



**Comhairle nan Eilean Siar
Internal Audit Follow Up Review
Financial Assessments
Final Report – FU13-2024/25**

27 August 2025

COMHAIRLE NAN EILEAN SIAR
INTERNAL AUDIT FOLLOW UP REPORT
FINANCIAL ASSESSMENTS

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SECTION 1: EXECUTIVE SUMMARY

Introduction

- 1.1 The Report has been prepared for the Comhairle's Audit and Scrutiny Committee. The original report advised of 2 recommendations made in the Financial Assessments report which was issued on 13 December 2024. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2025/26.

Internal Audit Objective

- 1.2 Following up internal audit reports and assessing the level of compliance with recommendations made is an important part of the internal audit function.
- 1.3 In accordance with the remit detailed in the operational annual internal audit plan for 2024/25, our internal audit work was designed to obtain assurance that the original recommendations have been implemented. We obtained this assurance through internal audit testing and undertaking discussions with key personnel.
- 1.4 The main recommendations in the original report were:
- The national settlement figures not being provided at the beginning of the 2024/25 year and further delays by the care homes in reaching a settlement figure resulting in the lateness of invoices being prepared and sent out to the independent care home service users

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Detailed Findings

- 1.5 The current status of progress against the original recommendations can be summarised as follows:

Key to Status



Fully implemented;



Partly implemented, although further work is required to meet the objective of the recommendation; or



Insufficient progress to date

Recommendations	Action to Date	Status
<p>The Management of the independent care homes and senior officers of the Comhairle must come to an agreement on the amounts to be provided to the independent care homes to allow the processing of invoices and income generation.</p> <p>The billing of the invoices for the independent care homes to be reinstated as soon as is reasonably possible with the interim rate, given the time that has elapsed.</p>	Fully implemented	
<p>The Revenues & Benefits Manager considers redrafting procedures for the administration of Financial Assessments.</p> <p>The Revenues and Benefits Manager updates the booklet when the information becomes available and upload to the Web pages.</p>	Fully implemented	

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Concluding Remarks

- 1.6 From our follow up testing, we note that out of the 2 follow up recommendations made in the original 2 appear to have been fully implemented.
- 1.7 For Comhairle Nan Eilean Siar Internal Audit Section

Internal Audit
Comhairle Nan Eilean Siar
Sandwick Road
Stornoway
Isle of Lewis
HS1 2BW

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SECTION 2 - DETAILED FINDINGS AND RECOMMENDATIONS

Action Recommended	Action By	Progress to Date	Action Outstanding
2.1			
The Management of the independent care homes and senior officers of the Comhairle must come to an agreement on the amounts to be provided to the independent care homes to allow the processing of invoices and income generation.	Head of Partnership Services	Done – Rates agreed	None
The billing of the invoices for the independent care homes to be reinstated as soon as is reasonably possible with the interim rate, given the time that has elapsed.	Revenues and Benefits Manager	Done following agreement of rates	None

Action Recommended	Action By	Progress to Date	Action Outstanding
2.2			
The Revenues & Benefits Manager considers redrafting procedures for the administration of Financial Assessments.	Revenues and Benefits Manager	Done	Basics done, this is an ongoing exercise as needed for all functions within the Revenues and Benefits team.
The Revenues and Benefits Manager updates the booklet when the information becomes available and upload to the Web pages.	Revenues and Benefits Manager	Done and sent to Health and Social Care team for adding to their Care Home webpage	None

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND INTERNAL AUDIT

Responsibility in Relation to Internal Controls

It is the responsibility of the Comhairle's management to maintain adequate and effective financial systems and to arrange for a system of internal controls. Our responsibility as internal auditors is to evaluate the financial systems and associated internal controls. In practice, we cannot examine every financial implication and accounting procedure within an activity, and we cannot substitute for management's responsibility to maintain adequate systems of internal controls over financial systems. We therefore may not identify all weaknesses that exist in this regard.

Responsibilities in Relation to Fraud and Corruption

The prime responsibility for the prevention and detection of fraud and irregularities rests with management. They also have a duty to take reasonable steps to limit the opportunity for corrupt practices. It is our responsibility to review the adequacy of these arrangements, but our work does not remove the possibility that fraud, corruption or irregularity may have occurred and remained undetected.

We nevertheless endeavour to plan our internal audit work so that we have reasonable expectation of detecting material fraud, but our examination should not be relied upon to disclose all such material frauds that may exist.