Appendix 1

Rotherham Metropolitan Borough Council

Internal Audit Plan
2026/27

1.0 Introduction

1.1 This document provides details of the Internal Audit Plan for 2026/27.

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 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 Executive Director of Corporate 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 2026/27 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 2025/26;
- 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 Service Directors, Executive 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 audit 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 2026/27

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 2025 as Generally Conforming with the Global Internal Audit Standards (UK Public Sector). This is the highest assurance level that CIPFA award.

4.2 The annual Internal Audit opinion will be based on the Internal Audits 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, careful consideration has been given to 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 the 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 within Customer Information and Digital Services but does not have the expertise to carry out technical audits of IT systems. Salford City Council Technical 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. A number of days have also been included 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. The matches from the National Fraud Initiative (NFI) will be reviewed 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 Technical Audit and has been based on the current establishment structure of the team.

5.2 The Internal Audit team comprises 6.93 FTE's (7.52 2025/26). The number of days allocated in the plan for 1st April 2026 to 31st March 2027 is 1038 days and is based on a full establishment for the team. The number of FTE's at the start of the year has reduced from 2025/26 due to the retirement of one member of the team who has not yet been replaced. It is anticipated that the vacancy will be recruited to during Quarter 1. This will be a full-time position rather than the previous part time post. The achievement of the plan is dependent on resources being as planned. 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 2026/27

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 2025/26 Plan	Days in the 2026/27 Plan
Adults Housing and Public Health	130	140
Childrens and Young Peoples Services	70	95
Corporate Services	145	174*
Policy, Strategy and Engagement	55	25*
Regeneration and Environment	100	80

Corporate/Crosscutting including data analytics	90	140
Grants	60	44
Reactive investigations	140	140
Proactive fraud including National Fraud Initiative	40	50
Counter fraud policies review and anti-money laundering assurances	30	30
Contingency	75	75
Follow Up	25	25
Project Boards/Groups	20	20
Total	**980**	**1038**

* The plan for Corporate Services now includes the HR and OD Service which previously sat within Assistant Chief Executives Directorate (now Policy, Strategy and Engagement).

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 Draft Plan 2026-2027

Risk Register Ref	Council Plan Theme ref	Title	Brief Description	2026/27 Priority & timing
Adult Care, Housing and Public Health 140 days				
ACHPH - R49 ACI R37	4	Working age project	Review implementation of findings from the project in terms of outcomes/efficiencies/recommendation implementation.	Q4 High
ACI – R50	4	Enablement	Review the process from inception through to delivery of the service, including contact time with individuals, efficiency/effectiveness of the process including the operation of the new case management system.	Q2 Very High
N/A	4	Personal Budgets/Direct Payments	Review to ensure that monies are being spent in accordance with the agreement, arrangements are in place to review users needs, any personal contributions are being received, and there is a process to recover any misused funds.	Q3 High
SLT 40 ACHPH-R50 H- R20	1, 4	Health and Safety - Gas Servicing	Review of the gas servicing arrangements. This would include compliance with legal requirements, maintenance of correct and accurate records and provision of performance and management information.	Q1 Very High
SLT 40 ACHPH-R50 H- R20	1, 4	Health and Safety - Electrical Safety	Review of the electrical safety arrangements. This would include compliance with legal requirements, maintenance of correct and accurate records and provision of performance and management information.	Q2 Very high
ACHPH – R31 H-R31 & H 32	4	Homelessness and temporary accommodation management	A review of homelessness prevention and support to those who become homeless to find housing as quickly as possible. Temporary Accommodation Management - To review the controls for the initial triage and acceptance into temporary accommodation and 'move on' actions.	Q1 Very high

H – R16	4	Awaab's Law	Review compliance with the Regulations specifically relating to response to:- Emergency Hazards, Significant Hazards (Damp and Mould), undertaking repairs, reporting to the tenant and provision of alternative accommodation.	Q4 High
Childrens and Young People's Services 95 Days				
	3	Aspire/Pru Follow Up	Follow up of partial assurance opinion	Q1 Very high
	3	Section 17 Follow Up	Follow up of partial assurance opinion	Q1 Very high
	3	Kinship Care	Review compliance with the Local Offer for Kinship Carers.	Q4 High
	3	School attendance interventions/ exclusions	Review of the Local Authority monitoring and reporting arrangements and compliance with government statutory guidance.	Q3 or 4 High
EI 06	3	Early Years Federation	Review of the governance and financial management arrangements.	Q4 High
EI 10	3	Schools assurance	Assurance on key financial and governance arrangements at a sample of schools.	Q4 High
FH 11	3	Youth Justice Service	Scope to be determined with management. This could include service compliance with HMIP requirements together with a vfm element of interventions.	Q2 High
Corporate Services 174 Days				
FCS 23	5	Riverside House Building Security Follow Up	Follow up audit as partial opinion issued.	Q2 Very High
N/A	5	Land and Property Acquisitions Follow Up	Follow up audit as partial opinion issued.	Q1 Very High
N/A	5	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.	Q2 High
N/A	5	Assessment and payment of Council Tax Support and Housing Benefits.	Review the controls surrounding the assessment, administration, payment and recovery of benefit claims.	Q3 High
FCS 14	5	Cyber Security	Review adequacy of the arrangements for security event monitoring. This would include controls over the detection of potential cyber incidents across the RMBC IT estate, triage and prioritisation of potential incidents; and the response to identified incidents.	Q3 High

N/A	5	Service desk management	Ensure effective delivery to core service management areas (monitoring of user access and user accounts).	Q4 High
FCS 24	5	Health and Safety - Gas Servicing	Review of the gas servicing arrangements. This would include compliance with legal requirements, maintenance of correct and accurate records and provision of performance and management information.	Q2 Very High
FCS 24	5	Health and Safety - Electrical Safety	Review of the electrical safety arrangements. This would include compliance with legal requirements, maintenance of correct and accurate records and provision of performance and management information.	Q2 Very High
FCS 28	5	Schools Business Services (cleaning/caretaking, catering, repairs and maintenance)	Review to be confirmed with management but this would look at Value for Money, financial and contract management.	Q4 High
SLT 27 FCS 19 FCS 20	5	Stock Condition Surveys Corporate Landlord Properties and Maintained Schools	The audit would include review of the survey scope, the robustness of the surveyor's report to enable decision making on the asset, and tracking of actions and prioritisation following receipt of the survey.	Q4 High
HR 16	5	Corporate Health and Safety	Scope to be determined with management. This would include reviewing the new arrangements for managing and reporting on health and safety incidents following the updated policy being issued.	Q3/4 Very High
HR05	5	Payroll	Specific aspects to be agreed – based on audit coverage in previous years.	Q3 High
Policy, Strategy and Engagement 25 Days				
N/A	5	Customer Complaints	Review of the complaints process including lessons learnt from complaints (including ombudsman outcomes)	Q3/4 High
Contingency time has been reserved for this directorate. Audits will be identified later in the year.				
Regeneration and Environment 80 Days				
CST 71	3	Music Service Follow Up	Follow up of partial assurance opinion. Deferred from 2024-25	Q1 Very High
RE 51 PRT 53	1	Highways Structures Follow Up	Follow up of partial assurance opinion.	Q2 Very High

RE 9 & CSS 28	3	Home to School Transport	Incident handling and reporting, review of changes to DBS process, contract management and safeguarding training.	Q3 High
CST 40 CST 69 PRT 7	1 & 5	Rother Valley Country Park Café and security and Thrybergh Country Park security	Review the robustness of controls relating to operations at the waterfront café and general security at Rother Valley Country Park and Thrybergh Country Park.	Q2 Very High
RE66 CSS 65	1	Waste Transformation Project	Review the outcomes of the project in relation to agency management practices, time management of staff, working location and access to welfare facilities.	Q3/4 High

Corporate/Crosscutting reviews		
Total number of days 304 including contract management		
No	**Title**	**Brief Description**
1	Application review – Liquid logic (ACHPH) Salford IT Review CYPS covered in 2025/26	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.
2	Project/programme management Including the Markets/Libraries redevelopment	Review of a sample of Council led projects. Review the templates/methodology used and ascertain whether there is consistency in managing projects or programmes, or services where the council can benefit from a corporate approach eg shared templates/learning/best practice. This will include the markets/libraries redevelopment.
3	Contract management	Review contract management arrangements. Including whether there is a clear list of contracts held and designated managers for each contract and that contract managers have received training.
4	Historic/Heritage Sites (Health and Safety)	A review of the management of health & safety of historic sites. Including governance arrangements and strategy, compliance with statutory duties, asset management (inspections and surveys), risk registers, reporting and action planning. (R&E 8 & CST15, Qtr 2). This audit crosses over between the Culture, Sport and Tourism Service and Property and Facilities Management.

5	Follow Ups	Time set aside for the follow up of any partial or no assurance opinions completed within the year.
6	Project Boards and groups	Internal Audit attendance at project boards or groups to give advice on internal controls.
7	Data analytics development	Time set aside to develop the data analytics workstreams and undertake testing.
8	Independent review of grants	Independent examination of accounts and / or assurance that the grant claim has been spent in accordance with the grant determination.
9	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 220	
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 • Anti-Money Laundering (AML) Policy • Anti-Fraud and Corruption Policy and strategy and assessment against best practice
Anti-Fraud and Corruption Proactive Work	Risk-based work to prevent and detect fraud including:- • 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.
Total number of days 1038	

Key:- Council Plan Themes

1- Places are thriving, safe and clean
2- An economy that works for everyone
3- Children and young people achieve
4- Residents live well
5- One Council that listens and learns