



Rotherham Metropolitan Borough Council

**Internal Audit Plan
2025/26**

1.0 Introduction

1.1 This document provides details of the Internal Audit Plan for 2025/26.

Purpose of Internal Audit

1.2 The purpose of Internal Audit within Rotherham Council is:-

“to strengthen its ability to create, protect, and sustain value by providing the Audit Committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight”.

Requirement for Internal Audit (Internal Audit’s Mandate)

1.3 The requirement for Internal Audit is set out in the Accounts and Audit (England) Regulations 2015:

“A relevant authority must undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector Internal Auditing Standards or guidance.”

The Public Sector Internal Audit Standards (in place to 31 March 2025) state:

“The chief audit executive must establish risk-based plans to determine the priorities of the Internal Audit activity, consistent with the organisation’s goals. The risk-based plan must take into account the requirement to produce an annual Internal Audit opinion.”

The Global Internal Audit Standards (in place from 1 April 2025) state:

“The chief audit executive must create an internal audit plan that supports the achievement of the organisation’s objectives. The chief audit executive must base the internal audit plan on a documented assessment of the organisation’s strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the chief audit executive’s understanding of the organisation’s governance, risk management, and control processes. The assessment must be performed at least annually. ”

The overall opinion issued each year by Internal Audit on the adequacy and effectiveness of the control environment is used as a key source of assurance to support the Annual Governance Statement.

S.151 Officer responsibility

1.4 Internal Audit also has an important role to support the Strategic Director of Finance & Customer Services in discharging her statutory responsibilities, which include:-

- S151 Local Government Act 1972 – to ensure the proper administration of financial affairs.
- S114 Local Government Act 1988 – to ensure the Council’s expenditure is lawful.

2.0 Approach to delivery of the plan

2.1 The Internal Audit function will be delivered in accordance with the Internal Audit Charter. The Charter defines the role, scope, independence, authority and responsibility of the Internal Audit Service.

3.0 Methodology

3.1 A summary of our approach to the development of the Audit Plan for 2025/26 is set out below. The Plan is driven by the Council's organisational objectives and priorities and the risks that may prevent the Council from meeting these objectives. In line with the auditing standards the proposed audit plan has been devised adopting a risk based approach using the following sources:

- the Council's risk management processes and the strategic and directorate risk registers;
- reports by management to the Audit Committee on the management of risks and the outcomes of external inspection reports;
- the results of previous Internal Audit work and our ongoing assessment of the auditable entities within the authority;
- planned work deferred from 2024/25;
- Council Plan and Year Ahead Delivery Plan;
- knowledge of existing management and control environments;
- professional judgement on the risk of fraud or error;
- consultation with all Directorate Leadership Teams and the Strategic Leadership Team taking into account feedback from Assistant Directors, Strategic Directors, the Monitoring Officer and the Chief Executive;
- awareness of relevant local and national issues; and
- regular dialogue with authorities within South and West Yorkshire helps to ensure that we are aware of emerging risks within other councils so that they can be considered during audit planning.

4.0 Basis of the annual audit opinion for 2025/26

4.1 The Global Internal Audit Standards, associated Local Government Application Note and the Code of Practice for the Governance of Internal Audit apply from 1 April 2025. The service was externally assessed in early 2021 as Generally Conforming with the Public Sector Internal Audit Standards. This is the highest assurance level that can be given. An assessment against the Global Internal Audit Standards and the application note will be undertaken during 2025/26. Until the assessment has been concluded, internal audit will use the phrase 'working towards conformance with GIAS (UK public sector)' in our work.

4.2 Our annual Internal Audit opinion will be based on the Internal Audits we have completed over the year and the control objectives agreed for each individual Internal Audit. Progress against our plan will be reported to the Audit Committee during the year.

4.3 In producing this plan, we have carefully considered the level of audit coverage required to be able to form an evidenced annual Internal Audit opinion. The outputs from the planning process have been prioritised to produce a plan that balances the following:

- the requirement to give an objective and evidenced based opinion on aspects of governance, risk management and internal control;
- the time required for anti-fraud and corruption activity;
- the requirement for Internal Audit to add value through improving controls, streamlining processes and supporting corporate priorities; and
- the need to retain a contingency element to remain responsive to emerging risks;

This plan should enable Internal Audit to maximise the value and assurance it provides the Council, while ensuring it fulfils its statutory obligation to review and report on the Council's internal control environment, risk management and governance processes.

- 4.4 The work of other assurance providers has been considered as part of the audit planning process, to identify any areas where coverage may be required, and to prevent any duplication of work. GIAS 9.5 (Coordination and reliance) sets out a duty for Chief Audit Executives (the Head of Internal Audit) to co-ordinate with other assurance providers. However it has not been possible or practical to coordinate our plan with external assurance providers. This is because these bodies authority is derived from separate legal or regulatory sources and is beyond the control or influence of the Head of Internal Audit (for example Ofsted, CQC).
- 4.5 It should be noted that this is an iterative plan that will be kept under review on an ongoing basis, taking into account local and national issues where necessary. A half yearly review will be undertaken in consultation with Directorate Leadership Teams. Any significant changes to it will be reported to the Audit Committee for consideration and approval.

Audits covered within the plan

- 4.6 Outline areas of coverage for each review are given in the table below. The following types of audit work will be completed.

1. Risk based work

This work is based on the strategic or operational risks. The audits examine the objectives of the area under consideration, the risks that may affect the achievement of those objectives and the adequacy and effectiveness of the controls to mitigate those risks.

2. Follow up audits

Specific follow up audits will be completed where there has been a partial or no assurance audit opinion.

3. Advisory work

Audit time to take part in specific projects or developments, as already requested / agreed with management.

4. Grant claims

Time has been assigned to carry out reviews of grant claims where the Head of Audit's certification is required.

5. Schools

The specific approach for gaining assurance on schools will be determined during the year. As a minimum, a sample of schools will be visited as in previous years.

6. IT Audit

The Internal Audit team completes audits of within Customer Information and Digital Services, but does not have the expertise to carry out technical audits of IT systems. Salford City Council Internal Audit Services specialise in this area and provide audit services to councils in Greater Manchester, the north-west and north-east of England and north Wales. These are also shown in the Plan although they will be completed by the Salford team.

7. Counter Fraud work

Time is set aside in the plan to conduct investigations during the year. We have also included a number of days to undertake proactive counter fraud work which will incorporate the use of data analytics, where applicable, to identify areas of potential weakness that may require further investigation. We will also review the matches from the National Fraud Initiative (NFI) in this section of the plan. The NFI matches data across organisations to help identify potentially fraudulent or erroneous claims and transactions.

8. Contingency

There is a contingency of 75 days which allows flexibility in the audit plan to respond to new risks and priorities as they emerge.

5.0 Resources

- 5.1 The audit plan will be delivered by the in-house team with the exception of some specialised IT audits completed by Salford City Council Internal Audit, and has been based on the current complement of the team.
- 5.2 The Internal Audit team comprises 7.52 FTE's (7.72 2024/25). The number of days allocated in the plan for 1st April 2025 to 31st March 2026 is 980 days and is based on a full establishment for the team. The number of days available has reduced from 2024/25 due to a flexible retirement of one member of the team (reduction in hours worked). The achievement of the plan depends on maintaining the current level of resource. The plan is considered sufficient to allow the Head of Internal Audit to give the annual opinion at the end of the year.

6.0 Internal Audit Plan 2025/26

- 6.1 The Internal Audit Plan has been derived as shown below to reflect the core areas of our Internal Audit programme determined by our risk assessment and consultation process.

Audit Area	Days in the 2024/25 Revised Plan	Days in the 2024/25 Original Plan	Days in the 2025/26 Plan
Adults Housing and Public Health	142	155	130
Assistant Chief Executive	65	85	55
Childrens and Young Peoples Services	85	95	70
Finance and Customer Services	212	160	145
Regeneration and Environment	141	85	100
Corporate/Crosscutting	80	55	90
Grants	42	60	60
Reactive investigations	140	140	140
Proactive fraud	40	40	40
Counter fraud work including policy review and anti-money laundering assurances	30	30	30
Contingency	5	60	75
Follow Up	0	20	25
Project Boards/Groups	20	20	20
Total	1002	1005	980

6.2 The full plan is shown in the document below. The work is grouped at directorate level or functional area to align with risk registers and accountabilities. An overview of the assurance that each audit aims to achieve is provided together with the corresponding risks.

Internal Audit Plan 2025-2026

Adult Care, Housing and Public Health				
Total number of days 130				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
ACHPH-R41 & 50	1	Health and Safety in Council Homes (Smoke and Carbon Monoxide).	Follow up audit of partial opinion.	Very High
	6	Procurement Governance (Contract Management)	Follow up audit of partial opinion.	Very High
ACHPH-R41 & 50	1	Health and Safety in Council Homes - Water Safety (Legionella)	Follow up audit of partial opinion.	Very High
SLT 40 ACHPH-R41 & 50	1	Health and Safety in Council Homes - Review of fire safety compliance	Cyclical review of key areas of health and safety compliance.	Very High
SLT 40 ACHPH-R41 & 50	1	Health and Safety in Council Homes - Review of asbestos compliance	Cyclical review of key areas of health and safety compliance.	Very High
	6	Compliance with statutory tenancy processes	Review of compliance with policy. A cyclical programme will be established to review granting tenancies, terminations, assignments, successions and mutual exchanges.	Very High
HR29	1	Handover arrangements of new build homes	Assurance that all areas of H&S have been checked and addressed where appropriate before handing over the property to tenants.	High
SLT 38 ACHPH-R21	1, 3	Assistive Technology (PSTN)	Review progress against the project implementation plan.	Very High
ACHPH-R21	1	Rothercare Follow Up	Follow up of partial opinion and assurance on new service delivery model.	Very High

Assistant Chief Executive

Total number of days 55

Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
HR 16	6	Corporate Health and Safety	TBC following review of arrangements by new Head of Service.	Very High
HR 05	6	Agency Staff	TBC, areas for consideration for audit include: - <ul style="list-style-type: none"> • Appointments process • Monitoring and Review • Policy/procedure not being followed for any areas outside of new contract (eg for specialist areas). • Suppliers onboarded only providing IR35 engagements 	High
HR 12	6	Gifts and Hospitality (Employees)	Review to provide assurance that: - <ul style="list-style-type: none"> • Staff are aware of the Council's Code of Conduct and their responsibility to declare gifts and hospitality. • Monitoring arrangements are in place with appropriate action taken where necessary. 	High

Childrens and Young People's Services

Total number of days 70

Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
EI 13	2	Crowden Outdoor Education Centre	Assurance regarding the financial management arrangements including that all services are being charged for.	Very High Q1
	2	Schools audit programme	Approach to be determined but will include at least one audit visit to a school.	Very High Q3

El 01 EH 09	2	Elective Home Education	Review the monitoring and reporting arrangements against statutory guidance published In August 2024.	Very High Q3
Finance and Customer Services				
Total number of days 145				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
	3	Asset management estimates & Capital Programme	Follow up audit of partial opinion.	Very High
	6	Procurement Governance (Contract management)	Follow up audit of partial opinion.	Very High
	6	Purchasing Cards	Assurance regarding compliance with the system controls and confirmation regarding appropriateness of expenditure and that this is supported with receipts.	Very High
	6	Cash and banking system and reconciliations	Review the timeliness and accuracy of cash and bank reconciliations and key controls. Review the effectiveness of the project management of the switchover of the banking provider.	Very High
	6	Revenues and Benefits Business Continuity and Disaster Recovery Plan	Review of the robustness of the business continuity arrangements and the disaster recovery plan in the event of an IT failure.	Very High
	6	Treasury Management and Prudential Indicators	Review compliance with CIPFA Treasury Management Code, Prudential Code and authorisation controls for investments & loans.	High Q3
FCS16	6	NNDR	Assurance on the arrangements for billing, collection, recovery, enforcement and discretionary reliefs.	High
	6	Insurance	To provide assurance that the Insurance Service fulfilling its requirements to the Council.	High Q4

			This would include a review of the processes from receipt of requests, to conclusion, including liaison with the relevant services to identify trends in claims and any preventative action.	
Salford IA risk assessment	6	Network access management and active directory administration.	This review will include configuration management, security management (especially around access and authentication), performance management (KPI definition and monitoring), privileged access management and capacity planning/forecasting).	Very High
FCS 24	6	Health and Safety - Review of asbestos compliance	Cyclical review of key areas of health and safety compliance.	Very High
Regeneration and Environment				
Total number of days 100				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
	6	Procurement Governance (Contract management)	Follow up audit of partial opinion.	Very High
RE34 CST58 CCoC1-8	3, 5	Children's Capital of Culture	Follow up audit of partial opinion.	Very High
CSS28 & R&E 9	4	Home to School Transport	Follow up audit of potential partial opinion (report currently at draft).	Very High
RE56 & CSS47	1, 5	Hellaby Stores	Review of stock control arrangements following introduction of new stock software system.	Very High
	1	Trading Standards	Unannounced visits	Very High

RE60 PRT55	1	Building Control (Deferred from 2024-25 audit plan)	Provide assurance after changes in regulations around payments and inspection visits.	Very High Q1
RE15 & CSS13	4	Barnsley Doncaster Rotherham PFI Joint Waste Contract	Review of effectiveness of contract management	High
	6	Directorate Risk Register review	Seek assurance that risks are being effectively managed.	High
	3	Community Infrastructure Levy and Section106	A review of the management and outcomes to ensure that the CIL /S106 process is robust.	High
Corporate/Crosscutting reviews				
Total number of days 270				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Priority
	1, 6	Council's arrangements for managing CCTV	Review to confirm compliance with GDPR, RIPA, any other relevant best practice guidance and legislation including the CCTV Policy. This will consider the overall responsibilities for CCTV management and monitoring arrangements.	Very High
Salford IA risk assessment	6	Application review – Liquid logic (ACHPH and possibly CYPS – coverage to be confirmed by IT auditor)	The audit will include maintenance and support controls, including supplier management and roadmap prioritisation; Application access controls assessing controls over both general and privileged level access; Audit trail management covering monitoring of users accessing the system, particularly in relation to users with high level access or processing of 'critical' transactions; System availability and continuity covering system performance management, availability, capacity and continuity management.	Very High

CSC 09	1, 2	16/17 Year Old Homeless Pathway	Approach to meeting the need of 16/17 yr old children whom present as being homeless either to Childrens social care or Housing.	High Q2
Follow Ups			Time set aside for the follow up of any partial or no assurance opinions completed within the year.	
Project Boards and groups			Internal Audit attendance at project boards or groups to give advice on internal controls.	
Data analytics development			Time set aside to develop the data analytics workstreams and undertake testing.	
Independent review of grants			Independent examination of accounts and / or assurance that the grant claim has been spent in accordance with the grant determination.	
Contingency			Time set aside for audit review of any new and emerging risks, unplanned work identified as being required during the year.	
Anti-Fraud and Corruption and Anti Money Laundering				
Total number of days 210				
Title			Brief Description	
Investigations			Time set aside for investigation of whistleblowing and other referrals received.	
Anti-Fraud and Corruption Policy Updates			Review and update of Anti Fraud and Corruption Policies <ul style="list-style-type: none"> • Anti-Money Laundering (AML) Policy • Anti-Fraud and Corruption Policy and assessment against best practice 	
Anti-Fraud and Corruption Proactive Work			Risk-based work to prevent and detect fraud including:- <ul style="list-style-type: none"> • Review and investigation of NFI matches • Awareness raising and communication of fraud risks and internal reporting arrangements to employees. This includes liaison with risk champions supporting fraud risk development across the council. 	

Anti Money Laundering Assurances	Testing on key systems/controls to gain assurance on Anti Money Laundering arrangements (Land and Property transactions).
Total number of days 980	

Key:- Council Plan Themes

- 1- People are Safe, Healthy and Live Well
- 2- Every Child able to fulfil their potential
- 3- Expanding economic opportunity
- 4- A cleaner, greener local environment
- 5- Every neighbourhood thriving
- 6- One Council