Appendix A

Rotherham Metropolitan Borough Council

Internal Audit Progress Report

1st May – 31st July 2026

1. Internal Audit Annual Plan

1.1 Internal Audit produced a risk-based Audit Plan for 2026/27 and presented it to the Audit Committee at its meeting on 17th March 2026. 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. The audits from the 2025/26 plan that have not yet been finalised have been included in the current plan. There have been no other 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**. 14 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.
Audit Queries and Advice	Several schools' queries have been received, mainly regarding financial, asset management (inventory) and procurement processes and procedures. Internal Audit attended the Trade Rotherham meeting (schools buy-in system for RMBC services) where audit contributed to discussions on how schools will purchase services from RMBC in the future.

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. One investigation has been closed in the period.

Please see **Appendix G** for the outcome of this investigation. There are no other investigations ongoing.

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 continue to monitor the timeliness of reports issued following discussion with the relevant services. The number of audits finalised during the 2025/26 year is slightly behind that planned, largely due to the retirement of a member of staff in January and the difficulties in recruiting to this post. The new member of staff will commence in August. In addition, there is an ongoing sickness absence which is affecting audit plan delivery.

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**. 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:

	Open Recommendations & Priority			Total as of 31 July 2026	Total Deferred
Directorate	**High**	**Medium**	**Low**		
Adults, Housing and Public Health		1	2	3	
Children and Young People		1	3	4	
Corporate Services		7	9	16	3
Policy, Strategy and Engagement	1	4	2	7	2
Regeneration and Environment	1	5	6	12	
Total	**2**	**18**	**22**	**42**	**5**

6.4 The following table shows the movement between periods.

Directorate	Total as of 30 April 2026	Recommendations opened in period	Recommendations closed in period	Total as of 31 July 2026
Adults, Housing & Public Health	3	3	3	3
Children and Young People	9		5	4
Corporate Services	19	14	17	16
Policy, Strategy and Engagement	8		1	7
Regeneration & Environment	7	7	2	12
Total	**46**	**24**	**28**	**42**

7. Review of Internal Audit performance objectives/indicators

7.1 CIPFA's external review advised Internal Audit to work with senior managers and the Audit Committee to update the performance measures. The audit standards state that there should be a comprehensive set of targets which between them encompass all significant internal audit activities which includes obtaining stakeholder feedback.

7.2 Balanced scorecards are becoming an increasingly well-established means for reporting quantitative and qualitative Key Performance Indicators (KPI's) to audit committees. Balanced scorecards align Internal Audit Strategy with broader organisational goals, using targeted KPI's to measure performance and demonstrate the function's value to senior management and the Audit Committee. A review of the current KPI's has been undertaken, together with a review of guidance issued by the Institute of Internal Auditors on performance measurement and those being reported in other local authorities. The proposed approach moving forwards is documented below for discussion with Audit Committee members.

Internal Audit balanced scorecard reporting

Measure	Mechanism	Target
Partnering with the Audit Committee		
Audit Committee expectations met (Annual)	Annual satisfaction survey to all members of the Audit Committee. The survey will indicate the level of satisfaction with quality, type and volume of information presented and reported.	Satisfaction rating for each part of the survey to be scored on average as 3.5 or higher on a scale of 1 (lowest) to 5 (highest).
Audit plan progress (Quarterly by number of audits & Annual by days delivered against plan)	A table at Appendix D shows the progress of the Internal Audit plan delivery analysed by the number of plan assignments by directorate. These are assignments where a report is expected to be produced or where we are certifying grant claims. It does not include any consultative work, such as attending boards, that is reported in the other assurance work at section 3.1. It is proposed to retain the table setting out audit plan progress but without turning this into a KPI. The number of days delivered against those planned is reported to the Audit Committee in the Annual Report. The plan and the timing of audits should remain flexible to meet the needs of stakeholders.	
Supporting senior management		
Client satisfaction goal – value added (Quarterly)	Client satisfaction survey issued to relevant stakeholders after each audit.	Average rating of 3.5 or higher on a scale of 1 (lowest) to 5 (highest) for relevant question on the survey.
Client satisfaction goal – usefulness of recommendations (Quarterly)	Client satisfaction survey issued to relevant stakeholders after each audit.	Average rating of 3.5 or higher on a scale of 1 (lowest) to 5 (highest) for relevant question on the survey.
Senior management expectations met (Annual)	Annual satisfaction survey to Strategic Leadership Team and Service Directors. The survey will indicate the level of satisfaction with the audit service over a number of areas, including communication, findings and recommendations, and value added.	Satisfaction rating for each part of the survey to be scored on average as 3.5 or higher on a scale of 1 (lowest) to 5 (highest).

Managing Internal Audit Processes		
Draft reports issued within 15 working days of fieldwork being completed (Quarterly)	Retain this indicator. This is a good indicator of how promptly the audit report has been compiled following the completion of audit testing and is important to ensure that any actions identified are highlighted to management in a timely manner.	**2025/26** Target 90% Actual 93% The target has been increased to 95%.
Final reports issued within 5 working days of customer response (Quarterly)	Retain this indicator. This measures the timeliness between receiving final comments from the draft report and the issue of the final report. This is important to ensure that the final report is issued on a timely basis so that audit findings remain relevant and that the service can begin implementation of any action plans promptly.	**2025/26** Target 90% Actual 100% The target has been increased to 95%.
Audits completed within planned time (Quarterly)	Retain this indicator. This is a good indicator of performance in completing the audit work to the agreed time budget. Failure to achieve audits to planned timescales will increase the risk of non-completion of the wider assurance plan.	**2025/26** Target 90% Actual 93%
Maintain conformance with the Global Internal Audit Standards (GIAS) UK Public Sector (Annual)	Propose this is reported on annually following the self-assessment (and/or the 5 yearly external assessment) against the GIAS UK Public Sector. The progress against the Quality Assurance and Improvement Action Plan will continue to be reported to Audit Committee on a quarterly basis.	Retain overall general conformance.

Appendix B

Internal Audit Plan 2026/27

Risk Register Ref	Council Plan Theme ref	Title	Brief Description	Progress/ Qtr planned
Adult Care, Housing and Public Health 140 days				
HR29	1	Handover arrangements of new build homes 2025/26	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) 2025/26	Follow up of partial opinion and assurance on new service delivery model. Review progress against the PSTN project implementation plan.	Draft Report
ACI-R22	1	Community Dols 2025/26	To provide assurance on the management of Dols cases following the increase in demand.	In progress
ACHPH - R49 ACI R37	4	Working age project	Review implementation of findings from the project in terms of outcomes/efficiencies/recommendation implementation.	Q4
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
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
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.	In progress
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

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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.	In progress
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
Childrens and Young People's Services 95 Days				
N/A	3	Aspire/Pru Follow Up	Follow up of partial assurance opinion	Final Report
N/A	3	Section 17 Follow Up	Follow up of partial assurance opinion	In progress
N/A	3	Kinship Care	Review compliance with the Local Offer for Kinship Carers.	Q4
N/A	3	School attendance interventions/ exclusions	Review of the Local Authority monitoring and reporting arrangements and compliance with government statutory guidance.	Q3 or 4
EI 06	3	Early Years Federation	Review of the governance and financial management arrangements.	Draft report
EI 10	3	Schools assurance	Assurance on key financial and governance arrangements at a sample of schools.	Q4
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
Corporate Services 199 Days				
N/A	6	Treasury Management and Prudential Indicators 2025/26	Review compliance with CIPFA Treasury Management Code, Prudential Code and authorisation controls for investments & loans.	In progress
N/A	5	Land and Property Acquisitions Follow Up	Follow up audit as partial opinion issued.	In progress
FCS 23	5	Riverside House Building Security and ID Cards Follow Up	Follow up audit as partial opinion issued.	Q4

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.	In progress
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
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
N/A	5	Service desk management	Ensure effective delivery to core service management areas (monitoring of user access and user accounts).	Q4
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
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
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
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
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
HR05	5	Payroll	Specific aspects to be agreed – based on audit coverage in previous years.	In progress
N/A	5	Customer Complaints	Review of the complaints process including lessons learnt from complaints (including ombudsman outcomes).	Q3/4
Policy, Strategy and Engagement 5 Days				

N/A	5	Contract monitoring and Social Value follow up.	Follow up audit as partial opinion issued.	Q4
Contingency time has been reserved for this directorate. Audits will be identified later in the year. The customer complaints audit that was originally included in this directorate has now moved to the Corporate Services Directorate above in accordance with changed reporting lines.				
Regeneration and Environment 80 Days				
N/A	3	Section 106 2025/26	A review of the management and outcomes to ensure that the S106 process is robust.	In progress
CST 71	3	Music Service Follow Up	Follow up of partial assurance opinion.	Q4
RE 51 PRT 53	1	Highways Structures Follow Up	Follow up of partial assurance opinion.	Q2
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
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
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

Corporate/Crosscutting reviews	
Total number of days 304	
Title	**Brief Description**
Council's arrangements for managing CCTV 2025/26	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.
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.
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.
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.
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. This audit crosses over between the Culture, Sport and Tourism Service and Property and Facilities Management.
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.
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 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

Appendix C

Summary of reports issued during the period May to July

Audit Area & overall opinion	Assurance Objective	Summary of findings
Adult Care, Housing and Public Health		
Safeguarding Substantial assurance	The overall objective of the audit was to provide assurance on the processes for the receipt, triage and investigation of safeguarding enquiries from all sources.	The Council's Adult Safeguarding roles and responsibilities comply with its legislative requirements and utilise best practice from accredited sources, for example the Association of Directors of Adult Social Services (ADASS). Testing of cases recorded on the Liquid Logic Adults software (LAS) provided evidence of the correct and complete use of the Safeguarding Pathway and management oversight of cases. This testing confirmed the correct use of the concerns forms by outside agencies such as residential care homes and home care providers. The Council in its role as the lead safeguarding authority for the Rotherham Adult Safeguarding Partnership Board (RSAB) demonstrates effective partnership working. There is evidence from performance reports produced by the RSAB of prompt responses to safeguarding enquiries by this Council.
Childrens and Young Peoples' Services		
Educational establishment follow up Substantial assurance	To consider the degree of implementation of agreed actions arising from the previous audit.	The follow-up audit confirmed that all nine recommendations have been fully implemented, demonstrating strong progress in strengthening governance, financial management, operational procedures, and information security. • Financial Planning: Improved funding arrangements have strengthened the financial position, removing the need for a deficit recovery plan. • Financial Procedures: The Financial Procedures Manual has been updated, approved by the Finance Sub-Committee, and reflects established processes and controls. • Staff Training: Finance and administration staff have received training on key financial controls and procedures. • Governance: A formal Scheme of Delegation has been approved and will be reviewed annually. Committee minute-signing arrangements have also been strengthened. • Financial Controls: Insurance records, petty cash arrangements, and asset management records have been reviewed and updated to ensure accuracy and accountability.

Audit Area & overall opinion	Assurance Objective	Summary of findings
		• Information Security: BitLocker encryption has been enabled on all compatible devices, with plans to replace unsupported equipment over time.
Corporate Services		
Insurance Reasonable assurance	To provide assurance that the Insurance Service is fulfilling its requirements to the Council by reviewing the end-to-end processes from receipt of requests through to conclusion, including liaison with relevant services, to identify trends in claims and any necessary preventative action.	Relevant procedures and guidance are in place for both self-funded claims and those managed by external claims handlers, with only one exception noted. Self-funded claims are effectively monitored, with the Insurance Team providing timely and appropriate support to services. Claims referred to external handlers are also actively tracked by the Council Insurance Team, which supplies the required information and assistance and continues to monitor progress throughout the lifecycle of each claim. The Insurance Team proactively communicates emerging risks and monitors claims trends, notifying services of any significant changes or increases. Overall, the control environment is operating effectively, with opportunities to further strengthen the process.
Agency Staffing Reasonable assurance	To provide assurance that approval is sought for agency appointments in line with policy and procedure and agency spend is controlled, monitored and reviewed.	The Council has a comprehensive Temporary Agency Workers Policy in place, supported by clear guidance and regular financial monitoring. Agency spend is managed through the appointed Managed Service Provider, with appropriate use of exemptions when required. Testing identified weaknesses in compliance, regarding the attachment, of approved business cases when procuring the agency member of staff. Before any agency staff can be employed a Business Case must be completed and approved at DLT. The business case should then be attached to the requisition/purchase order. These were not attached to the purchase order in accordance with the policy.

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Audit Area & overall opinion	Assurance Objective	Summary of findings
		To gain assurance that DLT tracking was operating correctly, an examination of all DLT information relating to agency staff during 2025/2026 was carried out. These totalled 17 agency business cases. All were confirmed to be completed and approved at DLT as per policy. The arrangements in place provide a good level of assurance over the monitoring of agency spend. Effective management oversight is demonstrated through regular monthly review of management information by the Head of Human Resources, with information cascaded to HR Business Partners, HR Consultants and service areas. A briefing will be issued to all staff reminding them of the requirement to attach a business case to the requisition, and to managers reminding them to check the business case is attached before approving the requisition.
Purchase Cards Reasonable assurance	To provide assurance regarding compliance with the system of controls for issuing; use and authorisation of purchasing cards and transactions; including the appropriateness and evidence of expenditure.	Procedures relating to Purchase Cards are established and up to date, with key controls generally operating effectively. Processes for new cardholders are supported by appropriate documentation, spending limits are evidenced, and sample testing confirmed that cards are held securely. However, annual reviews of cardholder limits are not consistently undertaken and transaction testing highlighted instances of missing receipts, approvals without receipts, and cases where VAT was not recorded in the SDOL system. Exceptions were also noted in relation to new cardholder's acceptance / approver documentation. Several transactions remained unreviewed or unapproved for extended periods, despite regular reminders. While leaver controls are largely effective, delays in notification and approval of transactions were identified, along with some activity during periods when cardholders were not at work, which were explained during the audit. Overall, a framework is in place, however, improvements are required to strengthen compliance, oversight, and adherence to established procedures.
Water safety (Legionella) compliance	The overall objective of the audit was to provide a follow up review to	The follow-up audit shows substantial improvement, with most recommendations fully implemented and effective controls now in place. Controls are now largely effective, but

Audit Area & overall opinion	Assurance Objective	Summary of findings
across corporate landlord properties – Follow Up Substantial assurance	consider the degree of implementation of agreed actions arising from the previous audit.	sustained focus on contractor performance and clearing outstanding remedial actions is required to fully mitigate risk. **Strengths:** • A robust Water Safety Management Plan and clear compliance framework are established. • Asset reviews, Legionella Risk Assessments (LRAs), and monitoring processes are comprehensive and centrally tracked. • Stronger governance, training, and documentation, including accessible LRAs at all sites. • Improved oversight of contractor performance and data quality checks. **Key risks / gaps:** • One outstanding issue with flushing regimes at a single site. • Remedial actions have plateaued (~570 outstanding), with a noted decline in contractor performance.
Network access management Substantial assurance (Salford Technical Audit Services score 8 out of 10)	The audit focussed on the following areas in network access management: processes for controlling and monitoring access to the network, starters and leavers processes, and processes governing authentication arrangements for third party access.	Network Access Management is the set of procedures to issue and manage digital identities of people and systems so that they can be uniquely authenticated (identified) before being granted online access to the corporate network. Processes involve the establishment and maintenance of user identities (IDs), associated authentication and user permissions that provide access to Council resources and systems, to provide assurance that only authorised users have access to sensitive business applications, information and operating environments. The impact on the business and the accompanying risk is significant. Inappropriate or unauthorised access can result in IT assets being compromised, distribution of sensitive data and information, loss of data integrity or business disruption. The impacts can lead to reputational damage, regulatory breaches and financial loss.

Appendix C

Audit Area & overall opinion	Assurance Objective	Summary of findings
		Network Access Management seeks to minimise risk by establishing secure access controls, with appropriate reporting and actions to remediate unauthorised access. Overall, the controls for Network Access Management are very effective, with a high level of key controls in place to mitigate the key risks. Three advisory improvements were suggested in policy alignment, privileged access management, and HR integration to further reduce residual risk.
Building Security Follow Up Reasonable Assurance	The objective of the audit was to provide assurance that the Agreed Actions arising from the previous audit of 'Building Security Follow Up' have been implemented.	Improvements have been made to the recording of building inspections, with inspection records now available within the Infoshare+ Asset Manager system. Where records were not held in Infoshare+ Asset Manager, inspection details were evidenced through a Monthly Portfolio Visit Spreadsheet, used by the teams to manage their visit of inspection activities. However, a few exceptions were identified relating to the completeness and consistency of records. No evidence was provided to demonstrate that Quality Assurance (QA) checks had been undertaken; the officer responsible for QA checks has recently left the role with responsibility for QA checks allocated to another officer.
Regeneration and Environment		
Hellaby Stores Reasonable assurance	The overall objective of the audit was to perform a review of stock control arrangements following introduction of the new stock software system.	Core controls for identifying, recording and counting stock are operating and were evidenced. System use and access arrangements were appropriate, and reporting supports operational recharging and fuel oversight. Physical and procedural security arrangements were confirmed as adequate. The main residual risks relate to fuel access & accountability; leaver deactivation gaps and weak user accountability which increase the risk of unauthorised fuel draw and data quality (odometer readings); and poor data limits exception reporting and management oversight. Recommendations were raised to improve processes, such as prompt receipt of leavers reports and checks on records of fuel drawn to improve the controls moving forwards.
BDR Waste Substantial assurance	The overall objective of the audit was to assess the adequacy of the internal control arrangements	The BDR client function has generally robust arrangements in place for governance, contract management, performance monitoring, financial management, compliance oversight, risk management and stakeholder engagement.

Appendix C

Audit Area & overall opinion	Assurance Objective	Summary of findings
	surrounding the BDR client function.	Controls were evidenced through regular Joint Waste Board, Steering Committee, BDR Operating Company (OpCo), Health and Safety, Liaison Committee and Joint Waste Team meetings, supported by documented agendas, reports, action logs, risk registers and contract monitoring records. Testing confirmed that contract performance is actively monitored, deductions are calculated and applied where required, monthly invoices are accurate and supported, environmental and health and safety matters are reported through established governance routes, and complaints are logged, investigated and reported. Emergency Disaster Recovery and Business Continuity Plans are in place and are reviewed annually.
Cross cutting/Corporate reviews		
16-17 Year old Homelessness Substantial assurance	To provide assurance that the Council is meeting the needs of 16/17 year olds who present as being homeless to Children's Social Care and Housing Services.	16/17-Year-Old Homeless young people present a complex array of needs that are difficult to predict. Responding to their needs is delivered by joint working across directorates. The 'Prevention of homelessness and provision for 16 and 17-year-old young people who may be homeless and/or require accommodation' pathway shows how these needs are to be met. The challenges in responding to these circumstances include: • suitable accommodation available at all times, and for all needs, • support for the young person to make the most informed decision they can at a traumatic time in their lives. The evidence from case files showed CYPS, the Homelessness Team and support staff from the provider are working together to help young people through the challenges that they face. Minor recommendations were raised to enhance the record keeping arrangements in both directorates.
Procurement Governance Follow Up (x 3)	The overall objective of the audit was to provide a follow up review to consider the degree of	The follow-up audit found that all agreed actions have been implemented, resulting in a significant improvement in procurement governance across the three directorates. Controls are now substantially improved and are operating effectively, but further focus

Appendix C

Audit Area & overall opinion	Assurance Objective	Summary of findings
Adult Care, Housing & Public Health, Corporate Services and, Regeneration & Environment Reasonable assurance	implementation of agreed actions arising from the audit of Procurement Governance within Corporate Services.	is needed to ensure consistent practice, communication of responsibilities and robust strategic planning. **Strengths:** •Stronger ownership of contract documentation, with most contract managers holding required records. •Consistent use of templates and processes, improving documentation quality. •Inclusion of social value commitments in procurement activity. •Improved contract oversight, with up-to-date contract ownership and clear procurement handover processes. The ACHPH Directorate is better able to share accurate procurement knowledge as it has its own strategic commissioning team with officers holding public sector procurement qualifications. **Key risks/ gaps:** • Training gaps exist and reliance is generally based on informal knowledge. • Inconsistencies in understanding roles and responsibilities persist. • Some gaps in document retention remain • Communication of procurement handover processes. • High volumes of procurement activity require improved prioritisation and forward planning at Directorate level.

Rating	Definition
Substantial Assurance	Substantial assurance that the system of internal control is designed to achieve the service's objectives and this minimises risk. The controls tested are being consistently and effectively applied. Recommendations, if any, are of an advisory nature to further strengthen control arrangements.

Appendix C

Rating	Definition
Reasonable Assurance	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. There are some areas where controls are not consistently and effectively applied and / or are not sufficiently developed. Recommendations are no greater than low and medium priority.
Partial Assurance	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. 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.
No Assurance	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. 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.

Appendix D

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	95%	88%			
Final reports issued within 5 working days of customer response to the draft report	95%	88%			
Audits completed within planned time	90%	94%			

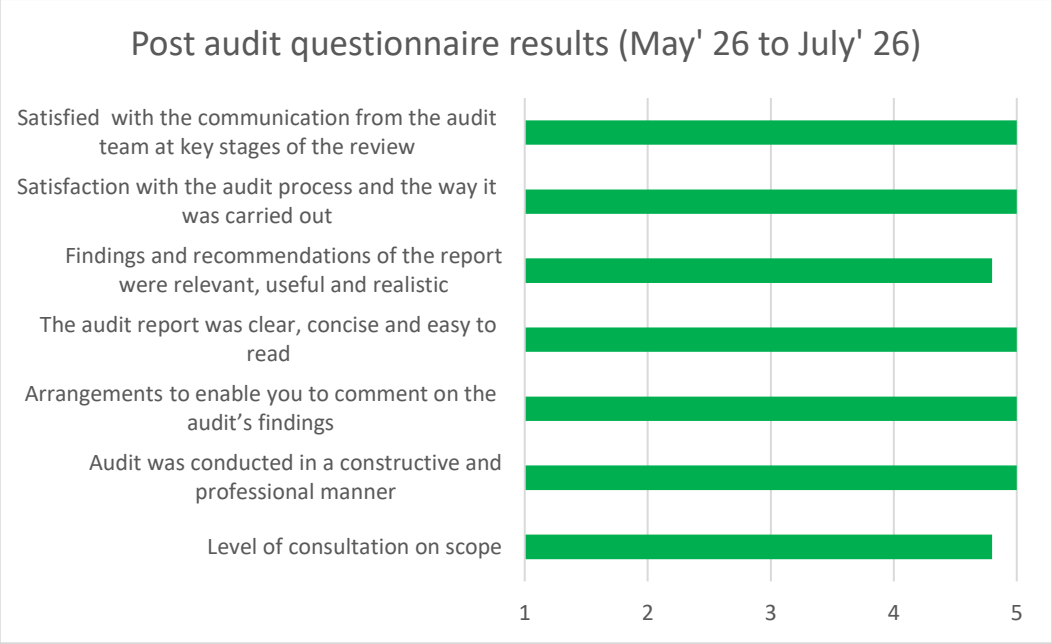
Audit Plan Progress

Assurance Type/ Directorate	2026/27 Plan	Completed	In progress	Not started
Adult Care, Housing and Public Health	7	0	2	5
Childrens and Young Peoples Services	7	1	2	4
Corporate Services	13	0	3	10
Policy, Strategy and Engagement	1	0	0	0
Regeneration and Environment	5	0	0	0
Crosscutting	4	0	0	0
Grants	6	0	2	4

Appendix E

Post Audit Questionnaires

5 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.



"Excellent engagement throughout the audit."

"The audit was conducted professionally, the auditor had prior knowledge of the service area"

"Open and honest. Supportive colleagues that were invested and non-judgemental."

Appendix F

Quality Assurance and Improvement Programme Action Plan		
Action	**Position statement**	**Target completion date**
Action from the self-assessment against fraud checklist. Update the directorate and corporate wide fraud risk assessment and examine the results as part of the annual Internal Audit planning exercise.	The fraud risk assessment approach has been discussed at Risk Champions meetings. Services have now reviewed, updated and incorporated fraud risks where relevant and in accordance with the Risk Management Policy and Guide, into their respective risk registers.	Complete
Action from the self-assessment against fraud checklist 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.	The reporting of fraud risks and mitigations has been considered, and an enhanced report is brought to the September Audit Committee.	Complete
Audit Strategy 2025/28 actions scheduled for 2026/27		
Develop agile and data driven approaches to auditing		
Explore the potential use of a dashboard for audit reporting and seek stakeholder feedback.	This action will commence during the second half of the financial year.	Q3 & 4 2026/27
Participate in data analytics Internal Audit groups and regional discussions to enhance knowledge and understanding of audit developments and techniques.	Learning from other authorities will continue and a watching brief will be maintained for any new training or groups to participate in.	2026/27
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.	This work will commence in the second half of the year.	Q3 & Q4 2026/27 & 2027/28

Appendix F

Workforce planning and professional development		
Ensure that we have up to date awareness of current training available for auditors on topical subject areas through auditor subgroup attendance and active scanning of relevant websites. Identify and provide opportunities for specialist training/knowledge for staff to minimise gaps, for example Anti-Fraud/investigations, data analysis and AI.	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 and relevant areas will be added to the Training and Development Plan and so this action will be removed from this action plan. Fraud risk training and use of AI were identified as priorities for team training during the first quarter of 2026/27. This learning has now taken place and been shared with team.	Complete
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. Appropriate actions have been included in staff development plans.	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 4	A review has been arranged with a neighbouring Council, which is currently underway.	30 September 2026

(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. (High priority)		
Action point 3 (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. (Medium Priority)	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. **Actions for 2026/27 in the IA Strategy were:-** Engage with risk management, governance and business intelligence colleagues to enhance understanding of current sources of assurance (both internal assurance providers and external). 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. Work on the above has commenced with the Performance, Strategy and Engagement Directorate.	31 March 2027

Appendix F

Action point 1 (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)	The importance of keeping CPD records up to date has been re-enforced in a team meeting. CPD records have been reviewed as part of the My Year Ahead Plan six monthly reviews.	Complete
Advisory point 5 (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)	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.	31 March 2027
Advisory point 7 (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 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)	A comprehensive review of KPI's has been undertaken, in consultation with senior management and included in the progress report to the Audit Committee.	Will be complete at the 24 September 2026 Audit Committee
Advisory point 4 (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	The Executive Director of Corporate Services will ensure input from the Chair of Audit Committee is included in the HIA's MYAP/PDR process. 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	30 September 2026

proposed job description and contribution, by the Audit Chair, to the annual performance evaluation of the HIA. (Advisory)	Executive Director of Customer Services and the Service Director – Legal Services, in line with previous arrangements.	