Herefordshire Council

# Title of report: Internal Audit Plan 2026/27

## Meeting: Audit and Governance Committee

## Meeting date: Tuesday 21 July 2026

## Report by: Director of Finance/Head of Internal Audit

### Classification

Open

### Decision type

This is not an executive decision

### Wards affected

### Purpose

To present the updated Internal Audit Plan for 2026/27 for approval by Committee.

### Recommendation(s)

**That the Committee:**

**a) Approves the proposed Internal Audit Plan for 2026/27.**

### 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 2026/27. It is underpinned by the Internal Audit Charter, approved by this Committee in June 2026, which defines the purpose, role, mission, responsibility and position of the Internal Audit function.

4. The 2026/27 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

been informed by a variety of sources including the Council Plan 2024-2028, Delivery Plan 2026/27, 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. In addition to planned work for 2026/27, audits not completed in 2025/26 will be undertaken to assess controls in place in respect of s106 Agreements, Direct Payments (Social Care) and Risk Management.

6. SWAP will also identify additional audits informed by emerging risks and themes across the wider SWAP local authority portfolio. This additional work will be added to the plan in consultation with the S151 Officer and reflected in the quarterly updates.

7. 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.

8. 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

9. 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

10. 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.

11. 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

12. 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.

13. The mandatory equality impact screening checklist has been completed for this activity and it has been found to have no impact for equality.

## Resource implications

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

## Legal implications

15. 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.

16. 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

17. 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.

18. 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

19. None.

## Appendices

Appendix A SWAP Internal Audit Plan 2026/27

## Background papers

None identified.