

## Annual Audit Report Action Plan

## APPENDIX B

Number	Area	Recommendation	Management Actions, Owners & Action Dates
1	Financial sustainability	The Council should ensure that when it is making decisions throughout the year, that the longer-term impact of decisions and any wider impact on the MTFS is considered and presented to members to promote transparent decision making.	<p><u>Accepted</u> All Council reports provide the financial implications of any decision. In addition, there are comments from both the s151 Officer and Monitoring Officer. However, based on the materiality of the financial impact there is potential to expand these comments to reference items such as the impact on the ongoing deficit, reserve balances etc.</p> <p><u>Owner</u> Chief Finance Officer</p> <p><u>Action Date</u> Q1 2025/26</p>
2	Financial sustainability	The Council should report on any changes to the budget, identify early any opportunity for savings, tracks where savings are realised and report on this to the appropriate levels within the Council. Additionally, any decisions that are taken with an impact on finance should have the budgetary and reserves implications clearly detailed	<p><u>Accepted</u> Changes to the budget and progress against savings targets are reported as part of the Council's Delivering our Priorities (DoP) quarterly monitoring cycle. As noted above based on the materiality of the financial impact there is potential to expand these comments to reference items such as the impact on the ongoing deficit, reserve balances etc.</p> <p><u>Owner</u> Chief Finance Officer</p> <p><u>Action Date</u> Q1 2025/26</p>

3	Financial sustainability	The Council should critically consider the opportunities to make savings in areas where they appear to be an outlier in the CIPFA nearest neighbour benchmarking data.	<p><u>Accepted</u> The Council does make use of benchmark data; however, it is not consistently applied throughout all services. A significant area for the Fit for the Future (FftF) is the increased use of benchmarking data, it will not be limited to CIPFA and will include other appropriate organisations such as Association for Public Service Excellence (APSE) and the Local Government Association (LGA).</p> <p><u>Owner</u> Chief Finance Officer</p> <p><u>Action Date</u> To be developed throughout 2025/26</p>
4	Governance	As the Council moves through the corporate project on risk management, it should regularly review the reporting undertaken and the processes and systems developed to ensure that they meet the needs of the various users / stakeholders.	<p><u>Accepted</u> Whilst the Council has made significant strides forward in regard to risk management it accepts there is more to do if it is to embed risk management throughout the Council and its services</p> <p><u>Owner</u> Chief Officer People &amp; Policy</p> <p><u>Action Date</u> Progress to be maintained throughout 2025/26</p>

5	Governance	The Council should maintain a forward register of expiry dates on contracts and ensures that there is timely review and approval of new contracts where appropriate to ensure a consistency of service and that contracts are renewed prior to their expiry.	<p><u>Accepted</u> As part of the on-going work within Procurement the existing central contracts register has been updated. However, the Council does recognise the importance of contract management and work is currently underway to improve this area.</p> <p><u>Owner</u> Chief Officer Governance</p> <p><u>Action Date</u> Progress to be maintained throughout 2025/26</p>
6	Governance	Management should continue to ensure that the changes to the control environment are culturally embedded throughout the Council, and that the Council continues to consider the use of internal audit within the organisation. The Council should also ensure that it is performing root cause analysis of any control recommendations and then embedding these more widely within the organisation where appropriate.	<p><u>Accepted</u> The position that led to a gap in Internal Audit provision was very much an isolated incident and Internal Audit is an integral and fundamental part of the Council's control environment. Where there has been evidence of control issues, external reviews have been undertaken to ensure an objective approach in examining the cause and also identifying solutions</p> <p><u>Owner</u> Senior Leadership team</p> <p><u>Action Date</u> Progress to be maintained throughout 2025/26</p>

7	Governance	The Council should routinely review the capacity of the finance team to ensure that it is able to adequately support the council in the delivery of the MTFS.	<p><u>Accepted</u></p> <p>For several reasons the finance team has run below capacity for a number of years. However, we have been successful in recruiting 3 accountancy apprentices and a senior accountant. Whilst it will take time for the individuals to develop resilience has been built within the team.</p> <p><u>Owner</u> Chief Finance Officer</p> <p><u>Action Date</u> Progress to be maintained throughout 2025/26</p>
8	Governance	The Council should consider whether there are appropriate financial skills in order to challenge management on key financial assumptions and whether any additional training should be provided.	<p><u>Accepted</u></p> <p>Members training needs are considered throughout the year and whilst key financial assumptions can be technical in nature training has been provided for Members in areas such as, general economic outlook, treasury management, capital accounting, risk management etc</p> <p><u>Owner</u> Chief Finance Officer &amp; Chief Officer Governance</p> <p><u>Action Date</u> Progress to be maintained throughout 2025/26</p>