

**North East Derbyshire District Council**

**Audit and Corporate Governance Scrutiny Committee**

**14th April 2025**

**INTERNAL AUDIT PLAN 2025/26**

**Report of the Head of the Internal Audit Consortium**

**Classification:** This report is public

**Report By:** Head of the Internal Audit Consortium

**Contact Officer:** Jenny Williams  
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**PURPOSE / SUMMARY**

To present to Members for consideration and agreement the Internal Audit Plan for 2025/26.

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**RECOMMENDATIONS**

1. That the Internal Audit Plan for 2025/26 be agreed.
2. That it be noted that the plan is provisional and may need adjusting and prioritising in the light of any changes in the Council's business, risk operations, programs. Systems, controls and organisational culture.

**IMPLICATIONS**

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**Finance and Risk:** Yes ☒ No ☐

**Details:**

The internal audit budget for 2025/26 has been approved by the Joint Board.

The audit plan is designed to provide assurance that the council's significant risks identified as part of the risk assessment process are being managed effectively. If additional risks are identified and / or there are changes to priorities during the year the plan will be reconsidered. Any significant changes to the plan will be reported back to the Audit Committee for approval.

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On Behalf of the Section 151 Officer

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**Legal (including Data Protection):**

**Yes** ☒

**No** ☐

**Details:**

The core work of internal audit is derived from the statutory responsibility under the Accounts and Audit Regulations 2015 which requires the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account public sector internal auditing standards or guidance”.

On Behalf of the Solicitor to the Council

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**Staffing:**

**Yes** ☐

**No** ☒

**Details:**

On behalf of the Head of Paid Service

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## DECISION INFORMATION

Decision Information	
<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:  <b>NEDDC:</b> <b>Revenue - £100,000</b> <input type="checkbox"/> <b>Capital - £250,000</b> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>District Wards Significantly Affected</b>	None
<b>Consultation:</b> <b>Leader / Deputy Leader</b> <input type="checkbox"/> <b>Cabinet</b> <input type="checkbox"/> <b>SMT</b> <input checked="" type="checkbox"/> <b>Relevant Service Manager</b> <input checked="" type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	Yes  Details:

<b>Links to Council Plan (NED) priorities, including Climate Change, Equalities, and Economics and Health implications.</b>
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The internal audit plan is linked to the Council Plan in respect of its aim to continually improve Council services to deliver excellence and Value for money and to provide assurance in respect of the Council's governance, risk and control arrangements.
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## REPORT DETAILS

### 1 Background

- 1.1 The Global Internal Audit Standards require that the Head of the Internal Audit Consortium create an internal audit plan that supports the achievement of the Council's objectives. The plan should be based on the strategies, objectives and risks of the Council and the Head of Internal Audit's understanding of the governance, risk management and control processes in place.
- 1.2 The Global Internal Audit Standards require that the Audit Committee (highest level body charged with governance) approve the plan.

### 2. Details of Proposal or Information

- 2.1 The plan has been prepared taking into account the following factors: -
- The Council's objectives and priorities,
  - Local and national issues and risks,
  - The requirement to produce an annual internal audit opinion – adequate coverage of governance, risk and control arrangements,
  - Information technology governance, fraud risk, the effectiveness of the Council's compliance with ethics programs and other high risk areas,
  - The Council's strategic and operational risk registers,
  - Consultation with the Senior Leadership Team.
- 2.2 An annual report summarising the outcome of the 2024/25 internal audit plan will be presented to this Committee after the year-end. There is just one area (climate change) that won't have been completed and this has been carried forward to the 2025/26 plan.
- 2.3 A summary of the internal audit plan for 2025/26 is shown below and in detail at Appendix 1.

## Internal Audit Plan 2025/26

Summary	Audit Days
Main Financial Systems	50
Other Operational Audits	153
Computer / IT Related	10
National Fraud Initiative	5
Rykneld Homes	97
Corporate / Cross Cutting / Governance	86
Special Investigations & Contingency	40
Apprenticeships / Training	30
Audit Committee / Client Liaison	15
<b>Grand Total</b>	<b>486</b>

- 2.4 Resource availability has been based on the Consortium Business Plan that was approved by the Joint Board on the 26<sup>th</sup> March 2025. The plan allocates 486 days to North East Derbyshire District Council for 2025/26, this is the same allocation as in 2024/25.
- 2.5 The plan is ambitious and is reliant upon having a full staffing complement and fully trained staff. The Consortium is currently recruiting for a Senior Auditor at BDC, any delays in being able to recruit may have an impact on the completion rate of NEDDC's audit plan however this will be managed to ensure that enough of the audit plan is completed to be able to provide an opinion at the year end.

### **3 Reasons for Recommendation**

- 3.1 To comply with the Global Internal Audit Standards and to determine the internal audit work plan for the year.
- 3.2 To ensure that the annual internal audit opinion can provide assurance in respect of the Council's governance, risk and control arrangements.

#### 4 Alternative Options and Reasons for Rejection

4.1 None

#### DOCUMENT INFORMATION

Appendix No	Title
1	Internal Audit Plan 2025/26
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	