Stevenage Borough Council
Audit Committee

10 November 2026
Shared Internal Audit Service – Progress Report

Recommendations

Members are recommended to:

a) Note the Internal Audit Progress Report

b) Note the Status of Outstanding Critical, High, and Medium Priority Recommendations

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1 Introduction and Background

Purpose of Report

1.1 To provide Members with:
a) The progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's 2026/27 Internal Audit Plan to 23 October 2026.
b) The findings for the period 29 August 2026 to 23 October 2026.
c) Details of any changes required to the approved Internal Audit Plan.
d) The implementation status of previously agreed audit recommendations.
e) An update on performance management information to 23 October 2026.

Background

1.2 Internal Audit's Annual Plan for 2026/27 was approved by the Audit Committee at its meeting on 24 March 2026. The Audit Committee receive periodic updates against the Internal Audit Plan. This is the second update report for 2026/27.

1.3 The work of Internal Audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit function is fulfilling its statutory obligations. It is considered good practice that progress reports also include details of changes to the agreed Annual Internal Audit Plan.

2 Audit Plan Update

Delivery of Internal Audit Plan and Key Audit Findings

2.1 As of 23 October 2026, 42% of the 2026/27 Internal Audit Plan days have been delivered.

2.2 The following final reports have been issued since the previous progress report to the Committee that reported up to the period 29 August 2026:

Audit Title	Date of Issue	Assurance Level	Number of Recommendations
Anti Money Laundering	Sept 2026	Substantial	One Low Priority & Two Advisory Actions
Social Housing Grant Audit	Sept 2026	Unqualified	None
Asset Management	Oct 2026	Reasonable	One Medium & One Low Priority

See definitions for the above assurance levels and recommendation priorities at Appendix D.

2.3 The table below summarises the position regarding delivery of the 2026/27 approved projects to 23 October 2026. Appendix A provides a status update on each individual project within the 2026/27 Internal Audit Plan.

Status	No. of Audits at this Stage	% of Total Audits
Final Report Issued	7	26%
Draft Report Issued	2	7%
In Fieldwork/Quality Review	6	22%
In Planning/Terms of Reference Issued	3	11%
Allocated	8	30%
Not Yet Allocated	1	4%
Cancelled/Deferred	0	0%
Total	**27**	**100%**

Internal Audit Plan Changes

2.4 No Internal Audit Plan changes have been proposed in this reporting period.

Critical and High Priority Recommendations

2.5 Members will be aware that a Final Audit Report is issued when it has been agreed ("signed off") by management; this includes an agreement to implement the recommendations that have been made.

2.6 The schedule attached at Appendix B details any outstanding Critical, High, and Medium priority audit recommendations. One new Medium Priority recommendation is shown in the schedule. This recommendation is from the audit of Asset Management.

Performance Management

2.7 The 2026/27 annual performance indicators were approved at the SIAS Board meeting in March 2026.

2.8 The actual performance for Stevenage Borough Council against the targets that can be monitored in year is set out in the table below:

Performance Indicator	Performance Target for 31 March 2027	Profiled Performance 23 Oct 2026	Actual Performance 23 Oct 2026	Notes
1. Planned Days – percentage of actual billable days against planned chargeable days completed	95%	47%	42%	125 days delivered out of the current 300 days planned

Performance Indicator	Performance Target for 31 March 2027	Profiled Performance 23 Oct 2026	Actual Performance 23 Oct 2026	Notes
(excludes unused contingency)				
2. Planned Projects * – percentage of actual completed projects to draft report stage against planned completed projects by 31 March 2027	90%	44%	33%	9 projects to draft or final report from the 27 planned
3. Client Satisfaction – percentage of client satisfaction questionnaires returned at 'satisfactory' level	90%	90%	100%	Based on the results of the 3 completed questionnaire received (from the 9 issued)
4. Staff and Training – percentage of our staff that are actively studying towards, or have obtained, a relevant professional qualification.	Head of Service and Client Audit Managers (Chief Audit Executives) – 100% All Staff – 80%	100% / 80%	HoS / CAMs – 100% All Staff – 89%	Management 6/6 (fully qualified) All Staff 16/18 (6 qualified and 10 studying for professional qualifications)
5. Number of High and Critical Priority Audit Recommendations agreed as a percentage	95%	N/A	N/A	No High Priority recommendations have been made during 2026/27

* Based on Audit Plan 'deliverables' at draft and final stage, and items carried forward from 2025/26 that were not at draft report stage by 31 March 2026.

2.9 In addition, the performance targets listed below are annual in nature. Members will be updated on the performance against these targets within a separate Annual Report:

- **5. Annual Plan** – prepared in time to present to the March meeting of each Audit Committee. If there is no March meeting, then the Plan should be prepared for the first meeting of the financial year. This indicator was achieved for 2026/27 as the audit plan for the financial year 2026/27 was presented to the Audit Committee in March 2026.
- **6. Planned Projects** - percentage of actual completed projects to final report stage against planned completed projects.

- **7. Chief Audit Executive's Annual Report** – presented at first 2026/27 meeting of the Audit Committee. This indicator was achieved for 2026/27 as the Client Audit Manager's Annual Report (for 2025/26) was presented to the June 2026 meeting of this committee.

2.10 In respect of the current gap between profile and actuals, this is due to a combination of several factors.

- In a small number of cases, audit start dates have been delayed, recognising and accommodating officer pressures related to balancing LGR with business-as-usual activities.
- From a SIAS work allocation perspective, the overall split of audit plan delivery across the partnership was more front loaded than expected, resulting in audits being moved into quarter three/four for delivery to balance available resources.

2.11 In respect of the above, we are currently satisfied that appropriate resources are available to deliver the agreed plans, in line with agreed performance indicators, during the remainder of the financial year.

APPENDIX A - PROGRESS AGAINST THE 2026/27 INTERNAL AUDIT PLAN AS AT 23 OCTOBER 2026

2026/27 Internal Audit Plan

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS *					AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L	A				
Key Financial Systems – 54 days										
Business Rates (shared with EHC)							6	Yes	1.5	In Fieldwork
Council Tax (shared with EHC)							6	Yes	3	In Fieldwork
Debtors							10	Yes	0	Allocated
Creditors							10	Yes	0	Allocated
Payroll							12	Yes	0	Allocated
Housing Rent Arrears							10	Yes	0	Allocated
Operational Services – 82 days										
Anti-Money Laundering	Substantial	0	0	0	1	2	10	Yes	10	Final Report Issued
Events Planning							10	Yes	0	Allocated
Facilities Management – Building Safety							10	Yes	0	Allocated
Freehold Garages	Reasonable	0	0	4	1	1	10	Yes	10	Final Report Issued
Homelessness							10	Yes	6	In Fieldwork
Housing Major Refurbishment Contracts							10	Yes	9.5	Draft Report Issued
Housing Safety Compliance Checks							10	Yes	9	In Fieldwork
Homes England Grant Audit	Unqualified	0	0	0	0	0	2	Yes	2	Final Report issued
Social Housing Grant Audit	Unqualified	0	0	0	0	0	2	Yes	2	Final Report Issued
Pre-employment Screening/Agency Staff							8	Yes	0	Allocated
Corporate Services/Themes – 86 days										
Third Party Data Security							10	Yes	9.5	Draft Report Issued
Asset Management	Reasonable	0	0	1	1	0	10	Yes	10	Final Report Issued
Business Change - Governance							10	Yes	0	Allocated
Community Infrastructure Levy							11	Yes	0.5	In Planning
Fraud Risk Assessment							10	Yes	3	In Fieldwork

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AUDITABLE AREA	LEVEL OF ASSURANCE	RECS *					AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L	A				
LGR Provision							15	No	0	Not Yet Allocated
Outsourced Services/Supplier Resilience							12	Yes	6	In Fieldwork
Risk Management							8	Yes	1.5	ToR Issued
IT Audits – 16 days										
Cyber Security – Reliance on Alternative Assurance							6	Yes	0	Allocated
Accessibility Regulations - Digital							10	Yes	1.5	ToR Issued
Audit Follow Up – 6 days										
Follow Up of Prior Year Audits							6	Yes	3.5	In Fieldwork
Completion of 2025/26 Projects – 10 days										
Treasury Management	Substantial	0	0	0	0	0	3	Yes	3	Final Report Issued
Damp & Mould	Reasonable	0	0	3	1	2	7	Yes	7	Final Report Issued
Contingency – 0 day										
Contingency							0		0	Through Year
Strategic Support – 46 days										
Chief Audit Executive Annual Opinion							3	Yes	3	Complete
Audit Committee & Recommendation Follow Up							12	Yes	8	Through Year
Client Engagement & Adhoc Advice							8	Yes	4	Through Year
2027/28 Audit Planning							6	Yes	0	Allocated
SIAS Service Development							5	Yes	5	Allocated
Plan & Progress Monitoring							12	Yes	6.5	Through Year
SBC TOTAL		**0**	**0**	**8**	**4**	**5**	**300**		**125**	

* C = Critical Priority, H = High Priority, M = Medium Priority, L = Low, A = Advisory Priority

APPENDIX B: IMPLEMENTATION STATUS OF CRITICAL, HIGH AND MEDIUM PRIORITY RECOMMENDATIONS

The following appendix provides Audit Committee Members with a summary of the most recent update provided by management in respect of any outstanding critical, high and medium priority recommendations.

No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
1.	**Building Security**	**Medium Priority Recommendation:** To address audit findings that relate to security policy. We recommend that the Council implements a formal, Council wide Security Policy with clear processes and defined roles and responsibilities, supported by a governance structure that ensures accountability, oversight, and continuous staff awareness of security issues across all Council owned buildings. **Agreed Management Action(s):** A draft Security Policy is already in progress. This will be finalised and reviewed with input from key stakeholders, then presented for approval. The policy will set out governance structures, accountability, and staff responsibilities across all Council owned buildings.	**Responsible Officer:** Facilities & Compliance Manager. **Due Date:** 31/03/2026. **Revised to** 31/10/2026.	October 2026. An Estates Building Security Policy has now been developed. This is supported by an Estates Security Framework, Security Manual and a suite of operational documents covering areas including CCTV, commercial property keys, void property management, and body worn cameras. Together, these documents establish the proposed governance arrangements, responsibilities, security controls, and operational processes across corporate, commercial, and void properties. Further stakeholder consultation and formal approval are required before the policy and supporting framework can be fully implemented and communicated across the Council.	Partially implemented.
2.	**Building Security**	**Medium Priority Recommendation:** To address audit findings that relate to buildings inventory. We recommend that the Council should establish and maintain a comprehensive and detailed inventory of all Council owned buildings. This inventory should include accurate property records and	**Responsible Officer:** Facilities & Compliance Manager.	October 2026. A central Estates Portfolio workbook has been compiled, bringing together the Council's Corporate	Partially implemented.

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No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
		incorporate references to periodic security needs assessments to ensure alignment with risk management practices. **Agreed Management Action(s):** A central master record will be created in collaboration with Estates and Facilities. This will consolidate property data into one central system (e.g. Estates spreadsheet), with fields for security requirements and risk assessment references.	**Due Date:** 31/05/2026. **Revised Date:** 30/11/2026.	Portfolio, Commercial Portfolio and Neighbourhood Parades. The workbook contains property and building references, names and addresses, postcodes, building types and relevant tenancy information. This provides the central property dataset required by the recommendation. Further work is required to validate and consolidate the information into a consistent building-level inventory and add fields recording relevant security requirements, security risk assessment references, and review dates.	
3.	**Building Security**	**Medium Priority Recommendation:** To address audit findings that relate to security risk assessments. The Council should implement a formal process for conducting periodic security risk assessments for all Council owned buildings. The frequency of these assessments should be proportionate to the level of security risk associated with each property (e.g. higher risk sites like Daneshill House should be assessed more frequently than lower risk sites). All assessments should be documented, with clear identification of risks and corresponding action plans. **Agreed Management Action(s):** A rolling programme of security risk assessments will be introduced. High-risk sites (e.g. Daneshill House, Cavendish Road Depot) will be prioritised for early completion, with remaining buildings assessed in line with agreed risk-based frequencies. Results will be logged and monitored against action plans.	**Responsible Officer:** Facilities & Compliance Manager. **Due Date:** 31/08/2026. **Revised Date:** 31/01/2027.	October 2026. The Estates Building Security Policy, Security Framework and Security Manual establish the proposed risk-based approach to building security assessments. The framework includes provision for a standard security risk assessment template and security risk register, with assessments taking account of building use, public access, occupancy, location,	Partially implemented.

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				previous incidents, and other relevant vulnerabilities. An initial security risk assessment has been developed for Daneshill House. The next stage is to finalise the standard assessment and recording arrangements, assign appropriate risk classifications across the portfolio and establish the rolling programme. Higher-risk and operationally sensitive locations, including Daneshill House and Cavendish Road Depot, will be prioritised before progressing through the remaining portfolio according to assessed risk. Identified actions will be recorded, allocated and monitored through the security risk register.	
4.	**Asset Management**	**Medium Priority Recommendation:** To address audit findings relating to the asset management system. Future users of the Monday.com asset management system should be required to complete the relevant training modules within the Monday.com Academy, prior to using the system. The Data Manager should periodically conduct reviews to ensure all and any active users of the Monday.com system have completed the required training. If possible (whereby the Monday.com system has such capabilities), users should only be able to access the full suite of data and asset management information once certain training modules have been completed.	**Responsible Officer:** Data Manager. **Due date:** 31/12/2026.	October 2026. This is a new recommendation and therefore the latest position.	Not yet due.

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		Agreed Management Action(s): Recommendation accepted.			
5.	**Housing Repairs**	**Medium Priority Recommendation:** To address audit findings relating to segregation of duties. We recommend that: • The contractor portal is configured to prevent the same user completing multiple key stages, ensuring a segregation of duties throughout the ordering and payment process, with exception reporting to management for any overrides. Periodic reviews occur of this until portal controls are proven effective. • Segregation of duties expectations are reinforced in procedural documents for contractor management. **Agreed Management Action(s):** Configuration of the portal itself is not possible, but segregation of duties, approval limits and processes will be reviewed, and changes will be implemented on NEC. Procedural documents will be produced in line with the end-to-end process review in collaboration with the Business Change team. The final timetable is yet to be confirmed but in the interim any/all changes made will be communicated to all once finalised.	**Responsible Officer:** Head of Repairs & Maintenance. **Due date:** 31/08/2026. **Revised to** 31/12/2026.	October 2026. A review of existing approval processes and controls has been completed, with revised workflows and approval arrangements implemented within NEC to strengthen segregation of duties. Procedural guidance is currently being developed as part of the wider end-to-end process review with the Business Change Team. Progress on this element has been slower than anticipated due to resource constraints; however, interim management checks and approval limits remain in place to mitigate risk until the documentation is finalised.	Partially implemented.
6.	**Housing Repairs**	**Medium Priority Recommendation:** To address audit findings relating to evidence of work completed. We recommend that: • A verification & evidence standard is created, applicable to all contractors, tailored where necessary, stating that no payment is made without the defined evidence uploaded to NEC/portal. • Formalise the >£500 evidence rule in procedure and introduce system hard stops so a verification cannot be completed without required evidence attached. **Agreed Management Action(s):** Once all the contractors are on the portal, there will be joint reviews/workshops with the contractors to agree how best works will	**Responsible Officer:** Head of Repairs & Maintenance. **Due date:** 31/08/2026. **Revised to** 31/12/2026.	October 2026. All contractors were onboarded to the contractor portal by July 2026. Work is now focused on embedding a consistent Verification and Evidence Standard across all contractors. Progress has been impacted by the recruitment of a replacement Repairs Manager, which has limited capacity to drive this	Partially implemented.

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		be delivered. At this stage a Verification and Evidence standard will also be agreed and produced and any possible hard stops introduced.		work forward at the original pace. In the interim, existing evidence requirements remain in place, and opportunities to strengthen system controls and validation checks continue to be reviewed as part of the contractor onboarding and assurance process.	
7.	**Housing Repairs**	**Medium Priority Recommendation:** To address audit findings relating to analysing training needs. We recommend that: • A training needs analysis and programme is created, to minimise risk of inconsistent practice and control lapses when processes or systems change. • A further training register is introduced past the induction list by role with expiry / refresh points detailed. **Agreed Management Action(s):** There is a Corporate Project about to commence to undertake training reviews and produce training matrices across various departments. This is expected to be undertaken in Q2. In conjunction with this project, and not to double hand, the training required as in the finding will be incorporated and then budgeted for and delivered.	**Responsible Officer:** Head of Repairs & Maintenance. **Due date:** 31/03/2027.	October 2026. This recommendation remains on track and is not yet due. The action will be delivered through the corporate training review and competency framework project, which will establish a consistent organisational approach to training needs analysis, competency management and training records across the Council. However, locally within the Repairs & Maintenance Service, work has already progressed in advance of the corporate programme. An extensive training and competency matrix is already in place for operational staff, covering mandatory, statutory and role-specific (mostly Health and Safety) requirements. In addition, a training matrix	Not yet due.

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				has now been developed for office-based staff to ensure that training, competence and refresher requirements are clearly defined across all roles within the service. The corporate project will be used to further strengthen and align these arrangements with the wider Council framework, including role-based competencies, refresher training requirements and ongoing maintenance of training records.	
8.	**Waste Recycling**	**Medium Priority Recommendation:** To address audit findings relating to capacity. We recommend that Management should ensure that periodic contract monitoring meetings are held with external contractors to ensure agreed issues and actions are formally documented and implemented. This measure could help capture strategic decisions, proactive recycling efforts to take current performance to higher levels, even if KPIs are being met. **Agreed Management Action(s):** Will engage with the suppliers to arrange quarterly meetings.	**Responsible Officer:** Head of Service – Environmental Operations – Stevenage Direct Services. **Due date:** 30/06/2026. **Revised to** 31/12/2026.	October 2026. Quarterly meetings will be arranged, on track to meet revised target date.	Not yet due.
9.	**Payroll.**	**Medium Priority Recommendation:** To address audit findings relating to procedure documents. We recommend that the Council should consider creating an overarching payroll procedural document that incorporates all individual payroll policies and procedures as well as a clear schedule that outlines the frequency of reviews.	**Responsible Officer:** Payroll Lead. **Due Date:** 31/12/2026.	October 2026. The recommendation is still work in progress. Payroll are currently reviewing the payroll procedure notes and removing or archiving any that are no longer needed	Not yet due.

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		Agreed Management Action(s): Many of the policies that are out of date are that way as they are no longer used, for example the manual processing of KIT days, the system now does this, so the procedural documents are not in use for this. However we acknowledge that this is not clear and better filing of policy and procedure is required. We will undertake a review of all documents and delete or archive those no longer relevant. Pay policies such as Paternity and Maternity were reviewed while the audit was taking place in line with the statutory changes for April 2026.		due to system changes or changes in the way processes are carried out. This work is also part of a wider IT document storage transition and document clean-up project, so the opportunity is being taken to review and reorganise the payroll documentation. Once complete, we will make sure the remaining procedure notes are up to date and clearly organised. We are still working through the wider document storage project, so we will confirm a revised completion date once we have a clearer timescale.	
10.	**Cyber Security.**	**Medium Priority Recommendation:** To address audit findings relating to risk registers. It is recommended that the ICT Operational Risk Register is reinstated into a routine, formally governed review cycle so that risk ratings, action owners and due dates are consistently refreshed. This should include resetting overdue actions with realistic timelines and ensuring there is clear escalation where progress is not made. The Cyber Risk Register should be fully populated using the Councils' approved corporate risk matrix and definitions, ensuring all relevant cyber threats, control gaps and mitigation actions are captured in a consistent and structured format. The completed register should clearly assign accountable owners, target dates and any interdependencies, and should align with the broader IT Operational Risk Register where risks overlap. Both registers should then be embedded into existing shared service governance arrangements, supported by standardised reporting on risk trends, overdue actions and risk acceptance decisions. This will	**Responsible Officer:** IT Ops Team Leads. **Due Date:** 31/10/2026.	October 2026. The agreed management action is the latest position.	Not yet due.

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No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
		ensure that senior stakeholders receive consistent and reliable assurance over the management of cyber risks across both Councils. **Agreed Management Action(s):** The ICT Operational and Cyber Risk Registers will be reinstated and maintained through a formal, routine governance cycle to ensure risks, ownership and target dates remain current, with clear escalation of overdue actions. Both registers will be aligned, embedded into shared service governance and supported by standardised reporting, providing senior stakeholders with clear and consistent assurance over the management of cyber risk across both Councils.			
11.	**Cyber Security.**	**Medium Priority Recommendation:** To address audit findings relating to sources of alternative assurance. It is recommended that the shared IT service develops a consolidated view of all cyber-related alternative assurance activity, including external audits, regulatory assessments, internal reviews and any other relevant sources. This should include mapping findings, actions, responsible owners, due dates and completion status to provide a single, coherent overview. The consolidated view should be incorporated into routine reporting for the shared governance structure, ensuring that senior stakeholders across both Councils receive regular updates on progress, outstanding issues and any recurring or thematic risks identified through assurance activities. This approach would strengthen transparency, support prioritisation of resources and help ensure that the shared service can clearly demonstrate comprehensive and consistent cyber assurance coverage across both organisations. **Agreed Management Action(s):** We will establish and maintain a consolidated cyber assurance register and supporting dashboard that brings together all cyber related assurance activity across both Councils, including audits, reviews and other assurance sources. This consolidated view will be published via the new Cyber Intranet webpage to improve transparency, provide wider organisational visibility and support consistent oversight of assurance activity and remediation progress.	**Responsible Officer:** Cyber Security Manager. **Due Date:** 31/10/2026.	October 2026. The agreed management action is the latest position.	Not yet due.

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No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
12.	**Damp & Mould.**	**Medium Priority Recommendation:** To address audit findings relating to case tracking and data quality. We recommend that the service should review and strengthen its arrangements for monitoring damp and mould cases to ensure that case information, performance data and compliance monitoring are based on a single, accurate and auditable source of information. Consideration should be given to reducing reliance on the current spreadsheet-based tracker and maximising the use of system-based functionality within NEC or implementing an alternative case management solution capable of monitoring case progression, statutory deadlines, actions and outcomes in a controlled and consistent manner. We further recommend the service also: • Define clear ownership and accountability for maintaining case records. • Establish mandatory recording requirements for key case milestones. • Introduce regular reconciliations and data quality reviews to identify discrepancies between systems. • Ensure sufficient supporting evidence is retained for all key actions and decisions. • Implement periodic management validation of KPI data against underlying case records and supporting documentation. **Agreed Management Action(s):** The service accepts the finding and recognises that robust case management depends on accurate, complete and auditable information. The current use of NEC alongside supplementary tracking arrangements has reflected a period of transition following contractor mobilisation and the establishment of the Damp and Mould service post Awaab's. The Council will review the end-to-end case management process and implement a single source of truth approach wherever possible, reducing duplication and strengthening data integrity. To achieve this it is also looking into alternative case management systems which may support this better. Clear ownership will be established for key case milestones, with mandatory recording requirements introduced for inspections, risk	**Responsible Officer:** Asif Khan / Repairs Manager (Contracts) **Due Date:** 31/12/2026.	October 2026. The agreed management action is the latest position, on track to meet target date.	Not yet due.

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No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
		assessments, communications, actions, outcomes and statutory timescales. Monthly data quality reviews and reconciliations will also be undertaken to validate key performance information and identify discrepancies. Findings will be reported through management oversight arrangements and corrective actions tracked to completion. In parallel, the service will continue to work with Housing Asset Management to improve the sharing of stock condition intelligence and support a more holistic understanding of damp and mould risks across the housing stock. These actions will look to strengthen governance, improve confidence in reported performance and provide greater assurance over compliance monitoring.			
13.	**Damp & Mould.**	**Medium Priority Recommendation:** To address audit findings relating to the identification of emergency damp & mould hazards. We recommend the service should strengthen arrangements for the identification and escalation of emergency damp and mould cases to ensure that significant hazards are recognised and acted upon at the earliest opportunity. This should include: • Reviewing and clearly documenting emergency classification criteria and escalation thresholds. • Providing refresher training and awareness sessions for officers involved in identifying, assessing and referring damp and mould cases, including relevant council officers, surveyors and other frontline housing staff. • Periodically reviewing escalated cases and near misses to identify learning opportunities and improve consistency of decision making. This will provide greater assurance that emergency hazards are identified promptly, risks to tenants are minimised, and legislative response requirements are met from the earliest point at which a hazard is identified.	**Responsible Officer:** Asif Khan / Repairs Manager (Contracts) **Due Date:** 30/11/2026.	October 2026. The agreed management action is the latest position, on track to meet target date.	Not yet due.

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No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
		Agreed Management Action(s): The service accepts the finding and recognises the importance of consistently identifying and escalating emergency damp and mould hazards at the earliest opportunity. A review of current triage, risk assessment and escalation arrangements is already underway through a cross-service task and finish group involving Repairs, Damp and Mould, Housing and Customer Services. As part of this review, which is likely to expand to Awaab's Phase 2, a revised risk-based assessment framework will be developed, clearly defining escalation triggers, vulnerability considerations and emergency intervention thresholds. Updated guidance will be supported by staff training and reinforced through regular case reviews. The service will also introduce a formal quality assurance process for higher-risk cases, including management review of emergency classifications, near misses and lessons learnt. Learning outcomes will be shared across relevant teams to improve consistency and decision making. These improvements will strengthen the Council's ability to identify significant hazards promptly; ensure vulnerable residents receive an appropriate response and provide assurance that legislative requirements are being met consistently.			
14.	**Freehold Garages.**	**Medium Priority Recommendation:** To address audit findings relating to payment terms. We acknowledge that the Service have already attempted to increase monthly repayment terms with freeholders without large success. As such we recommend that the Service complete a review of the Project Plan for accuracy, with particular attention given to the - Payment Arrangements. - Monthly Payment. Where values calculated differ from terms or monthly payment values confirmed via written letters to the freeholder, the Service should ensure they confirm the correct amounts per month are being received and update records accordingly. **Agreed Management Action(s):** Agreed.	**Responsible Officer:** Garages Manager. **Due Date:** 13/11/2026.	October 2026. Associated correspondence to be sent to freeholders by 3/11/2026. Reliance upon freeholder cooperation in some circumstances. On track.	Not yet due.

APPENDIX B: IMPLEMENTATION STATUS OF CRITICAL, HIGH AND MEDIUM PRIORITY RECOMMENDATIONS

No.	Report Title	Recommendation / Original Management Response	Responsible Officer / Original Due Date	Latest management update (or previous commentary where appropriate)	Status of Progress (Oct 2026)
15.	**Freehold Garages.**	**Medium Priority Recommendation:** To address audit findings relating to payments received. We recommend that the Service should ensure where possible that they clearly document within communication to the freeholder the: - agreed monthly payment terms with freeholders. - confirmation of terms of payment and expected end date for payments in schedule format. The Service should continue to complete regular checks of customer accounts to ensure payments are received accordingly. **Agreed Management Action(s):** Agreed.	**Responsible Officer:** Garages Manager. **Due Date:** 13/11/2026.	October 2026. Associated correspondence to be sent to freeholders by 3/11/2026. Reliance upon freeholder cooperation in some circumstances. On track.	Not yet due.
16.	**Freehold Garages.**	**Medium Priority Recommendation:** To address audit findings relating to alternative arrangements. Where alternative arrangements have been informally agreed, we recommend the Service formalise the process by which they approve changes to terms to include: - update to the project plan - copy of communication with the freeholder saved down accordingly. -approval by a secondary Garages team member This ensuring full traceability of decisions agreed after issue of original terms. **Agreed Management Action(s):** Agreed.	**Responsible Officer:** Garages Manager. **Due Date:** 13/11/2026.	October 2026. Associated correspondence to be sent to freeholders by 3/11/2026. Reliance upon freeholder cooperation in some circumstances. On track.	Not yet due.
17.	**Freehold Garages.**	**Medium Priority Recommendation:** To address audit findings relating to enforcement. We recommend that the Service complete a review of outstanding debtors' invoice to confirm accuracy of total amount payable on invoices in advance of closure of the customer accounts. Should there be discrepancies identified, we recommend the Service should re-confirm the amount payable. **Agreed Management Action(s):** Agreed.	**Responsible Officer:** Garages Manager. **Due Date:** 13/11/2026.	October 2026. Associated correspondence to be sent to freeholders by 3/11/2026. Reliance upon freeholder cooperation in some circumstances. On track.	Not yet due.

APPENDIX C: INTERNAL AUDIT PLAN 2026/27 – PLANNED AUDIT START DATES

Quarter 1			Quarter 2		
Carry Forward 2025/26 **Final Report x 2 Issued**	**Freehold Garages** **Final Report Issued**		**Supplier Resilience** **In Fieldwork**	**Homes England Grant** **Final Report Issued**	
Anti Money Laundering **Final Report Issued**			**Asset Management** **Final Report Issued**	**Housing MRC** **Draft Report Issued**	
Third Party Data Security **Draft Report Issued**			**Housing Safety Checks** **In Fieldwork**	**Social Housing Grant** **Final Report Issued**	
			Homelessness **In Fieldwork**		
Quarter 3			**Quarter 4**		
Council Tax **In Fieldwork**	**Accessibility Regs** **ToR Issued**		**Payroll** **Allocated**	**Business Change** **Allocated**	
Business Rates **In Fieldwork**	**CIL** **In Planning (c/f from Q1)**		**Accounts Payable** **Allocated**	**Follow Up Audit** **In Fieldwork**	
Risk Management **ToR Issued**	**Fraud Risk Management** **In Fieldwork (c/f from Q1)**		**Accounts Receivable** **Allocated**	**Cyber – Reliance on Alternative Assurance** **Allocated**	
Pre-Employment Checks **Allocated**	**FM Building Compliance** **Allocated**		**Housing Rent Arrears** **Allocated**	**Events Planning** **Allocated**	

APPENDIX D - ASSURANCE / RECOMMENDATION PRIORITY LEVELS

Audit Opinions		
Assurance Level		**Definition**
Assurance Reviews		
Substantial		A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support 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.
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.
No		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.
Not Assessed		This opinion is used in relation to consultancy or embedded assurance activities, where the nature of the work is to provide support and advice to management and is not of a sufficient depth to provide an opinion on the adequacy of governance or internal control arrangements. Recommendations will however be made where required to support system or process improvements.
Grant / Funding Certification Reviews		
Unqualified		No material matters have been identified in relation the eligibility, accounting and expenditure associated with the funding received that would cause SIAS to believe that the related funding conditions have not been met.
Qualified		Except for the matters identified within the audit report, the eligibility, accounting and expenditure associated with the funding received meets the requirements of the funding conditions.
Disclaimer Opinion		Based on the limitations indicated within the report, SIAS are unable to provide an opinion in relation to the Council's compliance with the eligibility, accounting and expenditure requirements contained within the funding conditions.
Adverse Opinion		Based on the significance of the matters included within the report, the Council have not complied with the funding conditions associated with the funding received.
Recommendation Priority Levels		
Priority Level		**Definition**
Corporate	**Critical**	Audit findings which, in the present state, represent a serious risk to the organisation, i.e. reputation, financial resources and / or compliance with regulations. Management action to implement the appropriate controls is required immediately.
Service	**High**	Audit findings indicate a serious weakness or breakdown in control environment, which, if untreated by management intervention, is highly likely to put achievement of core service objectives at risk. Remedial action is required urgently.
	Medium	Audit findings which, if not treated by appropriate management action, are likely to put achievement of some of the core service objectives at risk. Remedial action is required in a timely manner.
	Low	Audit findings indicate opportunities to implement good or best practice, which, if adopted, will enhance the control environment. The appropriate solution should be implemented as soon as is practically possible.