

London Borough of Hackney

Internal Audit Annual Plan 2026/27

1. Introduction

1.1 The remit of the Audit Committee as detailed in the terms of reference is: -

‘To provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of Hackney’s governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.’

1.2 A key element of this consideration is the Annual Internal Audit Plan which provides details of the audit service’s operational approach, working methods and specific audits to be undertaken.

1.3 This document sets out the division of responsibilities between the Internal Audit Service and managers, and presents the Annual Internal Audit Plan and Key Performance Measures for 2026/27.

2. Statutory Requirements

2.1 The Council’s Internal Audit Service is delivered in accordance with a regulatory framework comprising: -

- Section 151 of the Local Government Act 1972 which requires every local authority to ‘make arrangements for the proper administration of their financial affairs’.
- The Accounts and Audit Regulations 2015 require that all local authorities must “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”
- The Global Internal Auditing Standards 2024 (GIAS) form the basis of the requirements for practicing internal audit. These are mandatory standards.
- The Council has delegated to the Group Director, Finance & Corporate Resources (the Council’s Section 151 Officer) day to day responsibility to ensure the provision of a high quality internal audit service. The service is therefore required to work to professionally defined standards and in close liaison with the Group Director, Finance & Corporate Resources.
- The regulations also require the Council to undertake an annual review of its corporate governance arrangements which includes its internal control systems and publish as part of its final accounts arrangement, an Annual Governance Statement (AGS) that provides assurance with regard to governance arrangements.

2.2. The key elements utilised to meet the statutory requirements are: -

- The agreed strategic approach to the provision of audit services in the longer term
- The Internal Audit Annual Plan covering specific reviews for a given year

- The incorporation of best practice information/publications produced by relevant professional bodies
- The provision of working procedures within the Internal Audit Service

2.3 The Internal Audit Charter and the Internal Audit Strategy both reflect the requirements of GIAS. These standards require a risk-based plan that sets out how the internal audit service will be provided and developed in accordance with the Charter and how it links to the Council's objectives and strategies.

3. Main Objectives

3.1 The overall objective of the Internal Audit Service is to strengthen Hackney's organisational ability to create, protect and sustain value by providing the board and management with independent risk-based and objective assurance, advice, insight and foresight. The purpose of the service is to enhance:

- The likelihood that Hackney successfully achieves its objectives;
- Governance, risk management and control processes;
- Decision making and oversight;
- Reputation and credibility with our stakeholders; and
- Our ability to serve the public interest.

3.2 Internal Audit's key objectives are to:

- Add value, improve operations and help protect public resources.
- Provide assurance that the Council's operations are being conducted in accordance with external regulations, legislation, internal policies and procedures.
- Provide assurance that significant risks to the Council's objectives are being identified and managed through delivery of the Audit Plan covering key areas of Council activity.
- Provide independent assurance over the Council's risk management, internal control and governance processes.
- Provide advice and support to management to enable an effective control environment to be maintained.
- Promote an anti-fraud, anti-bribery and anti-corruption culture within the Council to aid the prevention and detection of fraud.
- Investigate allegations of fraud, bribery and corruption (this is undertaken by the Audit Investigation Team).
- Promote and develop risk management processes and awareness across the Council.

- Provide an annual audit opinion based on the work of internal audit together with other sources of assurance.
- Ensure that the statutory requirements of the Accounts and Audit Regulations 2015 in relation to a published Annual Governance Statement (AGS) are met.
- Provide a comprehensive service to management in the specialist areas of computer audit and investigations.
- Ensure a planned approach to anti-fraud initiatives.
- Undertake work in developing our partnership working arrangements with external agencies, including External Audit.

4. Division of Responsibilities

4.1 It is management's responsibility to establish and maintain a sound system of internal control and to prevent and detect irregularities and fraud by ensuring that risks are properly managed. Their responsibility involves: -

- ensuring the objectives/intentions of the Council are delivered (including those outlined in plans, policies & procedures) and are in compliance with the laws/regulations under which the organisation operates
- ensuring the reliability of data and information used either internally or reported externally
- safeguarding the Council's resources
- promoting efficient and effective operations which safeguard against the risk of fraud

4.2 Internal control is an integral part of managing operations and as such internal auditors independently review how effectively management discharges this aspect of its responsibilities by evaluating the effectiveness of systems and controls and providing objective analysis and constructive recommendations. Management retains full ownership and responsibility for the implementation of any such recommendations.

5. Audit Resources

5.1 The Council is required to provide sufficient resources to enable an adequate and effective Internal Audit service to be delivered that meets its objectives. Internal Audit should have appropriate resources in order to meet its objectives and comply with GIAS. The current level of resource is considered sufficient to deliver an Internal Audit Annual Plan that provides the necessary assurance on the effectiveness of the system of internal control.

5.2 Audit Establishment

The Corporate Head of Audit, Anti-Fraud & Risk Management oversees the work of the Division. The Audit and Anti-Fraud Service consists of three distinct functions, a restructure of the service was completed during 2022/23 and operational internal audit capacity remained unchanged following this.

Internal Audit Team

An in-house team is responsible for the delivery of the Annual Audit Plan. The team comprises the Corporate Head of Internal Audit, Anti-Fraud and Corporate Risk Management, the Internal Audit Manager, and four audit staff.

IT Audit resource

The Council also has a three year contract in place with an independent company which provides specialist IT audit skills to perform the technical ICT audits within the plan.

5.3 Analysis of Operational Time

An analysis of operational time has been performed to calculate the resource available for audit activity. This analysis makes allowance for 'non-available' time (corporate management and review of audit work, external audit liaison, staff meetings/briefings, training, etc) and non-operational time such as annual leave. After making allowances for these areas, a net amount of productive operational time is available for audit/project work.

5.4 Available Audit Time

It is estimated that the operational time available for delivery of the 2026/27 internal audit plan will be 746 days, in addition to 100 audit days as a contingency to complete the 2025/26 plan, undertake audits on a reserve list, and other non-scheduled work.

Table 1: Operational Days Available 2026/27

| | Internal Audit Service | Percentage % |
|---|------------------------|--------------|
| Gross Days Available | 1434 | 100% |
| <u>Less Indirect Time:</u> | | |
| Management review/Advice* | -346 | 23% |
| Leave, training, etc. | -242 | 17% |
| Contingency allowance for completion of 2025/26 audit plan; potential delivery of audits on the reserve list; and capacity to review areas identified for audit in-year | -100 | 8% |
| Operational Days Available for delivery of the 2026/27 plan | 746 | 52% |

**This includes all available time of the Corporate Head of Audit, Anti-Fraud & Risk Management.*

6. The Audit Approach

6.1 Internal Audit is responsible for providing independent assurance on the adequacy of the Council's internal control framework. This is delivered through an opinion included as part of the Annual Audit Report. The opinion is derived from the results of audit activity as set out in the Annual Audit Plan, which focuses on areas of highest risk. Following each audit a report is produced for management with recommendations (categorised as High, Medium or Low) for improvement.

- 6.2 Each report contains an opinion on the level of internal control operating within the area being audited, ranging from 'Significant' to 'No' Assurance. The annual assessment of the Council's overall internal control environment is based on an overview of the level of assurance applied to each area audited. The annual opinion then forms part of the review of the effectiveness of the Council's governance framework and is included in the Annual Governance Statement.
- 6.3 The Audit Plan is a flexible and dynamic resource planning tool which, in order to remain relevant, may be revised and adjusted during the year in response to a constantly changing environment and the need to reflect changes in the Council's risks, operations, systems and controls. Where such changes are required, details will be reported to management and the Audit Committee as part of the regular progress reports.
- 6.4 The Audit Plan is prepared based upon a risk assessment methodology which takes into account the size of the risk or exposure, the likelihood that the risk will materialise and any mitigating controls in place. Known areas of change within the Council and externally (e.g. legislation) are also considered. The main factors taken into account in compiling the Audit Plan consist of: -
- Materiality and significance based upon budgets and volumes of transactions.
 - Consideration of the Council's corporate risk register, directorate/service level risk registers and corporate objectives.
 - Changes to the control environment and significant legislative changes.
 - Key governance issues as identified during the previous year's AGS process.
 - Concerns and emerging risks as identified through consultation with management teams, external audit and other relevant bodies.
 - National and London wide horizon scanning which identifies public sector emerging risks and themes for consideration as part of audit planning.
 - Consideration of risks and themes identified through Counter fraud work, to ensure that significant fraud risks are managed.
 - The need to comply with the GIAS.
 - Previous audit history and assurance level in specific areas including follow up work.
 - Other sources of assurance.
- 6.5 A risk mapping exercise is undertaken to assist the plan preparation. This compares the current key risks facing the Council to audit work undertaken in recent years to identify any areas of concern that have not been audited, or which resulted in a lower level of assurance when they were reviewed. The results of the mapping exercise are provided as Annex 1.
- 6.6 Wherever possible, Internal Audit will take assurance from management's oversight of the control framework, and the results of the inspections

performed by any other review bodies, for example Care Quality Commission and Ofsted.

- 6.7 The service places great emphasis on an integrated approach to its work that links systems, regularity and computer reviews for specific areas to the service's work on anti-fraud initiatives in what are considered key risk areas.
- 6.8 The approach outlined above ensures that the Audit Plan is supportive of Directors and Senior Management in delivering the strategic priorities and corporate improvement priorities of the Council, provides an opinion on the overall internal control environment and gives assurance that all directorates/services are covered in a given period and that the approach is consistent throughout the Council. All of which are key to good corporate governance.
- 6.9 Individual risk assessments on project work are also undertaken and audit reports provide management with advice on risk issues as part of the scope developed for each audit review.
- 6.10 In addition to ensuring that audit resources are directed to those areas of greatest risk to the Council achieving its objectives, audit activity will also include the following strands:
- Coverage of the Council's key financial systems on a regular basis, to ensure that core assurance is provided.
 - Compliance reviews in certain areas, such as the Borough's schools to ensure that every school receives a review once every 4 years, but more frequently where a risk assessment indicates that the risk landscape has changed (such as a change in school leadership, impending academisation or closure, and matters arising from liaison with Hackney Education). In appropriate circumstances school reviews will be undertaken through the use of Internal Control Questionnaires.
 - Follow up audit work to ensure that recommendations are addressed within the agreed timescales and that where audits received no or limited assurance, a subsequent visit can provide assurance that control weaknesses have been addressed.
 - Unforeseen work can arise due to new areas of service provision, management requests or emerging risks which are appropriate to audit within the year. In order to allow some flexibility, a contingency allowance is included to enable such work to be undertaken without adversely affecting delivery of the planned audit work.
 - Whilst the majority of audit work can be planned ahead, there are occasions when audits cannot be undertaken (for example, significant change takes place in the audit area). In these circumstances, the audit may need to be deferred, or may be replaced in agreement with the relevant manager.
- 6.10 Details of the reviews included in the Annual Audit Plan for 2026/27 are attached as Annex 2.

7. Audit Anti Fraud Work

- 7.1 The assurance work that Internal Audit undertakes is supplemented by the Division's counter-fraud and risk management activity. Reactive counter-fraud referrals are received regularly. These invariably require urgent priority attention and sometimes develop into more wide-ranging projects which might encompass entire systems or business areas.
- 7.2 Resources from the investigation teams are also used to carry out proactive reviews. During the year the team will focus on a variety of areas within the services run by the Council and will carry out anti-fraud initiatives utilising a variety of techniques, linking this with the work of Internal Audit.

8. Performance Management

- 8.1 It is important that the effectiveness of the work of Internal Audit is monitored and reported in order to comply with the requirements of the Accounts & Audit Regulations 2015 and to provide the necessary assurance to Members and management as to the adequacy of the Internal Audit function. There is a range of performance criteria for Internal Audit which is monitored throughout the year and reported to the Audit Committee as part of the regular progress reports for the service.

8.2 Client Liaison

The Internal Audit Service issues satisfaction surveys to auditees at the end of each review. Responses received are used to assess any areas for improvement and enable action to be taken to rectify matters.

8.3 Key Performance Indicators (KPIs)

The objectives of the service for 2026/27 and the KPIs that will be used to measure cost and efficiency, quality, and client satisfaction are shown in Annex 3.

9. Audit Skills and Experience

- 9.1 Members of the Internal Audit Service have the appropriate skills to deliver the audit plan, holding relevant professional qualifications including CIPFA, IIA, and AAT. They have considerable experience in internal audit.
- 9.2 Individual officers have a personal responsibility to undertake a programme of continuing professional development to maintain and develop their competence. This is achieved through professional training, attendance at seminars, and in-house training courses. Training needs are assessed on an ongoing basis.
- 9.4 Staff continue to be trained to ensure that the needs of the service and personal development requirements are met. A variety of training initiatives are planned during the year including: -
- Continuous personal development opportunities
 - Membership benefits of CIPFA's Better Governance Forum include an annual programme of events designed to ensure that audit and anti-fraud staff keep abreast of current developments

- London Audit Group participation to keep abreast of pan London initiatives

These training and development initiatives provide members of the division with the necessary skills to assist in the achievement of the audit plan.

- 9.5 When technical skills are required and it is not cost effective to develop and maintain these skills in house, an external provider is used (e.g. specialist IT auditing skills are brought in to cover the technical IT audits).

Risk Mapping - Current corporate risks compared to Internal Audit activity since 2021/22

| No. | Risk area | Risk score and date added to the Corporate Register | Previous IA review title | Date of previous IA review and assurance rating | Proposed 2026/27 Internal Audit Plan activity |
|-----|---|---|--|---|--|
| 1 | The Council's financial position and the wider economic situation | 25 (2011) | Accounts Payable Accounts Receivable Treasury Management Council Tax Suspense/control accounts Housing Finance System Bank reconciliations Council Tax Housing legal disrepair Thematic schools audit including budget monitoring and support Public Interest Reports Commercial Voids Coronial recharges Money Hub | In progress In progress In progress In progress 24/25 Significant 24/25 Limited 24/25 Significant 24/25 Reasonable In progress 24/25 Reasonable 24/25 Significant 24/25 Significant 23/24 Reasonable 21/22 Significant | Key Financial Systems - <ul style="list-style-type: none"> ● Cedar E5 ● Council Tax ● Business Rates ● Housing Benefit ● Insurance ● Procurement Various areas of activity in relation to costs including - <ul style="list-style-type: none"> ● Transformation ● Direct payments ● SEND ● Strategic delivery team |

| | | | | | |
|---|--|-----------|--|---|--|
| | | | Council Grants | | |
| 2 | Management of the capital programme including cost of capital | 15 (2016) | Capital Programme Leaseholder major works debt recovery Treasury Management Housing supply programme | 24/25 Significant 24/25 No 22/23 Significant 22/23 Reasonable | <ul style="list-style-type: none"> Leaseholder major works follow up |
| 3 | Impact of new legislation Particularly in light of a change of national government and new legislative programme | 12 (2017) | Building Control Services Procurement Act 2023 Fire safety risks Searchlight system - data security | 25/26 Reasonable 24/25 Reasonable 22/23 Reasonable 21/22 Significant | <ul style="list-style-type: none"> Procurement act compliance Private sector housing |
| 4 | Workforce & skills Motivation, restructures, stretched resources, senior level change | 12 (2016) | Recruitment & Retention Honorary & market supplement payments Equal Pay Organisational Culture ICT homeworking support | 24/25 Limited 24/25 Reasonable 23/24 Significant 23/24 In progress 22/23 Reasonable | <ul style="list-style-type: none"> Organisational Development Grievances |
| 5 | Cyber/information security - escalating threat environment, risks to systems and data | 12 (2016) | 3rd party ICT security Device Management Academy | In progress in progress 24/25 Reasonable | <ul style="list-style-type: none"> Incident detection & reporting Privileged account access & User ID management |

| | | | | | |
|---|---|-----------|--|--|---|
| | | | ICT Security Mosaic Synergy Cloud Platform | 23/24 Limited 24/25 Significant 24/25 Reasonable 23/24 Reasonable | |
| 6 | Information assets - IM policy, GDPR compliance, info sharing | 16 (2016) | Record retention Licence management ICT Asset Management ICT homeworking support | In progress In progress 23/24 Reasonable 22/23 Reasonable | <ul style="list-style-type: none"> ICT Governance |
| 7 | Corporate resilience - ICT recovery, BCPs | 15 (2016) | ICT Business Continuity Disaster Recovery & Backups | In progress 24/25 Limited | <ul style="list-style-type: none"> Business Continuity |
| 8 | Person suffers significant harm - CYPS, AHI - local safeguarding board, child protection procedures, adult safeguarding | 15 (2011) | Safeguarding provisions within AHI contracts C&E Unregistered settings Section 17 spending (children) Housing Legal Disrepair Care Provider market fragility Public Health - Substance Misuse Residential placements - LAC | In progress 24/25 Reasonable 24/25 Reasonable 24/25 In progress 24/25 Reasonable 24/25 Significant 23/24 Significant | <ul style="list-style-type: none"> Housing services improvement plan Suicide prevention |

| | | | | | |
|----|--|--------------------|---|---|--|
| | | | <p>Safeguarding Adults</p> <p>Local safeguarding children's partnership</p> <p>Fire safety risks</p> | <p>23/24 Reasonable</p> <p>22/23 Significant</p> <p>22/23 Reasonable</p> | |
| 9 | SEND - escalating demand and budget | 25 (2017) | SEND | 24/25 Reasonable | <ul style="list-style-type: none"> SEND payments incl transport |
| 10 | Safeguarding - pupils not in school settings | 16 (2018) | <p>Unregistered educational settings</p> <p>Permanent exclusions</p> <p>Safeguarding - children not registered in school Follow up</p> | <p>25/26 Reasonable</p> <p>In progress</p> <p>21/22 Significant</p> | <ul style="list-style-type: none"> Pupils out of school service |
| 11 | Management of the Corporate Transformation Programme | 12 (New risk 2025) | | | <ul style="list-style-type: none"> Transformation savings |
| 12 | Pressure on Temporary Accommodation - increased demand and reduced supply of accommodation | 25 (2017) | <p>TA Income Collection</p> <p>Hackney Living Rents</p> <p>Private rented sector - Incentive payments</p> <p>Temporary accommodation finance function</p> | <p>In progress</p> <p>In progress</p> <p>In progress</p> <p>24/25 Limited</p> | <ul style="list-style-type: none"> Homelessness assessments |
| 13 | Council-owned companies - resources, governance, expertise and capacity | 12 (2019) | <p>Council owned companies</p> <p>Public Interest Reports Issues</p> | <p>In progress</p> <p>23/24 Reasonable</p> | No proposed audit work, a review is currently in progress |

| | | | | | |
|----|---|-----------|---|---------------------------------------|---|
| | | | Company management - governance | 21/22 Reasonable | |
| 14 | Climate & Ecological emergency - ability to meet challenging targets | 15 (2018) | Climate change LTN process | In progress 22/23 significant | No proposed audit work, a review is currently in progress |
| 15 | Residential placements (looked after children and care leavers) - increasingly complex and high-care cases leading to overspend | 16 (2023) | Short breaks for Children with Disabilities Residential Placements | In progress 23/4 significant | No proposed audit work, a review is currently in progress |
| 16 | Adult social care budgets | 16 (2024) | Collection of care charges Direct payments financial assessment | 24/25 Reasonable 23/24 Significant | <ul style="list-style-type: none"> • Direct payments • Safeguarding board - governance & finance • Commissioning/procurement |
| 17 | Council housing repairs - repairs not meeting expectations, leading to Ombudsman para49 investigation | 16 (2025) | Housing legal disrepair | In progress | <ul style="list-style-type: none"> • Housing services improvement plan |

| DRAFT INTERNAL AUDIT PLAN 2026/27 | | | |
|--|-------------|---|---|
| Assignment | Days | High Level Scope/Coverage | Reason for Audit |
| CORPORATE - CROSS-CUTTING | | | |
| AGS coordination 2026/27 | 25 | Information gathering from across the organisation to and preparation of the Council's AGS. | Core Compliance |
| Transformation | 30 | Transformation savings | Organisational Risk |
| Intranet | 15 | Accuracy of information | Assurance |
| Grants Certification | 5 | Compliance with the T&C of Grants that require Internal Audit Certification. | Regulatory Compliance |
| Business Continuity | 15 | Compliance | Management request, Organisational risk |
| SUB TOTAL CROSS CUTTING | 90 | | |
| CHIEF EXECUTIVE'S | | | |
| Strategy, Equality & Community Partnerships | | | |
| Strategic Delivery | 15 | Disbursement of support to eligible groups | Assurance. Organisational Risk |
| Voluntary & Community Sector - | 5 | Advisory | Assurance, Organisational Risk |
| Human Resources | | | |
| Grievances | 15 | Procedures & compliance | Assurance |
| Organisational Development | 15 | Effectiveness of the workplace strategy and alignment to strategic priorities | Organisational Risk |
| Recruitment & Retention | 5 | Follow up audit | Organisational Risk |
| SUB TOTAL CHIEF EXEC'S | 55 | | |
| CHILDREN & EDUCATION | | | |
| Children & Families | | | |
| Procurement including integrated commissioning | 25 | Procurement & Commissioning - Procurement Act compliance | Core Financial System |
| SEND | 20 | SEND processes including travel | Organisational Risk |

| DRAFT INTERNAL AUDIT PLAN 2026/27 | | | |
|---|-------------|---|---|
| Assignment | Days | High Level Scope/Coverage | Reason for Audit |
| Pupils out of school service | 15 | Assurance | Organisational Risk |
| Family Hubs | 15 | Assurance review | Management Request. |
| Schools Financial Value Standard | 15 | Processes and compliance | Organisational Risk |
| Education & Schools | | | |
| Schools Overview Report 2025/26 | 5 | Summary of the previous year's audits detailing key themes. | Annual Summary |
| Compliance review for schools based upon a risk assessment & cyclical review, 11 this year. | 60 | All schools receive an audit at least every 4 years. | Compliance |
| Follow up School audits | 10 | Follow up on previous limited/no assurance audit reports | Follow up |
| SUB TOTAL C&E | 165 | | |
| ADULTS, HEALTH & INTEGRATION | | | |
| Adult Services/Public Health | | | |
| Mortuary | 5 | Statutory Review | Annual Audit |
| Suicide Prevention | 15 | System review | Organisational Risk |
| Procurement | 15 | Procurement & Commissioning - Procurement Act compliance | Core Financial System |
| Direct Payments | 15 | Processes and assessments | Organisational risk, Investigations |
| Health Protection | 15 | Policies and Procedures compliance | Management Request |
| Disabled Facilities Grant | 15 | Assurance review | Organisational Risk, Management Request |
| Public Health payment by activity contracts | 15 | Assurance review | Organisational Risk |
| Safeguarding Adults Board | 15 | Governance and Care Act compliance | Management Request |
| SUB TOTAL AHI | 110 | | |
| FINANCE & CORPORATE RESOURCES | | | |
| Financial Management | | | |
| Insurance | 15 | Cyclical review | Organisational risk |
| Corporate Property | 15 | Information systems and links to other Council services | Organisational risk |
| Procurement Act | 15 | Implementation of processes to ensure compliance with the Act | Core Financial System |

| DRAFT INTERNAL AUDIT PLAN 2026/27 | | | |
|--|-------------|---|---|
| Assignment | Days | High Level Scope/Coverage | Reason for Audit |
| Single Tender Actions | 15 | Compliance - STA and Direct contract awards | Core Financial System |
| Pensions | 15 | Assurance following new provider of services | Core Financial System |
| Revenues | | | |
| Council Tax | 15 | Recovery process | Core Financial System |
| Business Rates | 15 | Processes with a focus on recent system changes | Core Financial System |
| SUB TOTAL FCR (EXCL ICT) | 105 | | |
| ICT | | | |
| Privileged accounts & User ID management | 12 | Account management, authorisation & review | Management request, Organisational Risk |
| ICT Governance | 12 | Governance framework and decision making | Risk assessment |
| Artificial Intelligence | 12 | Assurance on application of AI technologies | Risk assessment |
| Event logging & incident detection | 12 | Identification and analysis of event data | Risk Assessment |
| Cedar E5 | 12 | System access controls | Core Financial System |
| Follow up of recommendations | 6 | 3 follow up reviews | Follow up |
| SUB TOTAL ICT | 66 | | |
| HOUSING, CLIMATE & ECONOMY | | | |
| Housing | | | |
| Housing Services Improvement Plan | 20 | Assurance on plan delivery | Organisational Risk, Assurance |
| Temporary Accommodation finance function | 5 | Follow up of earlier audit | Follow up |
| Leaseholder Major works debt recovery | 5 | Follow up of earlier audit | Follow up |
| TMOs - risk-assessed coverage 2 x TMO per year | 20 | Cyclical review of Council TMOs | Risk Assessment. Assurance |

| DRAFT INTERNAL AUDIT PLAN 2026/27 | | | |
|--|-------------|---|-------------------------|
| Assignment | Days | High Level Scope/Coverage | Reason for Audit |
| TMO Overview | 5 | Summary of previous year's audits detailing key themes | Annual summary |
| TMO follow-up | 10 | Follow up of 2 earlier audits | Follow up |
| Environment & Climate Change | | | |
| Parking Enforcement | 15 | Assurance following insourcing | Management Request |
| LTN consultations | 15 | Consultation process | Management Request |
| Highways Maintenance | 15 | Assurance on processes | Management Request |
| Regeneration | | | |
| Contract Management | 15 | Process to procure & manage | Organisational Risk |
| Benefits & Homeless Prevention | | | |
| Housing Benefits | 15 | Assessments and payments | Core financial system |
| Homelessness assessments | 15 | Assessment process | Organisational risk |
| SUB TOTAL CHE | 155 | | |
| ALL DIRECTORATES TOTAL | 746 | | |
| Reserves and Contingencies | | | |
| Contingencies | 100 | Follow-up work & completion of 2025/26 audits, contingency for emerging risks (in addition to the reserve list audits). | |
| Reserve List | | | |
| Corporate and Cross Cutting | | | |
| Corporate Objectives | 15 | Prioritisation of Council objectives | Peer review |
| Finance & Corporate Resources | | | |
| Fleet Management | 15 | Compliance and resources | Organisational Risk |
| Adults, Health & Integration | | | |
| NHS Health checks | 15 | Assurance review | Management Request |
| Community Pharmacy Public Health Contracts | 15 | Assurance review | Management Request |
| Housing, Climate & Economy | | | |
| Voids Turnaround | 15 | Processes and governance | Organisational Risk |
| Private Sector Housing | 15 | Enforcement and compliance | Organisational Risk |
| Housing Allocations | 15 | Processes and governance | Organisational Risk |

| Objectives, Key Performance Indicators (KPI's) and Targets for 2025/26 | | |
|--|--|--|
| Objectives | KPI's | Targets |
| <p>Cost & Efficiency</p> <p>1) To ensure the service provides Value for Money</p> | <p>1) Percentage of annual plan completed by 31 March</p> <p>2) Percentage of annual plan completed by 31 May</p> <p>3) Average number of days between the end of fieldwork to issue of draft report</p> | <p>1) 80%</p> <p>2) 100%</p> <p>3) 15 working days</p> |
| <p>Quality</p> <p>1) To maintain an effective system of Quality Assurance to ensure recommendations made by Internal Audit are agreed and implemented</p> | <p>1) Percentage of high and medium recommendations made which are agreed</p> <p>2) Percentage of agreed high and medium recommendations which are implemented in agreed timescales</p> | <p>1) 100%</p> <p>2) 90%</p> |
| <p>Client Satisfaction</p> <p>1) To deliver a professional service that promotes clients satisfaction and confidence in Audit outputs.</p> | <p>1) Results of Post Audit Questionnaires</p> | <p>1) Average score of satisfactory and above</p> |