

Supplement to the agenda

Audit and Governance Committee

Thursday 25 September 2025, 10.00 am

Conference Room 1, Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE

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	To present the updated Internal Audit Plan for 2025/26 for approval by Committee.	



Title of report: Internal Audit Plan 2025/26

Meeting: Audit and Governance Committee

Meeting date: Thursday 25 September 2025

Report by: Director of Finance

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To present the updated Internal Audit Plan for 2025/26 for approval by Committee.

Recommendation(s)

That the Committee:

- a) **Approves the updated Internal Audit Plan for 2025/26.**

Alternative options

1. There are no alternative recommendations; it is a function of the committee to consider these matters in fulfilling its assurance role.

Key considerations

2. The council's Internal Audit services are provided by South West Audit Partnership Internal Audit Services (SWAP).
3. The Internal Audit Plan sets out how Internal Audit resources will be utilised and deployed in 2025/26. It is underpinned by the Internal Audit Charter, approved by this Committee in March 2025, which defines the purpose, role, mission, responsibility and position of the Internal Audit function.
4. The 2025/26 Internal Audit Plan, included at Appendix A, has been developed using a risk-based, assurance mapping approach, which is aligned to the council's corporate objectives and priorities and the key risks which may prevent them from being achieved. The Plan has

Further information on the subject of this report is available from
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been informed by a variety of sources including the Council Plan 2024-2028, Delivery Plan 2025/26, Corporate Risk Register, Risk Management Strategy, other sources of assurance including peer review and professional body inspections, engagement with Directorate Leadership Teams, benchmarking against audit plans of other local authorities and intelligence from previous audit and counter-fraud work.

5. The Plan reflects the requirement to produce an annual Internal Audit opinion to summarise the overall adequacy and effectiveness of internal control arrangements operating during the year.
6. The Plan will remain flexible and includes an element of contingency in order to be able to respond to new and emerging risks as and when they are identified.

Community impact

7. The council's code of corporate governance commits the council to managing risks and performance through robust internal control and strong public financial management and to implementing good practices in transparency, reporting, and audit to deliver effective accountability. By ensuring robust management responses to identified risks, the council will be better able to meet priorities outlined in the Council Plan 2024-2028.

Environmental Impact

8. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
9. Whilst this is a report for information and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

Equality duty

10. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
11. The mandatory equality impact screening checklist has been completed for this project/decision/activity and it has been found to have no impact for equality.

Resource implications

12. There are no specific resource implications from the report itself.

Legal implications

13. In accordance with Section 5 of the Accounts and Audit (England) Regulations 2015, the council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance.
14. The council is under a duty to make adequate arrangements for its internal audit function and has chosen to appoint an external partner to assist with the discharge of this function.

Risk management

15. There is a risk that the level of work required to give an opinion on the council's systems of internal control is not achieved. This is mitigated by the regular active management and monitoring of the programme of internal audit work, and subsequent coverage assessments.
16. Risks identified by internal audit are mitigated by actions proposed by management in response. Progress on implementation of agreed actions is now reported to this committee as part of the internal audit progress reports.

Consultees

17. None.

Appendices

Appendix A SWAP Revised Internal Audit Plan 2025/26

Background papers

None identified.

Internal Audit Plan 2025/26

Audit	Directorate	CLT Lead	Link to Corporate Risk	Link to Council Priority	No of days (up to)
Core Financial Systems					125
Accounts Payable	Corporate Services	Director of Finance	R5	Key system - ALL	25
Accounts Receivable	Corporate Services	Director of Finance	R5	Key system - ALL	25
Treasury Management - Cashflow	Corporate Services	Director of Finance	R5	Key system - ALL	25
Bank Reconciliation	Corporate Services	Director of Finance	R5	Key system - ALL	25
Payroll	Corporate Services	Director of Finance	R5	Key system - ALL	25
Revenues & Benefits					75
Council Tax	Corporate Services	Director of Finance	R5	Key system - ALL	25
NNDR	Corporate Services	Director of Finance	R5	Key system - ALL	25
HB and CT Support	Corporate Services	Director of Finance	R5	Key system - ALL	25
Governance					60
Risk Management	Corporate Services	Director of Finance	ALL	ALL	30
Emergency Planning and Business Continuity	Public Health	Corporate Director (CWB)	R7 / R8	Transformation	30
Regulatory Services					60
Public Protection	Economy & Environment	Corporate Director (E&E)	Compliance with laws & regulations	Place	30
Licensing	Economy & Environment	Corporate Director (E&E)	Compliance with laws & regulations	Place	30
Operational Audits					244
Temporary Accommodation	Community Wellbeing	Corporate Director (CWB)	R1 / R2	Growth	15
Transport Hub	Economy & Environment	Corporate Director (E&E)	R4	Growth	20
Direct Payments (Social Care)	Community Wellbeing	Corporate Director (CWB)	R1 / R2	People	30
Adult Social Care Charging and Debt Collection	Community Wellbeing	Corporate Director (CWB)	R1 / R2	People	30
School Audits	Children & Young People	Corporate Director (C&YP)	R1 / R2	People	35
Audit Committee Effectiveness - CIPFA Position Statement	Corporate Services	Director of Finance	N/A	Transformation	10
Section 106s / CIL	Economy & Environment	Corporate Director (E&E)	N/A	Place	15

Audit	Directorate	CLT Lead	Link to Corporate Risk	Link to Council Priority	No of days (up to)
Compliance with new Building Safety Regulations - Annual Audit	Corporate Services	Director of HR & OD	Compliance with laws & regulations	Plance	7
Compliance with New Procurement Review (PRU) - Annual Audit	Corporate Services	Director of Finance	Compliance with laws & regulations	Transformation	7
Public Health Commissioned Services 2025/26	Public Health	Corporate Director (CWB)	R1 / R2	People	25
Active Travel Plans - Public Transport 2025/26	Economy & Environment	Corporate Director (E&E)	N/A	Place	25
Adult Social Care - Discharge to Assessment (D2A) Pathway	Community Wellbeing	Corporate Director (CWB)	R1 / R2	People	25
Follow up Audits					60
Foster Care Placements - Full Follow-Up Audit	Children & Young People	Corporate Director (C&YP)	R1 / R2	People	25
Court of Protection - Full Follow-Up Audit	Community Wellbeing	Corporate Director (CWB)	R1 / R2	People	25
Decision-making and project governance (Major Projects)	Corporate Services	Director of Finance	R4	Growth/Place	10
Grant Certifications					21
Local Transport Capital Block Funding Grant	Economy & Environment	Corporate Director (E&E)	Grant	Grant	7
Bus Subsidy	Economy & Environment	Corporate Director (E&E)	Grant	Grant	7
Childcare Expansion Capital Grant Funding No 31/6960 - 2025/26	Children & Young People	Corporate Director (C&YP)	Grant	Grant	7
Other Audit Activities					155
Follow-Up of Agreed Actions					15
Management of Service Provision					35
Working with Counter Fraud					10
Contingency (including other operational audit work to be agreed)					95
TOTAL					800