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AGENDA ITEM

REPORT TO AUDIT & GOVERNANCE COMMITTEE
30 NOVEMBER 2026

REPORT OF HEAD OF INTERNAL AUDIT

INTERNAL AUDIT ACTIVITY REPORT

SUMMARY

To inform members of the progress of audit testing to date and present a forward plan of testing and the resources available to meet the plan to support the assessment of risk.

RECOMMENDATIONS

It is recommended that:-

1. The results of audit activity is noted and agree that the work for the next quarter be prioritised using the audit risk assessment methodology as outlined in the Audit Charter.

DETAIL

1. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. To support this, audit work the results of audit work are an integral part of the assurance framework in place to assess the current risk status.

2. The overall summary is shown in Appendix A to this report. The report is distilled into 5 sections:

    - Results of recent work, for this report it displays all results since 1 October 2026.
    - Overall Summary, this considers all of our results.
    - High, these are the results of testing considered high impact
    - Medium, these are the results of testing considered medium impact
    - Low, these are the results of testing considered low impact

3. The results of testing provides assurance that controls on the whole continue to be operating effectively. Where weaknesses have been identified we have confidence that improvements will be made as we have evidence that supports risks decreasing during follow-up work. There are currently no obvious trends in terms of root causes or themes that indicate any fundamental underlying issues with the control environment.

4. Planned work identifies the areas to be examined in the next period as required by the Public Sector Internal Audit Standards. Members are reminded that each control is risk assessed to determine the frequency of testing, audit work is planned and undertaken a rolling programme which prioritises controls with the highest risk rating in accordance with this methodology. I am required to report any concerns I may have that would impact on the independence of the audit service or the adequacy of resources, I can confirm that I have no concerns in either regard.

5. NFI Progress – An update on this work will be reported alongside the revised Anti-Fraud and Corruption Strategy which is due to be presented in November. A change in legislation introduces a new offence of "Failure to Prevent Fraud" which places some additional requirements specifically on the Anti-Fraud and Corruption.

FINANCIAL AND LEGAL IMPLICATIONS
None directly

RISK ASSESSMENT
This is a summary of the Council's risk environment.

COUNCIL PLAN IMPLICATIONS
None

CONSULTATION
N/A

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