

DRAFT
Colchester City Council
Annual Governance Statement – Action Plan for 2024/25

Significant Internal Control Issues – Relating to 2023/24 Financial Year

No.	Issue	Action	Due Date	Responsible Officer	How this Issue was Identified
1.	<p>The CIPFA Financial Management Code – Carried forward from 2022/23 CCC is facing extreme pressures from the impacts of the external financial climate. A delay in completing the self assessment could mean that opportunities to strengthen financial arrangements are missed.</p>	<p>Completion of the self-assessment against the code.</p>	<p>31/12/24</p>	<p>Director of Finance</p>	<p>Governance Review</p>
2.	<p>External Audit Implications – Carried forward from 2022/23 Whilst the Council cannot control the delivery of the external audit of the accounts, The Use of Resources assessment (that provides detail on areas of suggested improvement) for 20/21 has still not been received. The failure of the External Audit contractor to deliver a timely service in assessing the Council's accounts could potentially mean that a financial governance issue is not resolved, and ultimately may impact on external assessment and partner challenge.</p>	<p>Pressure will continue to be applied on the External Auditors to deliver the reports. This is an issue that is affecting many authorities currently, and the Council will continue to monitor national actions relating to external audit delivery.</p>	<p>On-going</p>	<p>Director of Finance</p>	<p>Governance Review</p>

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3.	<p>Monitoring Officer Governance letter to Colchester Borough Homes In 21/22 the Housing Ombudsman (HO) found 2 service failings against CBH, in 22/23 there was 1 finding of maladministration, in 23/24 the HO made 3 service failure, 5 maladministration and 2 severe maladministration findings against CBH. The Monitoring Officer of CCC formally wrote to CBH to request details of their plans to resolve these issues.</p>	<p>The shareholder group has confirmed that CBH have provided assurance that changes have been implemented as a result of these findings. However, it is recommended that performance is monitored during 24/25.</p>	31/12/24	Monitoring Officer	Governance Review
4.	<p>Procurement During 23/24 there were two internal audit reviews of procurement processes. These both resulted in a limited assurance rating. One audit was related to CCHL transactions and highlighted issues relating to compliance with contract procedure rules, training and a contract register. The second review highlighted issues with contracts not being in place with some of the suppliers with spends over £50k. This had been raised in the 21/22 audit previously.</p>	<p>Implementation of the recommendations contained in the Internal Audit reviews.</p>	31/03/25	Head of Operational Finance	Internal Audit Process