

## Appendix 1

## Internal Audit Reports

The following table summarises the audit assignments and similar work completed by Internal Audit since the last meeting of this Committee.

Audit Title	Report Issued	Assurance Opinion	Actions (High Priority)	Actions (Other)
Financial Appraisal – Capital Works	04/03/26	Advisory Report Only		
Financial Appraisal – Prospective Tenant	05/03/26	Advisory Report Only		
Capital Works	10/03/26	Reasonable	-	3
Bramcote Leisure Centre – Governance Review	17/03/26	Substantial	-	-
Income Receipting System	30/03/26	Substantial	-	1
Information Management	08/04/26	Substantial	-	1
Financial Appraisal – Capital Works	14/04/26	Advisory Report Only		
Financial Appraisal – Prospective Tenant	14/04/26	Advisory Report Only		
Financial Appraisal – Prospective Tenant	14/04/26	Advisory Report Only		
Council Tax	16/04/26	Substantial	-	-
Financial Appraisal – Prospective Tenant	16/04/26	Advisory Report Only		
Hickings Lane Pavillion Planning Income	At the time of writing, it is anticipated that these audits will be completed (or substantially completed) by the date of this meeting. A verbal update will be provided by the Chief Audit and Control Officer at this meeting.			

## Remaining Internal Audit Plan 2026/27

Audit Title	Progress
Environmental Health	In progress
Housing Acquisitions	In progress
Process Improvement Follow-Up	In progress
Shared Ownership (Housing)	In progress
Transport and Fleet Management	In progress
Asbestos Risk Management (Housing)	Not yet commenced
Benefits	Not yet commenced
Business Support (Invoicing)	Not yet commenced
Commercial Property Income	Not yet commenced
Community Engagement	Not yet commenced
Complaints Reporting and Responses	Not yet commenced
Creditors and Purchasing	Not yet commenced
Fire Risk Management (Housing)	Not yet commenced
Human Resources	Not yet commenced
Key Reconciliations	Not yet commenced

Audit Title	Progress
Leisure Centre Operations	Not yet commenced
Lettings (Housing)	Not yet commenced
Licensing	Not yet commenced
NNDR (Business Rates)	Not yet commenced
Payroll	Not yet commenced
Public Sector Housing Enforcement	Not yet commenced
Rents (Housing)	Not yet commenced
Tenancy Records Management (Housing)	Not yet commenced
Tenancy Sustainment (Housing)	Not yet commenced
Treasury Management	Not yet commenced
Waste Management (Trade and Residual)	Not yet commenced

### **Completed Audits**

A report is prepared for each audit assignment and issued to the relevant senior management at the conclusion of a review that will:

- include an overall opinion on the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the specific identified key risks relating to the area under audit. This opinion is categorised as either ‘Substantial’, ‘Reasonable’, ‘Limited’ or ‘No’ assurance;
- identify inadequately addressed risks and ineffective control processes;
- detail the actions agreed with management and the timescales for completing those actions; and
- identify issues of good practice.

Recommendations made by Internal Audit are prioritised, with the agreed actions being categorised accordingly as follows:

- High Priority – Action considered necessary to avoid unmitigated exposure to significant risks
- Medium Priority – Action considered necessary to avoid unmitigated exposure to other key risks
- Best Practice – Action recommended in order to improve existing procedures and other systems of internal control

The following audit reports have been issued with key findings as follows:

**1. Financial Appraisals **Advisory Reports Only****

Internal Audit is frequently requested to provide financial appraisals of companies, non-incorporated businesses and other organisations as part of the Council's 'due diligence' processes prior to the commencement of any commercial or similar relationship with the organisation in question. For each appraisal, Internal Audit provides a confidential report which summarises the results of a review of information provided by the organisation, information provided by third-party organisations (such as credit-referencing agencies and the National Anti-Fraud Network) and any other publicly available information.

**2. Capital Works **Assurance Opinion – Reasonable****

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Housing properties may not be maintained in line with the Decent Homes Standard.
- Higher-value contracts may not be procured in accordance with the current regulatory framework.
- Contract Management processes may be ineffective.
- Appropriate attention may not be directed towards ensuring Value for Money.
- Performance Monitoring and Reporting may be inadequate.
- Budget Control and Monitoring may be inadequate.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with three recommendations relating to system data quality ('medium priority'), survey documentation ('medium priority') and contract management ('best practice') being proposed to and agreed with management.

**3. Bramcote Leisure Centre Project Governance Review **Assurance Opinion – Substantial****

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Decision making processes may be inappropriate.
- Risk management processes may be inadequate.
- Procurement of required goods and services may not be compliant with current legislation and/or Council policy.
- Appropriate budgetary control and monitoring arrangements may not be in place.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with no specific recommendations to address deficiencies in internal control being made.

4. **Income Receipting** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Income Receipting processes may not be operating in an appropriate, efficient and timely manner.
- Reconciliation processes may not be operating in an appropriate, efficient and timely manner.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with one recommendation ('best practice') relating to the signoff of reconciliations being proposed to and agreed with management.

5. **Information Management** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Information submitted as part of the annual Senior Information Risk Owner (SIRO) reporting process may be inaccurate.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with one recommendation ('best practice') relating to the retention of supporting documentation being proposed to and agreed with management.

6. **Council Tax** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Council Tax may not be correctly calculated and/or bills may not be accurately and efficiently raised and distributed.
- Billed amounts may not be collected in an efficient manner and/or may not be accounted for correctly.
- Outstanding debts may not be managed efficiently and effectively.

- Applied reliefs and discounts to accounts may not be valid and/or managed efficiently.
- Refunds and write-offs may not be valid and may not be appropriately authorised.
- Robust arrangements for detecting and managing fraud risk may not be in place.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with no specific recommendations to address deficiencies in internal control being made.

**Current Audit Performance**

Progress on the Internal Audit Plan for 2026/27 is considered to be satisfactory. A final report on the performance of the Internal Audit Service for 2025/26 will be presented to this Committee in July 2026.

**Appendix 2**

**Internal Audit Follow-Up**

Internal Audit has undertaken a review of progress made by management in implementing agreed actions within six months of the completion of the audit and is pleased to report that there are no such actions currently outstanding.