Audit and Governance Committee

15 July 2026

Title	Audit Recommendations Tracker
Purpose of the report	To note the report for information
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Louise Duffield, Executive Director of Resources
Report author	Jenny Scott, Senior Policy Officer
Lead Councillor	Councillor Ruth McEwan
Council priority	Ensure Reading Borough Council is fit for the future
Recommendations	1. That Committee consider the report 2. That progress against the management actions to address the audit recommendations for audits assigned a 'limited' or 'no assurance' opinion is noted

1. Executive Summary

1.1. The outcomes of internal audit reports are reported to this committee.

1.2. Appendix 1 attached sets out progress against audit recommendations for audits assigned a 'Limited' opinion. There are currently no audits assigned a 'No Assurance' opinion.

1.3. As agreed by this Committee, from April 2024 the format of the report changed to track progress in implementation of the management responses to audit recommendations. This approach is an improvement to enable better 'at a glance' tracking in addressing recommendations.

1.4. The revised simpler RAG, introduced in April 2024 and outlined in Para 3.4, provides an overview of the status in implementing management actions to address audit recommendations.

1.5. Management actions which are overdue are rated red.

1.6. There are currently thirty-two recommendations on the tracker, Appendix one. Seven actions were reported as complete in January 2026 and removed from the tracker. Six new recommendations have been added for Children's Savings accounts and ISAs, six for Commercial Assets – rent roll follow up, and six for the Joint Legal Team (JLT) billing process.

1.7. The frequency of reports to this Committee changed to twice per year in 2025. The next report will be in January 2027.

2. Policy Context

2.1. This report supports the Council Plan 2025-28, ensuring that the Council has fit for purpose processes and remains financially sustainable to deliver its service priorities.

3. The Proposal

3.1. It was agreed in January 2023 only recommendations for audits with either a 'Limited' or 'No Assurance' opinion will be included in the report and the tracker appendix.

3.2. A summary of relevant Internal Audit recommendations and progress in implementing the associated management actions is provided in Appendix 1, attached.

3.3. It was agreed previously that priority three recommendations would not be added to the tracker in future as these are advisory points made by the Auditor. Whilst it is important that all agreed audit recommendations are implemented the focus of the Committee should be on high to medium risk recommendations and management actions to address them.

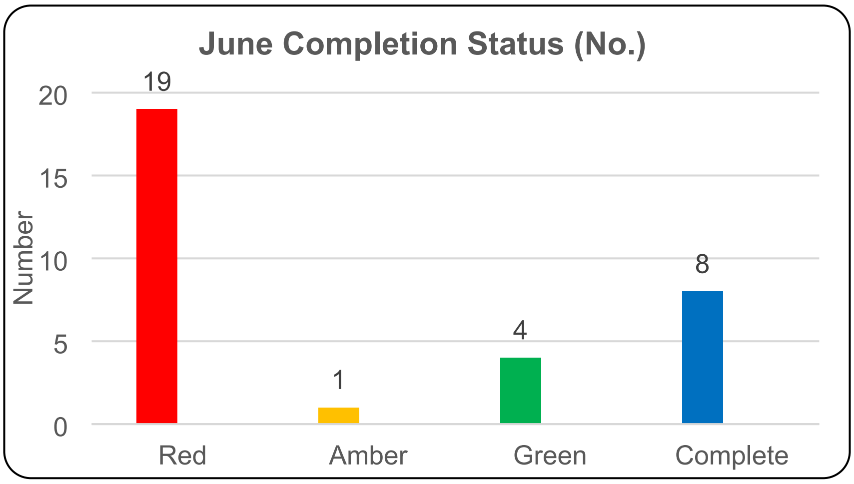
3.4. Prior to reporting to committee, officers responsible for implementing the specific management actions are asked to update the Audit Tracker with a RAG status and progress update. Each management action correlates to the following ratings:

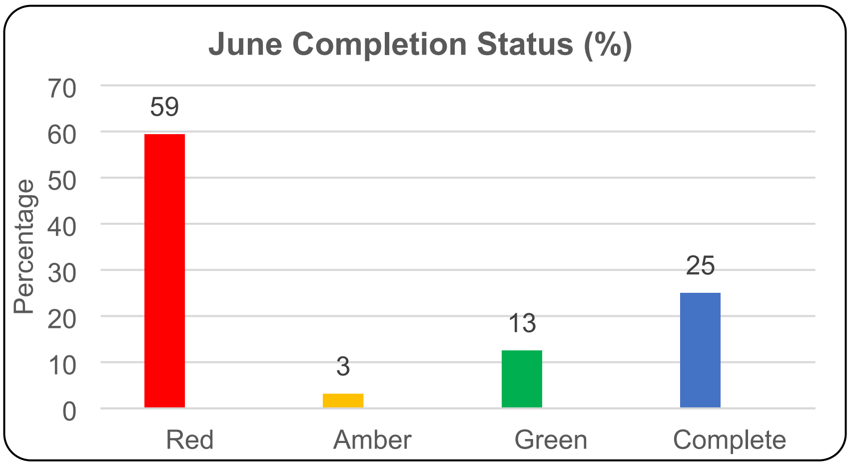
Audit Tracker Management Actions – RAG Status guidance		
Colour	**Status**	**Description**
Blue	**Complete**	Management action is complete.
Green	**On Track**	Management action is on track to be completed as planned and within timescale.
Amber	**At Risk**	Management action is in progress, but issues encountered mean that there is a risk that action might not be completed in full and/or delivery at risk of delay.
Red	**Off Track**	Delivery of management action in full and/or on time appears to be unachievable. Management attention needed and adjustment to the scope may need to be requested.

3.5 Where there is a lack of progress with implementation, for example, regularly missing implementation dates etc, the Executive Director / Director and Responsible Officer (if different) can be asked to attend the committee meeting to explain the difficulties with implementation and the steps being taken to address them.

3.6 19 (59%) of the thirty-two management actions are overdue and listed in Appendix one.

3.7 The completion status of the management actions detailed in Appendix one is as follows:





4. Contribution to Strategic Aims

4.1. The proposals in this report support the Council Plan, ensuring that the Council remains financially sustainable and fit for the future to deliver its service priorities.

4.2. The Council Plan has established five priorities for the years 2025/28. These priorities are:

- Promote more equal communities in Reading
- Secure Reading's economic and cultural success
- Deliver a sustainable and healthy environment and reduce our carbon footprint
- Safeguard and support the health and wellbeing of Reading's adults and children
- Ensure Reading Borough Council is fit for the future

4.3. In delivering these priorities, we will be guided by the following set of principles:

- Putting residents first
- Building on strong foundations
- Recognising, respecting, and nurturing all our diverse communities
- Involving, collaborating, and empowering residents
- Being proudly ambitious for Reading

4.4. Full details of the Council Plan and the projects which will deliver these priorities are published on the Council's website - Council plan - Reading Borough Council. These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

5. Environmental and Climate Implications

5.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers). There are no specific environmental and climate implications to report in relation to the recommendations set out in this report

6. Community Engagement

6.1. Audit Plans and the implementation of recommendations tracker will continue to be reported to this committee

7. Equality Implications

7.1. The Audit Tracker does not introduce any new policies or activities therefore an Equality Impact Assessment is not required.

8. Other Relevant Considerations

8.1. Regulatory duties are listed under section 9

9. Legal Implications

9.1. The Council has a duty under the Accounts and Audit Regulations to ensure it has in place a financial control framework which is fit for purpose. It also has a duty to ensure Value for Money in the provision of services.

10. Financial Implications

10.1. There are no specific financial implications arising directly from this report, the timely implementation of audit recommendations is critical in improving the Council's internal control and governance arrangements.

10.2. The Council's Chief Internal Auditor's reports have, over several years, repeatedly reported that audit recommendations made in previous audits have not been implemented. This does not represent value for money from either an audit or wider organisational perspective.

10.3. Poor systems of internal control and financial governance potentially leave the Council exposed to loss and will result in higher external audit costs due to the lack of assurance they provide, and the consequential higher testing thresholds required by the Council's external auditors.

11. Timetable for Implementation

11.1. Not applicable.

12. Background Papers

12.1. There are none.

Appendices Audit Recommendations Tracker