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|-----------------------------------|--|---------------|-----------------|
| <b>Subject</b>                    | Progress on Agreed Management Actions                        | <b>Status</b> | For Publication |
| <b>Report to</b>                  | Audit & Governance Committee                                 | <b>Date</b>   | 07 March 2024   |
| <b>Report of</b>                  | Team Leader Governance                                       |               |                 |
| <b>Equality Impact Assessment</b> | Not Required   | Attached      | No              |
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## 1. **Purpose of the Report**

- 1.1 To update Members on the actions being taken in response to audit review findings during the current financial year and in previous financial years.

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## 1. **Recommendation(s)**

- 2.1 **Members are recommended to:**
- a. **Note the progress being made on implementing agreed management actions; and**
  - b. **Consider if any further information or explanation is required from officers.**
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## 3. **Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

- 3.2 The reporting of audit findings and management actions being taken to address these is a key part of providing assurance on the adequacy of the Authority's corporate governance arrangements, particularly those relating to internal control and financial and risk management.

## 4. **Implications for the Corporate Risk Register**

- 4.1 The contents of this report do not link to a specific risk in the corporate risk register; instead, they set out the actions being taken in a number of areas that will contribute to addressing various risks in relation to operations and governance as detailed in the original audit reports.

## **5. Background and Options**

- 5.1 The Authority's Local Code of Corporate Governance sets out the framework in which the Authority complies with the seven principles of good governance; one of which is "*managing risks and performance through robust internal control and strong public financial management*". One aspect of achieving this is having arrangements for assurance and effective accountability in place and ensuring that findings arising from the work of both external audit and internal audit are acted upon.
- 5.2 The Audit & Governance Committee receives reports of the external auditor and of the Head of Internal Audit at regular intervals throughout the financial year. The report attached at Appendix A summarises the actions taken, and progress being made on implementing the actions agreed in response to audit findings during the current and previous financial years.
- 5.3 The tables in the attached Appendix A show the status and progress being made on the outstanding actions.
- 5.4 End to End Interfund Process: The Service Manager – Benefits has extended the target date to the end of March 2024 to complete the final stage of the process review.
- 5.5 This quarterly report also highlights eight actions that have been completed since the last update, these are set out below:
- 5.6 *Information Governance Action Plan* – A robust plan is in place and is regularly reviewed with internal audit colleagues from the Corporate Assurance team. It is recognised though that the full plan will take us to the end of the year to enable the detailed review of current data asset registers.
- 5.7 *Pensions Administration System* – The two actions around the improvement plan and user acceptance testing have been completed. The Service Manager – Pensions Systems has implemented an enhanced system for tracking and monitoring outstanding issues with the provider. The provider is now ensuring that an agreed timeline is in place to enable timely testing.
- 5.8 *Pensions Savings Statements* – Two actions around the pensions savings statements improvement plan and data from employers have been completed resulting in reduced levels of backlogs and an expectation of a positive impact on the number of employer queries raised.
- 5.9 *Procurement Compliance* – This is a long standing action in relation to training to facilitate compliance with the CSOs, this has now been delivered to key officers. Commentary at Appendix A sets out other enhancements that have been applied, including the implementation of the Gateway Approval document.
- 5.10 *Finance Actions* – The final two completed agreed management actions, owned by the Head of Finance, include the full review and implementation of the Treasury Management Strategy and the finalisation of the record of the agricultural portfolio holdings. The Treasury Management Strategy was approved in February 2024. The work on reconciling the property holdings was completed in December 2023. Subsequently, the record keeping for the agricultural property portfolio transferred following the completion of Project CHIP in January 2024.
- 5.11 The progress of implementation of agreed management actions will continue to be reported to the Audit & Governance Committee at regular intervals.

## **6. Implications**

- 6.1 The proposals outlined in this report have the following implications

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|-----------------|--|
| Financial       | No additional financial implications; the costs of the internal audit service and the fees for the external audit are met from existing budgets. |
| Human Resources | None   |
| ICT             | None   |
| Legal           | None   |
| Procurement     | None   |

**Annie Palmer**

**Team Leader Governance**

| <b>Background Papers</b> |                            |
|--------------------------|----------------------------|
| <b>Document</b>          | <b>Place of Inspection</b> |
| None                     | -                          |