

Audit Committee – 27 June 2025

Progress update of outstanding management actions

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| Purpose | For information |
| Classification | Public |
| Executive Summary | <p>In accordance with the relevant standards or guidance in relation to internal audit, and the Council's Internal Audit Charter, the Chief Internal Auditor has the responsibility to follow up on engagement findings and confirm the implementation of management actions or action plans and communicate the results of internal audit services to the Audit Committee and Executive Management Team (EMT) periodically and for each engagement as appropriate.</p> <p>At the request of the Audit Committee, we have worked with Council officers to establish the current status of all overdue actions and provide a report detailing the outcome, attached as Appendix A.</p> |
| Recommendation(s) | The Audit Committee are requested to provide input to and note the reassessment and future approach for the legacy management actions, and consider if further updates are required on specific actions. |
| Reasons for recommendation(s) | To keep the Audit Committee appraised of the Council's progress with implementing agreed actions arising from internal audit reviews. |
| Ward(s) | All Wards |
| Portfolio Holder(s) | Councillor Jeremy Heron – Finance and Corporate |
| Strategic Director(s) | Alan Bethune, Strategic Director of Corporate Resources and Transformation. S151 Officer |
| Officer Contact | Antony Harvey |

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Introduction and background

1. Management actions are the corrective, or improvement measures that management agrees to implement based on the results of an internal audit. These actions are documented in the audit report and tracked until completion.
2. As reported to EMT and the Audit Committee within the February 2025 internal audit progress report, there are some long standing management actions which have needed to be reconsidered within the current context facing the Council. As time has progressed, on occasion, the actions and timescales originally agreed have become less relevant and outdated and it has therefore become increasingly difficult to track the actions through to completion. We have worked with the Council to re-assess, where relevant, if the originally agreed actions: -
 - are still relevant and if so, the expected timescales for completion,
 - have become superseded due to alternative action(s) taken which has addressed the risks identified,
 - will be taken forward within wider corporate initiatives and if so, how best to monitor the progress and completion, or
 - whether action(s) will no longer be taken, and any residual risk is accepted (if applicable).
3. We have worked with Council officers who have confirmed that of the 24 actions which had passed the agreed implementation date:
 - three have been completed
 - 11 of the actions originally agreed are still relevant and revised target dates for implementation have been provided
 - 10 actions will not be taken forward as originally agreed and will therefore not be tracked through to completion.
4. The report provides the Council Officers update against each original action, the rationale for why the action will not be taken forward as originally stated and where applicable, the approach for re-evaluating and agreeing future actions and timescales.

5. All relevant actions will continue to be tracked through to conclusion through the established follow-up process and confirmed through our regular progress updates to EMT and the Audit Committee.

Corporate plan priorities

6. The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively. The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

Options appraisal

7. No alternative options have been considered as this report is a requirement under relevant legislation and standards.

Consultation undertaken

8. This report has been discussed with the Executive Management Team.

Financial and resource implications

9. The audit plan consists of 400 audit days including 18 audit days provided to the New Forest National Park Authority under the current Service Level Agreement. The Council's budget for 2025-26 reflects these arrangements.

Legal implications

10. There are no additional implications arising from this report.

Risk assessment

11. No formal risk assessment is required.

Environmental / Climate and nature implications

12. There are no additional implications arising from this report.

Equalities implications

13. There are no additional implications arising from this report.

Crime and disorder implications

14. There are no additional implications arising from this report.

Data protection / Information governance / ICT implications

15. There are no additional implications arising from this report.

Appendices:

Appendix A – Review of outstanding management actions June 2025

Background Papers:

Internal Audit Progress Report
2024-25 (February 25)
Internal Audit Plan 2025-26
Internal Audit Charter 2025-26