



Internal Audit Progress Report

1st February – 30th April 2026

1. Internal Audit Annual Plan

- 1.1 Internal Audit produced a risk-based Audit Plan for 2025/26 and presented it to the Audit Committee at its meeting on 11th March 2025. The plan is included at **Appendix B**.
- 1.2 As the year progresses, changes are made to the plan to reflect emerging risks and changing priorities. Additional work requested is added to the plan and is resourced either through contingency or through the removal or deferral of lower risk audits. There have been no changes to the plan during this period.

2. Audit work undertaken during the period resulting in an assurance opinion

- 2.1 Internal Audit provides an opinion on the control environment for systems or services which are subject to audit review. These are taken into consideration when forming our overall annual opinion on the Council's control environment. There are four possible levels of assurance for any area under examination, these being "substantial assurance", "reasonable assurance" "partial assurance" and "no assurance". Audit opinions and a brief summary of all audit work concluded since the last Audit Committee are set out in **Appendix C**. 11 audits have been finalised since the last Audit Committee.

3. Details of other Internal Audit activities undertaken not resulting in an assurance opinion

- 3.1 The table below sets out the work undertaken where audit have not issued an audit report with an opinion. This highlights the range of activities that Internal Audit have also undertaken in the period.

Audit Work Completed	Details of Work Undertaken, and Assurance Provided
Customer Services Liaison meeting	Participation in this regular meeting helps to ensure audit are informed of the latest areas that Customer Services are working on, and where audit may wish to focus on at an early stage before changes to systems or ways of working are implemented.
Early Years and Education System Project Group	This is a new education case management system that will provide a single, joined-up view of children and young people in Rotherham. Internal Audit's role has been to attend the project board meetings and liaise with Digital Services and Finance colleagues to understand and present a common view of progress and risks.
Audit Queries and Advice	Audit have been providing ad hoc advice to the Finance Team regarding the new Finance System controls.
Childrens Capital of Culture 2025	Audit testing confirmed that the income and expenditure statement was an accurate reflection of the spend associated with the project.
Data matching	Internal data matching has been undertaken to identify any potential undeclared interests and potential procurement fraud. The exercise highlighted that not all staff/line managers were aware of the Council's declaration of interests' requirements. A reminder had been issued to all staff during the finalisation of this work, and a revised process for registering interests already

	established. No inappropriate/fraudulent payments were identified.
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4. Anti-fraud and corruption work and investigations

- 4.1 In addition to the planned audit assurance work, Internal Audit also carries out unplanned responsive work and investigations into any allegations of fraud, corruption or other irregularity. There is one investigation ongoing. One investigation has been closed in the period. Please see **Appendix G** for the outcome of this investigation.
- 4.2 The National Fraud Initiative (NFI) is a biannual data matching exercise conducted by the Cabinet Office. No overpayments or fraud were identified from the 2024/25 exercise. Preparation for the next data submission in Autumn 2026 is ongoing in accordance with the national timetable.

5. Internal Audit Performance Indicators, Post Audit Questionnaires and the Quality Improvement and Performance Plan (QAIP)

- 5.1 The performance indicator results for the period are highlighted in **Appendix D**. These demonstrate good performance over all three indicators. Audit management continues to monitor time spent on audits to ensure overall deliverability of the audit plan. The number of audits finalised during the year is behind that planned, largely due to the retirement of a member of staff in January. The post has proved difficult to recruit to.
- 5.2 The results from the post audit questionnaires received over the period have been positive (**Appendix E**).
- 5.3 The updated QAIP Action Plan is attached at **Appendix F**. The external assessment Action Plan and the pre-existing action plan have now been merged. Good progress has been made implementing the improvement actions.

6. Management Response to Audit Reports

- 6.1 Following the completion of audit work, draft reports are sent to or discussed with the responsible managers to obtain their agreement to the report and commitment to the implementation of recommendations. This results in the production of agreed action plans, containing details of implementation dates and the officers responsible for delivery. Draft reports are copied to the relevant Head of Service and Service Director and final reports are also sent to the Executive Director, Chief Executive and the Leader.
- 6.2 Confirmation of implementation of audit recommendations is sought from service managers when the implementation date is reached. This is an automated reminder from the audit system, with alerts being sent out a week before the due date to the responsible manager and Head of Service. Overdue alerts are sent out weekly, copied into the Service and Executive Director.

Managers should access the audit system and provide an update on the action – either implemented (with evidence) or deferred.

- 6.3 Summary reports of outstanding actions are produced monthly and distributed to Executive Directors. The status of all open recommendations is tabulated below:

Directorate	Open Recommendations & Priority			Total as of 30 April 2026	Total Deferred
	High	Medium	Low		
Adults, Housing and Public Health	0	3	0	3	
Policy, Strategy and Engagement	1	4	3	8	
Children and Young People	0	5	4	9	2
Corporate Services	0	5	14	19	4
Regeneration and Environment	1	3	3	7	
Total	2	20	24	46	6

- 6.4 The following table shows the movement between periods.

Directorate	Total as of 31 January 2026	Recommendations opened in period	Recommendations closed in period	Total as of 30 April 2026
Adults, Housing & Public Health	4	2	3	3
Policy, Strategy and Engagement	0	8	0	8
Children and Young People	13	7	11	9
Corporate Services	16	23	20	19
Regeneration & Environment	16	5	14	7
Total	49	45	48	46

Internal Audit Plan 2025/26

Adult Care, Housing and Public Health				
Total number of days 130				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
ACHPH-R41 & 50	1	Health and Safety in Council Homes (Smoke and Carbon Monoxide).	Follow up audit of partial opinion.	Final Report Reasonable Assurance
N/A	6	Procurement Governance (Contract Management)	Follow up audit of partial opinion.	In progress
ACHPH-R41 & 50	1	Health and Safety in Council Homes - Water Safety (Legionella).	Follow up audit of partial opinion.	Final Report Substantial Assurance
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.	Final Report Substantial Assurance
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.	Final Report Substantial Assurance
N/A	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.	Final Report Reasonable Assurance
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.	In progress
ACHPH-R21 SLT 38	1, 3	Rothercare Follow Up including assistive technology (PSTN)	Follow up of partial opinion and assurance on new service delivery model. Review progress against the PSTN project implementation plan.	Draft Report
ACI-R4	1	Safeguarding	(Deferred from 2024/25) A review of the processes for the receipt, triage and investigation of safeguarding enquiries from all sources.	In progress
ACI-R22	1	Community Dols	(Deferred from 2024/25).	In progress

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			To provide assurance on the management of Dols cases following the increase in demand.	
Assistant Chief Executive/Policy Strategy and Engagement				
Total number of days 55				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
HR 05	6	Agency Staff (This will now come under the Corporate Services Directorate)	Review to provide assurance that: - <ul style="list-style-type: none"> HR / Procurement policies / procedures are in place/ being applied. Agency Staff are being procured via the Council's current framework agreement. Policy / procedure is followed for the use of specialist agency staff outside of the agreed framework contract. Agency costs are monitored 	Draft report
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. 	Final Report Reasonable Assurance
Childrens and Young People's Services				
Total number of days 70				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
N/A	2	S17 payments and reduction in cash payments project (2024-25)	Review of the need, authorisation and delivery of the S17 funds to clients and compliance with the policy.	Final report Partial Assurance
EI 13	2	Crowden Outdoor Education Centre	Assurance regarding the financial management arrangements including that all services are being charged for.	Final Report Reasonable Assurance
N/A	2	Schools' assurance	Two school audits will be undertaken.	Final Report

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				Reasonable Assurance x 2
Finance and Customer Services/Corporate Services				
Total number of days 145				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
FCS 24	6	Water safety (legionella) Follow up	Follow up audit of partial opinion	In progress
FCS 23	6	Building Security Follow up	Follow up audit of partial opinion	In progress
FCS 23	6	Riverside House security and ID cards	A review of the controls in place for ID card issuing/cancelling and Riverside House building security arrangements.	Final Report Partial Assurance
N/A	3	Asset management estimates & Capital Programme	Follow up audit of partial opinion.	Final report Reasonable Assurance
N/A	6	Procurement Governance (Contract management)	Follow up audit of partial opinion.	In progress
N/A	6	Purchasing Cards	Assurance regarding compliance with the system controls and confirmation regarding appropriateness of expenditure and that this is supported with receipts.	In progress
N/A	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.	Final report Reasonable Assurance
N/A	6	Treasury Management and Prudential Indicators	Review compliance with CIPFA Treasury Management Code, Prudential Code and authorisation controls for investments & loans.	In progress
FCS16	6	NNDR /Business Rates	Assurance on the arrangements for billing, collection, recovery, enforcement and discretionary reliefs.	Final Report Substantial assurance
N/A	6	Insurance	To provide assurance that the Insurance Service fulfilling its requirements to the Council. This would include a review of the processes from receipt of requests to conclusion,	Draft report

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			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).	In progress
FCS 24	6	Health and Safety - Review of asbestos compliance	Cyclical review of key areas of health and safety compliance.	Final Report Reasonable assurance
Regeneration and Environment				
Total number of days 100				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
RE51 PRT53	3	Highways structures (2024-25)	Assurance regarding compliance with the inspection regime and a review of the adequacy of the follow up process where issues have been identified.	Final report Partial assurance
N/A	6	Procurement Governance (Contract management)	Follow up audit of partial opinion.	In progress
RE34 CST58 CCoC1-8	2, 5	Children's Capital of Culture	Follow up audit of partial opinion.	Final report Substantial assurance
CSS28 & R&E 9	4	Home to School Transport	Follow up audit of partial opinion.	Final Report Reasonable assurance
RE56 & CSS47	1, 5	Hellaby Stores	Review of stock control arrangements following introduction of new stock software system.	Draft Report
N/A	1	Trading Standards	Unannounced visits	Final report Reasonable Assurance
RE60 PRT55	1	Building Control (Deferred from 2024-25 audit plan)	Provide assurance after changes in regulations around payments and inspection visits.	Final report Reasonable Assurance

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RE15 & CSS13	4	Barnsley Doncaster Rotherham PFI Joint Waste Contract	Review of effectiveness of contract management	In progress
N/A	6	Directorate Risk Register review	Seek assurance that risks are being effectively managed.	Final report Reasonable Assurance
N/A	3	Section 106	A review of the management and outcomes to ensure that the S106 process is robust.	In progress
Corporate/Crosscutting reviews				
Total number of days 270				
Risk Register Ref	Council Plan Theme Ref	Title	Brief Description	Progress/ Qtr planned
N/A	6	Sundry Debtors 2024-25	Cross directorate review of implementation of recommendations. This will identify if authority wide debt has reduced and confirm if action is being taken to proactively reduce debt.	CYPS Final Report Reasonable Assurance.
N/A	6	Cash Controls 2024-25	Review to identify the controls in place over the use of cash authority wide, to include the receipting, recording and the value being held, including a review of the safe limits.	Final Report Reasonable Assurance.
N/A	6	Contract monitoring (Key Performance Indicators) and Social Value 2024-25	Compliance with the Social Value Policy regarding obtaining quotes from suppliers and a review of key performance indicators being measured in contracts.	PSE Partial Assurance All other directorates Reasonable Assurance
N/A	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.	In progress
Salford IA risk assessment	6	Application review – Liquid logic (CYPS 2025-26 – Adults will be covered in 2026-27)	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,	Final report Reasonable Assurance (Salford Assessed as Grade 5 out of 10)

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			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.	
CSC 09	1, 2	16/17 Year Old Homeless Pathway	Approach to meeting the need of 16/17 yr old children who present as being homeless either to Childrens social care or Housing.	Draft Report
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		Progress/ Qtr planned
Investigations		Time set aside for investigation of whistleblowing and other referrals received.		1-4
Anti-Fraud and Corruption Policy Updates		Review and update of Anti-Fraud and Corruption Policies <ul style="list-style-type: none"> • Anti-Fraud and Corruption Policy and strategy and assessment against best practice 		Complete
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. 		NFI complete
Anti Money Laundering Assurances		Testing on key systems/controls to gain assurance on Anti Money Laundering arrangements (Land and Property transactions).		In progress
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

Summary of reports issued during the period February to April

Audit Area & overall opinion	Assurance Objective	Summary of findings
Adult Care, Housing and Public Health		
<p>Water Safety (Legionella) Follow Up</p> <p>Substantial Assurance</p>	<p>The overall objective of the audit was to undertake a follow up review to consider the degree of implementation of agreed actions arising from the audit of Water Safety (Legionella).</p>	<p>The follow up audit reviewed progress against the recommendations made following an audit on water safety (Legionella) which reported partial assurance. The audit confirmed that the actions agreed in response to the water safety and legionella recommendations have largely been implemented, with evidence provided of strengthened assurance processes, updated guidance and procedures, and improved communication and training.</p> <p>The service has made significant progress in implementing recommendations and strengthening compliance, and operational controls which have led to robust monitoring and reporting of any issues. The only gap highlighted was that, while outstanding remedial actions are included on the housing scorecard, this information is not yet routinely reported to the Housing Regulatory Assurance Board alongside existing Legionella Risk Assessment completion metrics.</p>
Childrens and Young Peoples' Services		
<p>School 1</p> <p>Reasonable Assurance</p>	<p>The overall objective of the audit was to provide assurance regarding the effectiveness of financial and management controls at the school.</p>	<p>The audit assessed the financial, governance and operational controls at the schools across 12 key risk areas. Overall, the schools demonstrated several examples of good practice, including effective budget monitoring, appropriate financial scrutiny by Governors, secure income processes, compliant payroll controls, and strong health & safety including safeguarding arrangements.</p>
<p>School 2</p> <p>Reasonable Assurance</p>		<p>The main finding at these schools were the weak controls surrounding debit card payments. This was highlighted as an area for concern at all schools operating their own bank accounts. After finding this issue Internal Audit were in contact with all maintained schools via the Local Authority Maintained Headteachers meeting in January 2026 to discuss the introduction of a new authorisation process to mitigate the risks in this area.</p>
Corporate Services		

Appendix C

Audit Area & overall opinion	Assurance Objective	Summary of findings
<p>Asbestos management (Corporate Landlord properties)</p> <p>Reasonable Assurance</p>	<p>The overall objective of the audit was to review the effectiveness and provide assurance of the Council's compliance with Health & Safety for Asbestos Management in Corporate Properties.</p>	<p>A review was undertaken to assess the adequacy of asbestos management arrangements within Corporate Facilities Management and to confirm whether key risks are accurately recorded and effectively mitigated.</p> <p>The risk register was found to be complete, with all mitigating actions being implemented as required.</p> <p>While an Asbestos Management Policy is in place, it is overdue for review, and the accompanying Asbestos Safety Management Plan remains in draft. The Asset List and Asset Register were found to be accurate and are being used effectively to manage asbestos-related data. All corporate properties have been surveyed for asbestos, although some surveys are now out of date. Management are aware of this and have put a process in place to record and monitor progress.</p> <p>Staff responsible for asbestos management are appropriately trained, and all contractors used hold valid UKAS accreditation.</p>
<p>Cash and bank reconciliations</p> <p>Reasonable Assurance</p>	<p>Review the timeliness and accuracy of cash and bank reconciliations and key controls.</p>	<p>Bank reconciliations are carried out and independently authorised. It was noted that there are delays in carrying out the reconciliations. Whilst no problems have arisen due to these delays, it is good practice to perform reconciliations regularly and in a timely manner to ensure any errors or discrepancies are highlighted and investigated at the earliest opportunity.</p> <p>One experienced officer carries out the reconciliations, which are left for them to complete when they return to work, should they be on leave for any reason (contributing to the delays). If there are extended absences, there is provision for other officers to complete the reconciliations. Whilst there are procedural notes on how to carry out the reconciliations, these do not include any indication on when they need to be completed. In addition, whilst there are two other members of staff available to carry out reconciliations, neither has been called upon to complete one.</p>

Audit Area & overall opinion	Assurance Objective	Summary of findings
		<p>Whilst access rights to the banking system were generally controlled, with appropriate access levels and restrictions applied, a small number of issues were noted specifically with access rights not being cancelled where staff had left the Council.</p> <p>Banking migration activities are being tracked with a target date to close all legacy accounts currently in use, by Spring of 2026.</p>
Policy, Strategy and Engagement		
<p>Gifts and Hospitality</p> <p>Reasonable Assurance</p>	<p>The overall objective of the audit was to review and provide assurance that staff are aware of the Council's Code of Official Conduct and their responsibility to declare Gifts and Hospitality and that monitoring arrangements are in place with appropriate action taken where necessary.</p>	<p>The main findings were that the Code of Official Conduct, which outlines the requirements for declaring gifts and hospitality, has not been reviewed since September 2019. The policy is available on the intranet; however, other than during induction, staff are not periodically reminded of the policy.</p> <p>Inconsistencies in the application of management support processes and a small number of clerical errors were identified that had led to incomplete records held on gifts and hospitality register.</p> <p>The register is maintained by the Management Support staff and access to the register is via a Teams channel which is generally restricted to these staff.</p>
Regeneration and Environment		
<p>Home to School Transport Follow Up</p> <p>Reasonable Assurance</p>	<p>The overall objective of the audit was to provide assurance that the agreed actions arising from the previous audit of 'Home to School Transport' have been implemented.</p>	<p>The follow-up audit reviewed progress against sixteen previously agreed audit recommendations. The audit found that significant progress has been made, with most recommendations either fully implemented or progressing within agreed timescales with a small number of issues requiring further management attention.</p> <p>The service has made strong progress in implementing recommendations and strengthening compliance, and operational controls. Where actions remain ongoing, these mainly relate to longer term contract management processes. There remains an ongoing action regarding obtaining 2nd DBS checks for drivers.</p>

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Audit Area & overall opinion	Assurance Objective	Summary of findings
		<p>Operational procedures have been strengthened through revised monitoring records, documentation, toolbox talks, and the introduction of routine dip-testing and quality assurance checks.</p> <p>A monthly Compliance Report has been established to inform the Service Director of the following areas: Compliance Spot Checks, Incident Reports, DBS Checks – PSV & Passenger Assistant, 2nd DBS Checks – Private Hire Drivers, Safeguarding Training Compliance, Passenger Assistant (PATs) Training Compliance, Mini bus driver awareness scheme/Mini bus awareness Training Compliance, Management Dip Test Results.</p> <p>Overall, the service has shown a positive trajectory of improvement, with monitoring and assurance arrangements now more robust, better structured, and more transparent with the introduction of the monthly report.</p>
<p>Childrens Capital of Culture Follow Up</p> <p>Substantial Assurance</p>	<p>The overall objective of the audit was to provide assurance that the agreed actions arising from the previous audit of 'Children's Capital of Culture' have been implemented.</p>	<p>All of the recommendations from the previous audit report had been implemented and no further recommendations had been raised during the follow up.</p>
<p>Building Control Reasonable Assurance</p>	<p>The overall objective of the audit is to provide assurance that the internal control arrangements and procedures for building control are in place and meet the requirements of the Operational Standards rules, in</p>	<p>The service generally operates effective controls and meets key requirements of the Operational Standards Rules.</p> <p>Overall systems, risk management, statutory processes, and record-keeping are functioning appropriately.</p> <p>Three areas were identified that require improvement:</p> <ul style="list-style-type: none"> • Lack of regular team/technical meetings (to ensure that persons supporting the building control functions are informed of relevant information). • CPD record keeping (demonstrating competence of staff).

Audit Area & overall opinion	Assurance Objective	Summary of findings
	preparation for an inspection by the Building Safety Regulator.	<ul style="list-style-type: none"> • Missing performance data returns to the Health & Safety Executive. <p>The service is broadly prepared for Building Safety Regulator expectations but should address the above gaps to strengthen controls and compliance.</p>
Cross cutting/Corporate reviews		
<p>Contract monitoring and Social Value</p> <p>PSE – Partial assurance</p> <p>ACHPH – Reasonable assurance</p> <p>CYPS – Reasonable assurance</p> <p>Corporate - Reasonable assurance</p> <p>Regeneration and Environment - Reasonable assurance</p>	<p>The overall objective of the audit was to provide assurance that contracts, across the Council, have robust contract management in place (including compliance with Social Value commitments) and that Social Value Policy has been followed regarding obtaining quotes from Suppliers.</p>	<p>A Council wide audit on contract management and social value monitoring has been undertaken. This reviewed contract management for contracts of £100k and over listed on the contracts register, contract management for contracts over £4m listed on the contract management reporting dashboard, procurement of goods/works/services below £100k including social value, and social value monitoring for contracts of £100k and above listed on the contract register.</p> <p>The Social Value Portal (SVP) includes 272 projects across all Council Directorates and reflects all live and closed contracts since 2019 when the Council first started using the reporting tool to monitor social value against delivery. As of April 2026, the SVP identified that 72% of closed projects across the Council failed to meet their social value commitments. Several active projects were not on track, including a total of 15 high-risk cases with less than six months remaining.</p> <p>PSE have responsibility for the Social Value Policy and the Annual Social Value Report and is best placed to monitor and report accurate and transparent performance of social value delivery across the Council using the SVP reporting tool. The recommendations raised in the PSE Directorate report should help to ensure the issue of non-delivery of social value commitments is monitored, reported and that Council wide guidance is made available to Service Directors. This will maximise the local impact of the Council's spend as per the aims of the Social Value Policy.</p> <p>The findings from the directorate audits found that contract management over £100k and over £4m and procurement of goods/works/services below £100k was largely effective with some minor exceptions. The main finding was the lack of monitoring of social value delivery which has been evidenced through the number of services across the Council not achieving the full social value commitment. The recommendations that were agreed</p>

Audit Area & overall opinion	Assurance Objective	Summary of findings
<p>LiquidLogic Children's Social Care Application Review</p> <p>Reasonable Assurance</p> <p>(Salford Assessed as Grade 5 out of 10)</p>	<p>The objective of this review was to verify whether there were appropriate arrangements in place regarding the management of LiquidLogic children's social care suite. The areas included in the review were:</p> <p>Maintenance and Support Controls To confirm that the contract in place with the application's suppliers is being monitored and managed effectively, particularly the application of upgrades and patches.</p> <p>Access Control Management To ensure that appropriate and effective processes and controls are in place for the management and administration of users and access levels.</p> <p>Audit Trail Management To assess the extent of any monitoring of users accessing the system, particularly in relation to users with high level access, such as System Administrators and Database Administrators.</p>	<p>should help to ensure the improvement of monitoring and reporting of social value achievement.</p> <p>Controls relating to the Capita application were out of scope due to the impending replacement of the application.</p> <p>The review of the management of the controls in place over the LiquidLogic applications for Children's Services has concluded that, in the main, the controls in place are limited in their effectiveness. During the audit it was identified that 'Super User' access had been granted to 18 of the 28 user-IDs on the ContrOCC finance module. The level of access granted allowed individuals to perform tasks that were outside of the scope of their role or circumvent segregation of duties. They also made the application more prone to misappropriation of funds. Although access to 'Super User' privileges was removed during the audit, the issue had existed since the application was first implemented in 2016. Action is needed to improve controls over user access controls including configuration of new user-IDs, review of user access and management of role profiles. These issues are reflected the risk opinion score.</p> <p>The identified weakness with access permissions within ContrOCC (the finance module associated with the Liquid Logic suite of programs) was raised with both Internal Audit and Digital Services. Digital Services responded swiftly to confirm they had taken immediate action and removed the Super User Profile for all users, with the exception of those within the Business Application Support Team who require that level of permission to administer the system, make configuration changes to ContrOCC, and to investigate and resolve issues with the system. There are now 8 super users in CYPS and 6 in Adults.</p> <p>Following the presentation of interim findings to Internal Audit, a review of the ContrOCC system commenced in September 2025 to provide assurance that transactions processed through ContrOCC were legitimate and appropriately authorised.</p>

Appendix C

Audit Area & overall opinion	Assurance Objective	Summary of findings
	<p>System Availability. To assess the processes in place to manage and monitor system performance, availability, and capacity, and to ensure adequate backup and recovery procedures are in place that have been regularly tested.</p>	<p>The review of Super User roles and audit's payroll validation checks provided assurance that access controls are now more appropriately allocated. Payment processing is robust, with no concerns identified in the samples tested.</p>

Rating	Definition
Substantial Assurance	<p>Substantial assurance that the system of internal control is designed to achieve the service's objectives and this minimises risk.</p> <p>The controls tested are being consistently and effectively applied. Recommendations, if any, are of an advisory nature to further strengthen control arrangements.</p>
Reasonable Assurance	<p>Reasonable assurance that the system of internal control is designed to achieve the service's objectives and minimise risk. However, some weaknesses in the design or inconsistent application of controls put the achievement of some objectives at low risk.</p> <p>There are some areas where controls are not consistently and effectively applied and / or are not sufficiently developed. Recommendations are no greater than medium priority.</p>
Partial Assurance	<p>Partial assurance where weaknesses in the design or application of controls put the achievement of the service's objectives at a medium risk in a significant proportion of the areas reviewed.</p> <p>There are significant numbers of areas where controls are not consistently and effectively applied and / or are not sufficiently developed. Recommendations may include high priority and medium priority matters.</p>
No Assurance	<p>Fundamental weaknesses have been identified in the system of internal control resulting in the control environment being unacceptably weak and this exposes service objectives to an unacceptable high level of risk.</p> <p>There is significant non-compliance with basic controls which leaves the system open to error and / or abuse. Recommendations will include high priority matters and may also include medium priority matters.</p>

Internal Audit Performance Dashboard

Key Performance Indicators

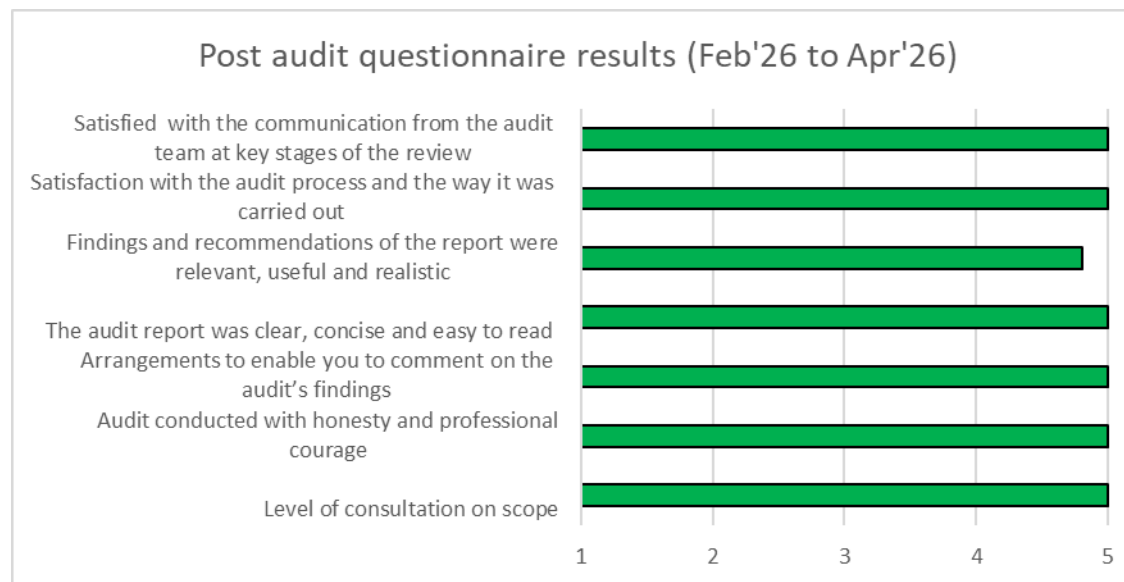
Performance Indicator	Target	April - July	Aug - Oct	Nov - Jan	Feb - Mar
Draft reports issued within 15 working days of field work being completed	90%	96%	80%	100%	83%
Final reports issued within 5 working days of customer response to the draft report	90%	100%	100%	100%	100%
Audits completed within planned time	90%	95%	100%	78%	100%

Audit Plan Progress

Assurance Type/ Directorate	2025/26 Plan	Completed	In progress	Not started
Adult Care, Housing and Public Health	10	5	5	0
Assistant Chief Executive	2	1	1	0
Childrens and Young People	2	2	0	0
Finance, Customer Services	12	5	7	0
Regeneration and Environment	9	5	4	0
Crosscutting	3	1	2	0
Grants	7	7	0	0

Post Audit Questionnaires

4 questionnaires were received during the period. The graph below illustrates the average responses to each question on a scale of 1-5, 5 being the highest level of satisfaction.



“Really valuable experience carried out with great professionalism and care.”

“Auditor was really helpful and talked through the process and issues she found.”

“The audit was a really useful way for myself, our SMM and admin team to improve and develop the practise and procedures we had in place, most importantly those that were historically in place and financial procedures that need to be developed as we change the way we purchase for schools”

“The honest and open manner in which it was conducted.”

“Auditor was extremely supportive and understanding given the situation in school with key staff absent to help locate information required for the audit.”

“The audit was conducted in a very professional manner, Auditor is very approachable and a clear communicator also an absolute pleasure to work with.”

Quality Assurance and Improvement Programme Action Plan		
Action	Position statement	Target completion date
<p><i>Action from the self-assessment against fraud checklist.</i></p> <p>Update the directorate and corporate wide fraud risk assessment and examine the results as part of the annual Internal Audit planning exercise.</p>	<p>Fraud risk assessment across the Council is continuing with Internal Audit, colleagues from the Policy, Improvement and Risk Service and other key contacts. The updated approach will be reviewed at the next Risk Champions meeting to prepare service areas for incorporating fraud risks into their respective risk registers.</p>	<p>September 2026.</p>
<p><i>Action from the self-assessment against fraud checklist</i></p> <p>The reporting of the fraud risks and mitigation will be strengthened over the year and a more comprehensive report will be brought to the Audit Committee.</p>	<p>The reporting of fraud risks and mitigations has been considered, and an enhanced report will be brought to the Audit Committee once a robust Council wide fraud risk assessment has been finalised.</p>	<p>September 2026.</p>
Audit Strategy 2025/28 actions scheduled for 2025/26 and 2026/27		
Develop agile and data driven approaches to auditing		
<p>Investigate and develop the use of Copilot and other tools to aid the planning, testing and reporting process.</p>	<p>Copilot is now being used to identify emerging and current risks as part of the audit scoping process. Copilot is now being used in the audit reporting process with the information comprehensively checked by supervising auditors to supporting records. This is now standard practice so will be removed from the improvement plan.</p>	<p>Complete</p>
<p>Explore the potential use of a dashboard for audit reporting and seek stakeholder feedback.</p>	<p>This action will commence during the second half of the financial year.</p>	<p>Q3 & 4 2026/27</p>
<p>Ensure the use of data analytics has been considered during each audit review. Where relevant make use of available data sets to provide assurance over the whole population rather than the traditional use of sample testing.</p>	<p>This is being considered during all relevant audits for 2025/26 and 2026/27. An audit completion checklist is now being utilised which includes a prompt around the use of data analytics. Data analysis is considered during the scoping stage of each audit. We are furthering our links with other audit services to share ideas and best</p>	<p>Complete</p>

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	<p>practice. A data analytics strategy is in place and is updated during audit planning, which is accompanied with a list of prioritised areas for review during the year.</p> <p>Data analytics is now becoming embedded into practice so this will be removed from the improvement plan.</p>	
<p>Enhance skills and knowledge through attendance on training and development events.</p>	<p>A specific training session on data driven approaches to audit has been attended and the learning has been shared with the rest of the team. A watching brief will be maintained to identify any further beneficial training. This has been included in the Training and Development Plan for 2026/27 so has been removed as a specific action for improvement.</p>	Complete
<p>Participate in data analytics Internal Audit groups and regional discussions to enhance knowledge and understanding of audit developments and techniques.</p>	<p>This was raised as an agenda item at a recent local Heads of Audit group. Learning from other authorities will continue and a watching brief will be maintained for any new training or groups to participate in.</p>	2026/27
<p>Work with other service areas in the council for example the business and intelligence team to trial the use of data for continuous audit in key areas of risk, expenditure or potential fraud.</p>	<p>This work will commence in the second half of the year.</p>	Q3 & Q4 2026/27 & 2027/28
<p>Workforce planning and professional development</p>		
<p>Ensure that we have up to date awareness of current training available for auditors on topical subject areas through auditor sub group attendance and active scanning of relevant websites.</p> <p>Identify and provide opportunities for specialist training/knowledge for staff to minimise gaps, for example anti fraud/investigations, data analysis and AI.</p>	<p>Training in key areas for auditors is reviewed on an ongoing basis. Participation in local audit groups helps to identify any training undertaken by other audit services which would be of value. This is an area of constant development and will be kept under continual review to ensure we remain up to date with the latest audit developments.</p>	2026/27.

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	Fraud risk training and performance audit training have been identified as priorities for team training during the first quarter of 2026/27.	
Review staff development plans and provide opportunities for staff seeking progression to learn from others in the team (eg peer reviews, investigations).	This is undertaken formally following the Year Ahead Development Plan process and mid-year reviews. This is also discussed during weekly 1:1's and ongoing development of the team is kept under review when allocating audits during the year. An internal promotion has been secured by a member of the team, who is now gaining practical experience in this new role with assistance from peers.	2026/27.
Review the current career pathways for staff within the service and the potential for apprenticeships/qualification routes.	The Trainee Auditor career pathway is now in place. This pathway is linked to attainment of the Institute of Internal Auditors Level 4 qualification as an Audit Technician.	Complete.
Developing the assurance framework		
Identify key external assurance providers and reporting mechanisms into the Council. Review external assurance outputs and review opportunities for collaborative working. Further integrate the assurance into audit planning in 2026/27 and future years. (Linked to Action point 3 below)	This work has commenced in liaison with the Policy, Strategy and Engagement Directorate.	2026/27
Global Internal Audit Standards (UK Public Sector) External Assessment Action Plan		
Action point 2 (Std 5.2) Establish a formal Service Level Agreement (SLA) between the authority and Salford IT audit services to mitigate potential legal and regulatory risks associated with third-party data protection and accountability. Senior management and the Monitoring Officer should evaluate the risks inherent in the current absence of an SLA, report findings to the board, and assess whether similar risk exposures exist across other authority contracts.	An SLA between RMBC IA Services and Salford Technical audit services has now been signed following review by Information Governance and Legal Services.	Complete

<p>(High priority)</p>		
<p>Action point 4</p> <p>(Std 7.1) The board and senior management should ensure implementation of clear, robust safeguards over the HIA’s whistleblowing and also the HIA’s broader responsibilities for AFC. This should include prompt review of the HIA’s dual responsibilities as the Whistleblowing Officer and investigator for fraud and corruption cases, as combining these roles risks impairing independence. Consideration should be given to implementing a separate, independent assurance mechanism specifically tasked with providing assurance over the HIA’s involvement in the whistleblowing process and the HIA’s wider AFC responsibilities.</p> <p>(High priority)</p>	<p>A review has been arranged with a neighbouring Council, and the scope is currently being drafted.</p>	<p>30 September 2026</p>
<p>Action point 3</p> <p>(Std 6.1) It is recommended that senior management strengthen assurance mapping; whilst this is not the responsibility of the internal audit function they can support, advise and contribute to this activity. Comprehensive assurance mapping should include both internal and external assurance providers, thereby facilitating improved coordination, avoiding duplication, and enabling the board and senior management to accurately determine the optimal scope and types of internal audit services required.</p> <p>(Medium Priority)</p>	<p>Developing the assurance framework is included in the IA Strategy with three strategic initiatives and actions assigned for development during 2026/27 and 2027/28.</p> <p>Actions for 2026/27 in the IA Strategy were:-</p> <p>Engage with risk management, governance and business intelligence colleagues to enhance understanding of current sources of assurance (both internal assurance providers and external).</p> <p>Identify key external assurance providers and reporting mechanisms into the Council. Review external assurance outputs and review opportunities for collaborative working.</p> <p>Further integrate the assurance into audit planning in 2026/27 and future years.</p>	<p>31 March 2027</p>

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	Work on the above has commenced with the Performance, Strategy and Engagement Directorate.	
<p>Action point 1</p> <p>(Std 3.2) We recommend strengthening internal auditors' mandatory recording and retention of all Continuing Professional Development (CPD) records to ensure the documentation comprehensively supports training undertaken. (Low priority)</p>	<p>The importance of keeping CPD records up to date has been re-enforced in a team meeting.</p> <p>CPD records will be reviewed as part of the My Year Ahead Plan six monthly and annual reviews.</p>	<p>30 June 2026</p> <p>(Mid year review)</p>
<p>Advisory point 3</p> <p>(Std 6.3) Enhance governance transparency by ensuring full attendance details, especially noting the participation of senior management and the Head of Internal Audit, are clearly documented up front in public-facing audit committee minutes and online records. Failure to provide conspicuous evidence of senior leadership support risks undermining the perceived authority and gravity of the audit committee's oversight function. (Advisory)</p>	<p>This has now been implemented.</p>	<p>Complete</p>
<p>Advisory point 5</p> <p>(Std 9.1) Ensure annual training updates for internal auditors incorporate value for money (VFM) topics, ideally expanded to include comprehensive VFM audit methodology training. (Advisory)</p>	<p>This had already been identified as an action via our self-assessment. This has been included in the 2026/27 Training and Development Plan and will be undertaken during the year.</p>	<p>31 March 2027</p>
<p>Advisory point 7</p> <p>(Std 12.2) The HIA, collaborating with the audit committee and senior management should consider conducting a strategic review to strengthen the Internal Audit function's Key Performance Indicators (kpis) metrics, moving beyond solely delivery metrics to adopt a balanced scorecard approach incorporating</p>	<p>A comprehensive review of KPI's will be undertaken over the summer period, in consultation with senior management the Audit Committee.</p>	<p>September 2026 Audit Committee</p>

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<p>Quality and Conformance, and Value for Money (VFM). These updated kpis should be sufficiently challenging yet pragmatic, aligning with the strategic focus areas defined by those charged with governance to effectively monitor the function's performance and continuous improvement. (Advisory)</p>		
<p>Advisory point 4</p> <p>(Code 2.1) To ensure the audit committee's official documentation aligns with best governance practice and the Code, update the audit committee Terms of Reference (TOR) to formally incorporate the committee's duties to provide feedback on the HIA's proposed job description and contribution, by the Audit Chair, to the annual performance evaluation of the HIA. (Advisory)</p>	<p>The Executive Director of Corporate Services will ensure input from the Chair of Audit Committee is included in the HIA's MYAP/PDR process.</p> <p>The current arrangements with regards to the recruitment of the Head of Internal Audit will be retained. The job description will be reviewed by Human Resources in line with Council procedures prior to advertisement. It would be expected that the recruitment panel would comprise the Executive Director of Customer Services and the Service Director – Legal Services, in line with previous arrangements.</p>	<p>30 September 2026</p>