.	Low	Agreed. The existing procedure will be revised as part of the policy/procedure action plan work	HR Services Manager	August 2025
9. A formal policy on the use of market supplements should be implemented. The policy should be supported by a detailed procedure in respect of the full process for market supplements and further awards.	High	Key elements currently required by the CE and Directors to consider Market Supplements i.e. evidence of recruitment difficulties and examples of market salaries will be considered to be developed into a process. This will be considered by SLT and updated as appropriate.	HR Services Manager/ Group Manager ICT and Transformation	October 2025
10. Review dates are monitored via the HR/Payroll system.	Medium	This will be reviewed in conjunction with Finance.	HR Services Manager	October 2025

## PARKS AND OPEN SPACES



### Key Findings

Areas of positive assurance identified during the audit:

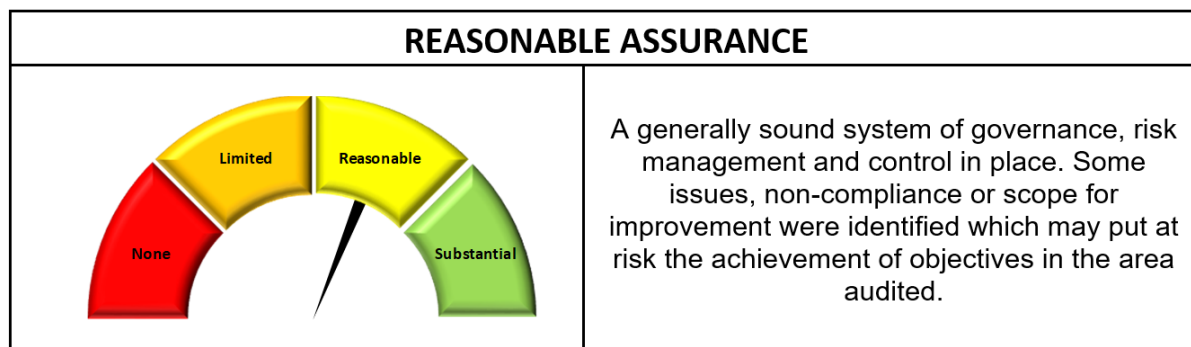
- The Parks and Open Spaces strategy is up to date and has been formally approved and published as required.
- Inventories of plant and equipment are maintained.
- Assets and pesticides are stored securely.
- Performance is effectively managed, monitored and reported.
- Health and safety risks are adequately managed.

The main area identified for improvement is:

- The civil contingency arrangements

<b>Recommendation</b>	<b>Priority</b>	<b>Response/Agreed Action</b>	<b>Officer Responsible</b>	<b>Implementation Date</b>
1. An interim solution to increase resilience in the short term is put in place pending a full review of the working hours, roles and responsibilities within the team.	Medium	Due to long term absence only one person has been on call over the last 18 months. An additional person has been seconded as an interim measure.	Parks and Open Spaces Manager	Complete.
2. The temporary arrangements are monitored to determine if additional resources are required to provide adequate resilience and comply with the Working Time Regulations.	Medium	The temporary measure will be reviewed periodically over the next 12 months.	Parks and Open Spaces Manager	In progress. The final review will be completed in December 2025
3. Payments in respect of standby and call out responsibilities are in accordance with the corporate policy.	Medium	To be completed as part of the review process.	Parks and Open Spaces Manager in conjunction with the HR Service Manager	December 2025

## BENEFITS



### Key Findings

Areas of positive assurance identified during the audit:

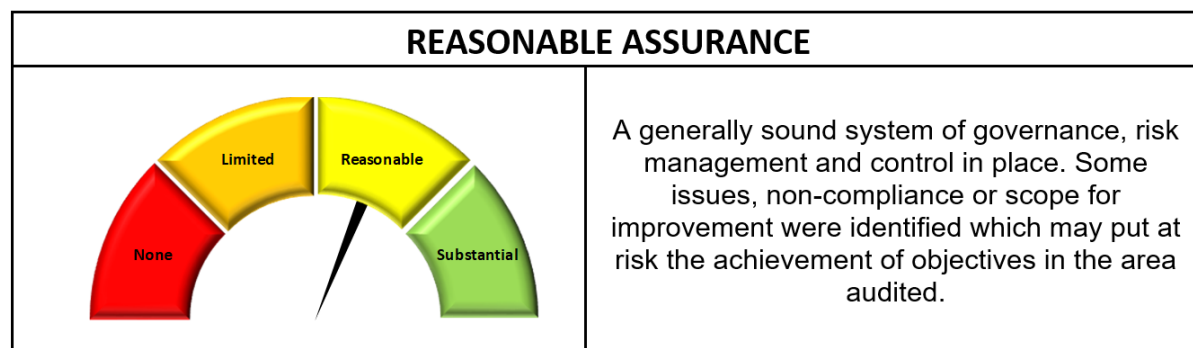
- Procedures are in place, up to date and accessible to all relevant staff.
- System parameters were updated for 2024/25 as expected.
- Monitoring checks have been completed as required for new starters.
- System access is appropriately managed.

The main area identified for improvement is:

- The supervisory monitoring process

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
1. Consideration is given to reviewing the monitoring process to ensure that it is relevant, proportionate and effective throughout the Council Tax and Benefits service.	Medium	Agreed.	Council Tax and Benefits Service Manager	June 2025

## NNDR



### Key Findings

Areas of positive assurance identified during the audit:

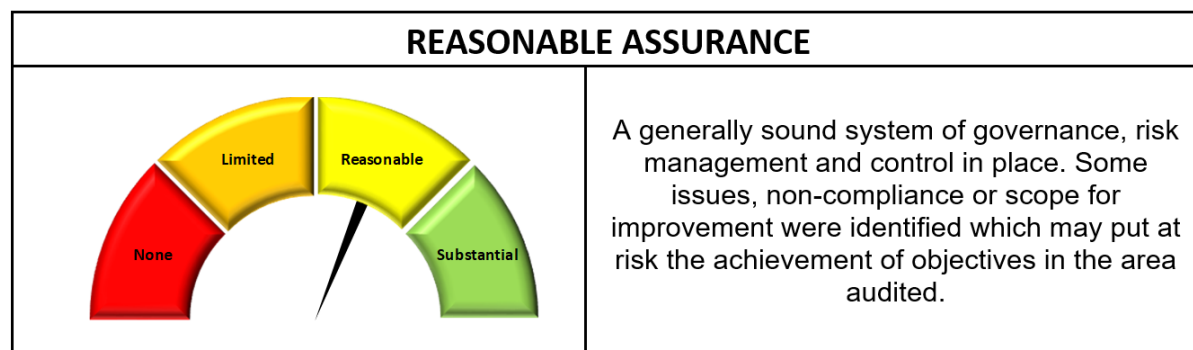
- Procedures are in place, up to date and accessible to all staff.
- The system parameters were updated for 2024/25 in accordance with legislation.
- The NNDR system is regularly reconciled to Valuation Office reports, its feeder systems and the general ledger.
- The suspense account is regularly reviewed and cleared.
- System access is appropriately managed.

The main area identified for improvement is:

- Supervisory monitoring

Recommendation	Priority	Response/Agreed Action	Officer Responsible	Implementation Date
Monitoring checks are completed and recorded in accordance with procedures.	Medium	<p>Agreed. The monitoring records will be regularly checked by the Senior Team Leader to ensure compliance going forward.</p> <p>The issue was due to the additional workload involved in the recent implementation of two new systems.</p>	Council Tax and Benefits Service Manager	Immediate and ongoing.

## MAIN ACCOUNTING



### Key Findings

Areas of positive assurance identified during the audit:

- Written procedure guides are comprehensive, relevant and accessible to staff.
- The budget setting and approval process is completed adequately.
- Opening balances are brought forward correctly.

The main areas identified for improvement are:

- Completion of control account reconciliations.
- The recording and monitoring of virement transactions.

<b>Recommendation</b>	<b>Priority</b>	<b>Response/Agreed Action</b>	<b>Officer Responsible</b>	<b>Implementation Date</b>
1. All outstanding cash receipting reconciliations are completed and a process put in place to ensure they are undertaken promptly.	Medium	Agreed – Officers are working to bring the backlog up to date.	Accountancy Services Manager	April 2025
2. Virements are appropriately approved and monitored.	Medium	A quarterly report of all virements will be produced and reviewed to ensure overall movements are appropriately authorised.	Financial Services Group Manager	July 2025
3. Older transactions on the sundry suspense account are reviewed and cleared where possible.	Medium	Agreed – A review of the sundry suspense account to identify transactions for write off is scheduled for January 2025.	Financial Services Group Manager	February 2025



## EXTENDED RECOMMENDATIONS

Audit Year	Audit	Recommendation	Priority	Response/ Agreed Action	Responsible Officer	Due Date	1st Follow up comments	Ext Date	Second Follow up comments	Ext Date	Further Management update	Further Ext Date
2022/23	Policy Management	2. HR policies reflecting current legislation, corporate values and industry best practice should be produced for all key employment areas. These should be supported by relevant procedure documents	High	Agreed. A process and timetable to produce the key documents will be in place within six months.	Human Resources Strategic Manager	Jul-23	Aug-23 No response received		Sep-23 All HR policies have been imported to iPlan. A timeline for reviewing/producing (including prioritisation) the HR policies for all key employment areas with supporting procedure documents will now be agreed.	Mar-24	<p>An action plan has been developed that details dates of when all HR policies, procedures and guidance are to be reviewed and updated. Audit will monitor the action plan and, if there is slippage, this will be reported to Audit and Corporate Governance Committee.</p> <p><b>Internal audit update</b> – quarterly review of tracker carried out in October and progress is satisfactory.</p> <p>January 2025 – quarterly review of tracker carried out and progress appears satisfactory.</p> <p>A final full review will be carried out in April 2025</p>	April 2025
2022/23	Policy Management	3. A review of all HR documentation is carried out and, where appropriate, these are updated to reflect the purpose of the document, i.e. strategies are in place which are supported by policies which in turn are implemented using procedures, with consideration being given to the definitions within the Report Writing Toolkit.	High	Agreed. This will form part of the action detailed in recommendation no. 2.	Human Resources Strategic Manager	Jul-23	Aug-23 No response received		Sept-23 As above for recommendation no.2 (inextricably linked)	Mar-24		
2022/23	Policy Management	8. Policies and procedures are updated on a regular basis and correspond to the relevantly published documents.	High	Agreed. This will be incorporated into the process and timetable to be developed as part of recommendation no. 2	Human Resources Strategic Manager	Jul-23	Aug-23 No response received		Sept-23 As above for recommendation no.2 (inextricably linked)	Mar-24		
2022/23	Policy Management	7. The Equality and Human Rights Policy should be reviewed, updated and published and arrangements made to review and update at appropriate intervals going forward.	Medium	Agreed.	Transformation Group Manager and HR Services Manager	Jun-23	28.06.23: Work in progress - expected to be completed during Jul-23.	Aug-23	Sept 23 – The organisation now has a new EDI lead. Further work is required prior to updating the policy. This will be included with the work outlined for Policy Management recommendation no. 2.	Mar-24		
2024/25	Main Accounting	3. Older transactions on the sundry suspense account are reviewed and cleared where possible.	Medium	Agreed – A review of the sundry suspense account to identify transactions for write off is scheduled for January 2025.	Financial Services Group Manager	Feb-25	Mar-25: Progress has been made and the number of transactions has greatly reduced however another control account needs to be set up.	Apr-25				

## Appendix D

### 2024/25 INTERNAL AUDIT PERFORMANCE

Performance Measure	Position as at 31.03.2025	Comments
Achievement of the Internal Audit Plan	69%	
Quarterly Progress Reports to Management Team and Audit and Standards Committee	On track	
Follow up testing completed in month agreed in final report	On track	
Annual Opinion Report	Achieved	
100% Customer Satisfaction with the Internal Audit Service	100%	Based on six returns for 2024/25
Compliance with Public Sector Internal Audit Standards	Conforms	External inspection carried November 2020 which confirmed that we conform to the Public Sector Internal Audit Standards.