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High Street  
Clowne  
S43 4JY

To: Chair & Members of the Audit  
Committee

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Friday 27th June 2025

Dear Councillor

**AUDIT COMMITTEE**

You are hereby summoned to attend a meeting of the Audit Committee of the Bolsover District Council to be held in the Council Chamber on Monday, 7th July, 2025 at 10:00 hours.

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on page 3.

Yours faithfully

A handwritten signature in black ink, appearing to read "J. S. Fielden".

Solicitor to the Council & Monitoring Officer

## **Equalities Statement**

Bolsover District Council is committed to equalities as an employer and when delivering the services it provides to all sections of the community.

The Council believes that no person should be treated unfairly and is committed to eliminating all forms of discrimination, advancing equality and fostering good relations between all groups in society.

### **Access for All statement**

You can request this document or information in another format such as large print or **language** or contact us by:

- **Phone:** [01246 242424](tel:01246 242424)
- **Email:** [enquiries@bolsover.gov.uk](mailto:enquiries@bolsover.gov.uk)
- **BSL Video Call:** A three-way video call with us and a BSL interpreter. It is free to call Bolsover District Council with Sign Solutions, you just need Wi-Fi or mobile data to make the video call or call into one of our Contact Centres.
- Call with [Relay UK](#) - a free phone service provided by BT for anyone who has difficulty hearing or speaking. It's a way to have a real-time conversation with us by text.
- **Visiting** one of our [offices](#) at Clowne, Bolsover, Shirebrook and South Normanton

## **AUDIT COMMITTEE AGENDA**

***Monday, 7th July, 2025 at 10:00 hours taking place in the Council Chamber,  
The Arc, Clowne***

<b>Item No.</b>		<b>Page No.(s)</b>
<b>1.</b>	<b>Apologies For Absence</b>	
<b>2.</b>	<b>Urgent Items of Business</b>  To note any urgent items of business which the Chair has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
<b>3.</b>	<b>Declarations of Interest</b>  Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of:  a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.  <b><u>TO CONSIDER THE MINUTES OF THE MEETINGS HELD ON:</u></b>	
<b>4.</b>	<b>22nd January 2025</b>	<b>4 - 6</b>
<b>5.</b>	<b>20th February 2025</b>	<b>7 - 9</b>
<b>6.</b>	<b>9th April 2025</b>	<b>10</b>
	<b><u>REPORT OF THE PORTFOLIO HOLDER FOR GROWTH</u></b>	
<b>7.</b>	<b>Homes England: Compliance Audit Report - 2024/25</b>	<b>11 - 18</b>
	<b><u>REPORTS OF THE INTERNAL AUDIT CONSORTIUM MANAGER</u></b>	
<b>8.</b>	<b>Summary of Progress on the 2024/25 Internal Audit Plan</b>	<b>19 - 54</b>
<b>9.</b>	<b>Internal Audit Consortium Annual Report 2024/25</b>	<b>55 - 85</b>
<b>10.</b>	<b>Implementation of Internal Audit Recommendations</b>	<b>86 - 96</b>
<b>11.</b>	<b>Internal Audit Charter</b>	<b>97 - 108</b>
<b>12.</b>	<b>Internal Audit Plan 2025/26</b>	<b>109 - 118</b>
<b>13.</b>	<b>Work Programme 2025/2026</b>	<b>119 - 120</b>

## AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Wednesday 22<sup>nd</sup> January 2025 at 1400 hours.

### **PRESENT:-**

Members:-

Councillor Tom Munro in the Chair

Councillors Cathy Jeffery, Catherine Tite, Carol Wood, and Ruth Jaffray (Coopted Member).

Officers:- Theresa Fletcher (Section 151 Officer), Jenny Williams (Head of Internal Audit Consortium), Karen Hanson (Chief Executive), Jim Fieldsend (Monitoring Officer) and Alison Bluff (Governance).

Also in attendance at the meeting was Garima Garg, Forvis Mazars, and Councillor Clive Moesby, Portfolio Holder for Resources.

### **AUD25 24/25. APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor Chris Kane.

### **AUD26 24/25. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **AUD27 24/25. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **AUD28 24/25. MINUTES – 26<sup>TH</sup> SEPTEMBER 2024**

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery  
**RESOLVED** that the Minutes of an Audit Committee held on 26<sup>th</sup> September 2024 be approved as a correct record.

## **REPORTS OF THE HEAD OF INTERNAL AUDIT CONSORTIUM**

### **AUD29 24/25. GLOBAL INTERNAL AUDIT STANDARDS**

Committee considered a report in relation to the new Global Internal Audit Standards (GIAS) which would replace the Public Sector Internal Audit Standards (PSIAS) from 1<sup>st</sup> April 2025.

In January 2024, the Institute of Internal Auditors (IIA), published the Global Internal Audit Standards which intended to guide the worldwide professional practice of internal

## AUDIT COMMITTEE

auditing and serve as a basis for evaluating and elevating the quality of the internal audit function.

The GIAS were organised into five domains with 15 guiding principles within to enable effective internal auditing. Each principle was supported by standards that contained requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements helped internal auditors achieve the principles and fulfil the purpose of internal auditing.

The Internal Audit Consortium was compliant with the PSIAS and whilst many of the principles of auditing were the same, work was ongoing to ensure full compliance with the GIAS, and an action plan was attached at Appendix 4 to the report. The next external review of Internal Audit was due in May 2026, and this review would need to assess the Internal Audit Consortium's compliance with the GIAS.

Moved by Councillor Carol Wood and seconded by Councillor Catherine Tite  
**RESOLVED** that the report be noted.

### **AUD30 24/25. SUMMARY OF PROGRESS ON THE INTERNAL AUDIT PLAN 2024/25**

Committee considered a report which provided Members with an update on progress in relation to the 2024/25 Internal Audit Plan.

Appendix 1 to the report provided a summary of reports issued between September and December 2024, and also a summary of reports issued in respect of Dragonfly Development Ltd. During this period, four reports had been issued; two with substantial assurance and two with reasonable assurance. In respect of the two Dragonfly reports, both had been issued with substantial assurance.

The Head of Internal Audit advised Members that progress against the plan was behind schedule due to the time gap whilst recruiting a new Auditor and also increased training demands as both Auditors were still relatively new. However, it was still anticipated that sufficient work would be completed to enable an unlimited audit opinion to be given.

Moved by Councillor Cathy Jeffery and seconded by Councillor Carol Wood  
**RESOLVED** that the report be noted.

## **REPORT OF THE SECTION 151 OFFICER**

### **AUD31 24/25. LOCAL AUDIT DELAYS UPDATE**

Committee considered a report which provided an update in relation to the latest information on 'The Local Audit Backstop dates,' in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) document, published in December 2024.

The backstop dates were a nationwide measure to address the backlog of incomplete audits of financial statements across local government in England and had been introduced as a way to reset the system and assist a return to a regular process of

## AUDIT COMMITTEE

timely audit and publication of financial statements. However, how each authority was affected depended on how many financial years' statements were outstanding. For the Council, only the latest year 2023/24 was affected, with the backstop date being 28<sup>th</sup> February 2025.

Members were asked to note that, as usual, the Finance Team had prepared the 2023/24 financial statements to the required standard and ready for audit on time. The draft statements had been signed off by the Section 151 Officer and were currently being audited. However, the audit was severely impacted by not having the audited financial statements for Dragonfly from their auditors. Forvis Mazars had been trying to work around solutions to undertake work to gain audit assurance wherever they could but unfortunately, it was unlikely to be insufficient and was almost certain that the 2023/24 accounts would be disclaimed when the backstop date was reached.

A meeting would be held in early January 2025 with Forvis Mazars to discuss the implications of a disclaimer on the Council's 2024/25 accounts and work was already under way with the Dragonfly companies to make improvements in their financial statement audit process for the 2024/25 financial year. An extraordinary Audit Committee would be held on 20<sup>th</sup> February 2025, where Forvis Mazars would present their report 'To Those Charged with Governance', and this would be an opportunity for Members to review the accounts.

Moved by Councillor Tom Munro and seconded by Councillor Carol Wood  
**RESOLVED** that the report be noted.

### **AUD32 24/25.      AUDIT COMMITTEE WORK PROGRAMME 2024/25**

Committee considered their work programme 2024/25.

It was noted that the extraordinary meeting on 20<sup>th</sup> February would be added to the work programme and an additional report from the Head of Internal Audit Consortium for the 9<sup>th</sup> April meeting.

The Chair stated that he wished to thank the Finance Team and the internal and external auditors for their work and that it was carried out in a proper manner.

Moved by Councillor Tom Munro and seconded by Councillor Carol Wood  
**RESOLVED** that the work programme 2024/25 be noted.

The meeting concluded at 14.20 hours.

## EXTRAORDINARY AUDIT COMMITTEE

Minutes of an extraordinary meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Thursday 20<sup>th</sup> February 2025 at 1000 hours.

### **PRESENT:-**

Members:-

Councillor Tom Munro in the Chair

Councillors:- Cathy Jeffery, Catherine Tite, Carol Wood, and Ruth Jaffray (Coopted Member).

Officers:- Karen Hanson (Chief Executive), Steve Brunt (Director of Strategic Services), Theresa Fletcher (Section 151 Officer) and Alison Bluff (Governance).

Also in attendance at the meeting was James Collins (Forvis Mazars).

### **AUD33 24/25.**

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Chris Kane and Lisa Powell and Councillor Clive Moesby, Portfolio Holder for Resources.

### **AUD34 24/25.**

### **DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **REPORT OF THE COUNCIL'S EXTERNAL AUDITOR; FORVIS MAZARS**

### **AUD35 24/25.**

### **REPORT TO THOSE CHARGED WITH GOVERNANCE – FORVIS MAZARS AUDIT COMPLETION REPORT**

Committee considered a detailed report of the Council's external auditors, Forvis Mazars, in relation to their audit completion report. The report was presented by James Collins, Director, Forvis Mazars.

The report confirmed that as a result of the legislative backstop arrangements introduced by the amendments to the Accounts and Audit Regulations 2015, Forvis Mazars had been unable to complete the audit as originally planned, in advance of the backstop date of 28<sup>th</sup> February 2025. This meant a disclaimer of opinion would be issued on the Council's financial statements.

When an opinion was 'disclaimed', the auditor did not express an opinion on the financial statements and consequently no assurance was provided.

Section 2 of the report set out the detail of work undertaken on the accounts by Forvis Mazars. For single entity accounts (Council), a significant amount of work had been carried out. Section 4 of the report set out commentary on the Council's value for

## EXTRAORDINARY AUDIT COMMITTEE

money arrangements with the main commentary being that there was a significant weakness associated with the accounting for the group accounts (Dragonfly).

In response to a query from Councillor Wood, James advised that the current status of the audit as 'draft' reflected that some wording may change between the report being issued and the report being signed, however, the financial statements would remain as 'no assurance provided'.

In response to further queries raised by Councillor Wood, the Chief Executive confirmed that Dragonfly performance monitoring was included in the report with the Council's Performance Monitoring and presented to Executive on a quarterly basis. In relation to minimum revenue provision (MRP), which was money the Council set aside to pay off debt, James advised that Forvis Mazars used a benchmark of 2% - anything below this would be challenged. Via its Treasury Management Strategy, which Members approved, the Council was setting an MRP of 4%.

Councillor Wood also noted that Dragonfly update reports were presented to Local Growth Scrutiny Committee on a bi-monthly basis and not on a monthly basis as stated in Forvis Mazars' report, however, this would change going forward as Scrutiny Committees would start to meet on a quarterly basis after Annual Council.

The Chair thanked James for providing and presenting the report. He noted that an independent review of the Council's wholly owned companies would take place soon and action plans would potentially be a result.

Councillor Wood thanked the Section 151 Officer and her team as they had had to deal in a compressed timescale with late information from Dragonfly's previous accountants which had impacted on Forvis Mazars ability to complete their audit work.

In response to a further query from Councillor Wood, James noted that the 2024/25 accounts would open with the disclaimed balance of 2023/24. To rebuild assurance would involve work with management and looking back at historical information, however, there was uncertainty at what 'rebuilding assurance' actually meant and this was a national problem for councils affected by the backstop dates where a disclaimed or qualified audit opinion had been issued. This was a risk, and was being looked at by audit suppliers, regulators and other bodies such as the National Audit Office.

Moved by Councillor Tom Munro and seconded by Councillor Catherine Tite  
**RESOLVED** that the report of Forvis Mazars, *Those Charged with Governance*, be noted.

## **REPORT OF THE CHIEF ACCOUNTANT & SECTION 151 OFFICER**

### **AUD36 24/25.**

### **ACCOUNTING POLICIES**

Committee considered a detailed report, presented by the Section 151 Officer, which sought Members approval for the accounting policies for the current financial year and which related to the preparation of the Statement of Accounts for 2024/25.



## EXTRAORDINARY AUDIT COMMITTEE

Given that the accounting policies adopted had significant influence upon the accounting statements, it was important that these were given appropriate consideration at the outset of the preparation of the Statement of Accounts. This helped ensure that they were applied consistently in the preparation of the accounts.

The policies which were recommended were in line with those used in the previous financial year (2023/24). Officers had reviewed and updated these where necessary and they had been checked for their relevance, clarity, legislative compliance and that they were in accordance with the latest version of the code of practice and IFRS requirements.

For the first time, the accounting policies for 2023/24 were changed by the Council to reflect the preparation of group accounts. However, as the Statement of Accounts for 2023/24 were still being audited, it may be necessary to make an amendment to a 2024/25 policy to adopt a more appropriate accounting policy. Full details of the proposed accounting policies for the current financial year were provided at Appendix 1 to the report.

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery  
**RESOLVED** that the accounting policies as detailed at Appendix 1 to the report, be approved.

The meeting concluded at 1030 hours.

## AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Wednesday 9<sup>th</sup> April 2025 at 1400 hours.

### **PRESENT:-**

Members:-

Councillor Tom Munro in the Chair

Councillors Cathy Jeffery and Coopted Member; Ruth Jaffray.

Officers:- Jim Fieldsend (Monitoring Officer), Theresa Fletcher (Section 151 Officer), Jenny Williams (Head of Internal Audit Consortium), Katie Walters (Property Services Manager (Dragonfly)) and Alison Bluff (Senior Governance Officer).

Also in attendance at the meeting was Councillor Clive Moesby, Portfolio Holder for Resources, and Garima Garg (Forvis Mazars).

### **AUD37 24/25.**

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Lisa Powell, Catherine Tite and Carol Wood.

### **AUD38 24/25.**

### **ADJOURNMENT OF MEETING**

At the appointed hour and after waiting the statutory fifteen minutes there was no quorum of Members present at the meeting. The meeting was therefore adjourned.

## **BOLSOVER DISTRICT COUNCIL**

### **Audit Committee on 7<sup>th</sup> July 2025**

#### **Homes England: Compliance Audit Report – 2024/25**

#### **Report of the Portfolio Holder for Growth**

<b>Classification</b>	This report is Public
<b>Contact Officer</b>	Katie Walters, Property Services Manager (Dragonfly)

### **PURPOSE/SUMMARY OF REPORT**

In compliance with funding requirements, the purpose of this report is to advise the Audit Committee of the outcome of an audit carried out by Homes England on Bolsover Homes new build properties at Moorfield lane, Whaley Thorns.

### **REPORT DETAILS**

#### **1.1 Background**

- 1.1 The Council received funding from Homes England which contributed towards building the Bolsover Homes development of 7 homes at Moorfield Lane, Langwith as shown on the layout plan attached at Appendix 1. Homes England carried out an audit to ensure that the funding requirements were complied with.

#### **2. Details of Proposal or Information**

- 2.1 Homes England awarded the Council £355,205 in funding to enable the completion of 7 Bolsover Homes properties at Moorfield Lane, Whaley Thorns.
- 2.2 The funding terms contained provisions that Homes England could audit how the funding had been spent to ensure that it had met grant requirements.
- 2.3 The site at Moorfield Lane was selected for audit and received – Green – Meets requirements. This is the highest status that is awarded. The audit report is attached at Appendix 2.
- 2.4 To conclude the audit there is a requirement to notify the Council that the audit has taken place and the outcome and to confirm that we have done this to Homes England.
- 2.5 This report meets the notification to the Council of the requirements of the audit.

### 3. Reasons for Recommendation

3.1 To notify the Audit Committee that the audit has taken place and that the outcome was satisfactory.

3.2 To comply with Homes England funding requirements.

### 4 Alternative Options and Reasons for Rejection

4.1 N/A

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### RECOMMENDATION(S)

That the Audit Committee note the contents of the report.

Approved by Councillor Tom Munro, Portfolio Holder for Growth

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### IMPLICATIONS:

<b><u>Finance and Risk</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details:		
On behalf of the Section 151 Officer		
<b><u>Legal (including Data Protection)</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details:		
On behalf of the Solicitor to the Council		
<b><u>Staffing</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details:		
On behalf of the Head of Paid Service		
<b><u>Equality and Diversity, and Consultation</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details:		

<b>Environment</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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**DECISION INFORMATION:**

<input checked="" type="checkbox"/> <b>Please indicate which threshold applies:</b>	
<b>Is the decision a Key Decision?</b> A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Revenue (a)</b> Results in the Council making Revenue Savings of £75,000 or more or <b>(b)</b> Results in the Council incurring Revenue Expenditure of £75,000 or more.	<b>(a)</b> <input type="checkbox"/> <b>(b)</b> <input type="checkbox"/>
<b>Capital (a)</b> Results in the Council making Capital Income of £150,000 or more or <b>(b)</b> Results in the Council incurring Capital Expenditure of £150,000 or more.	<b>(a)</b> <input type="checkbox"/> <b>(b)</b> <input type="checkbox"/>
<b>District Wards Significantly Affected:</b> <i>(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)</i> Please state below which wards are affected or tick <b>All</b> if all wards are affected:	<b>All</b> <input type="checkbox"/>

<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Consultation carried out:</b> <i>(this is any consultation carried out prior to the report being presented for approval)</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Leader</b> <input type="checkbox"/> <b>Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	

## Links to Council Ambition: Customers, Economy, Environment, Housing

Links to all

### **DOCUMENT INFORMATION:**

Appendix No	Title
1	Site Plan
2	Audit Report

### **Background Papers**

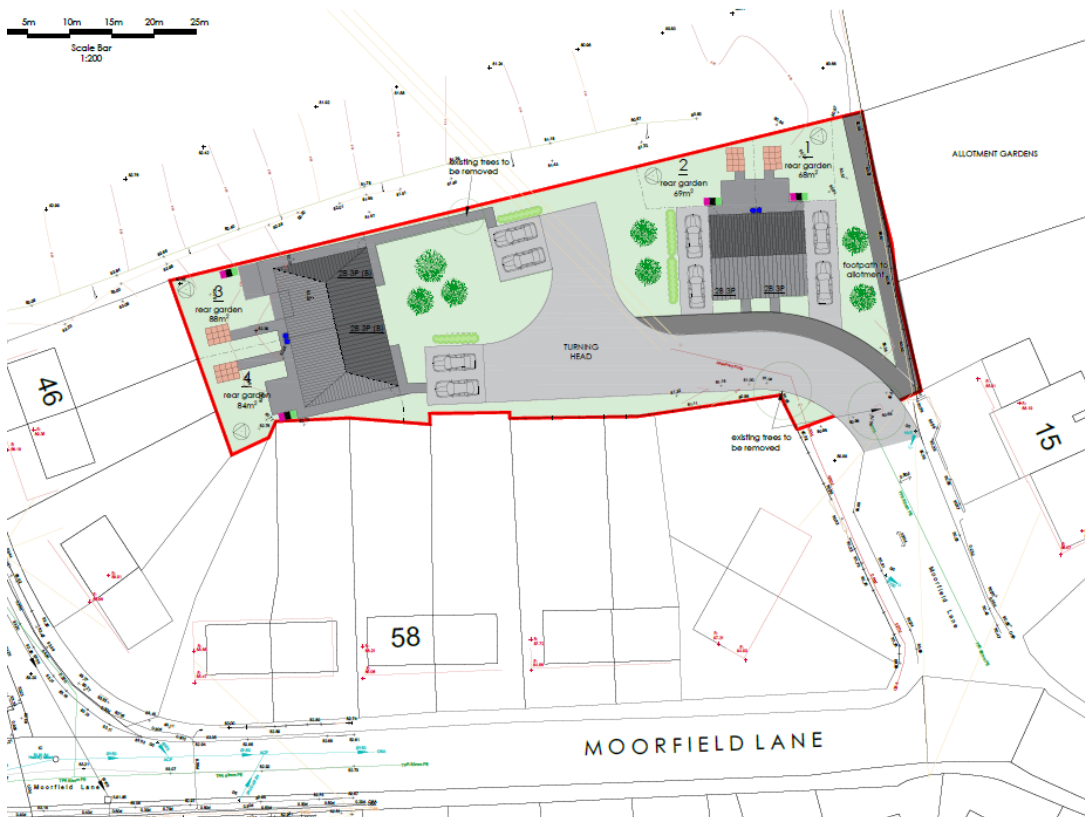
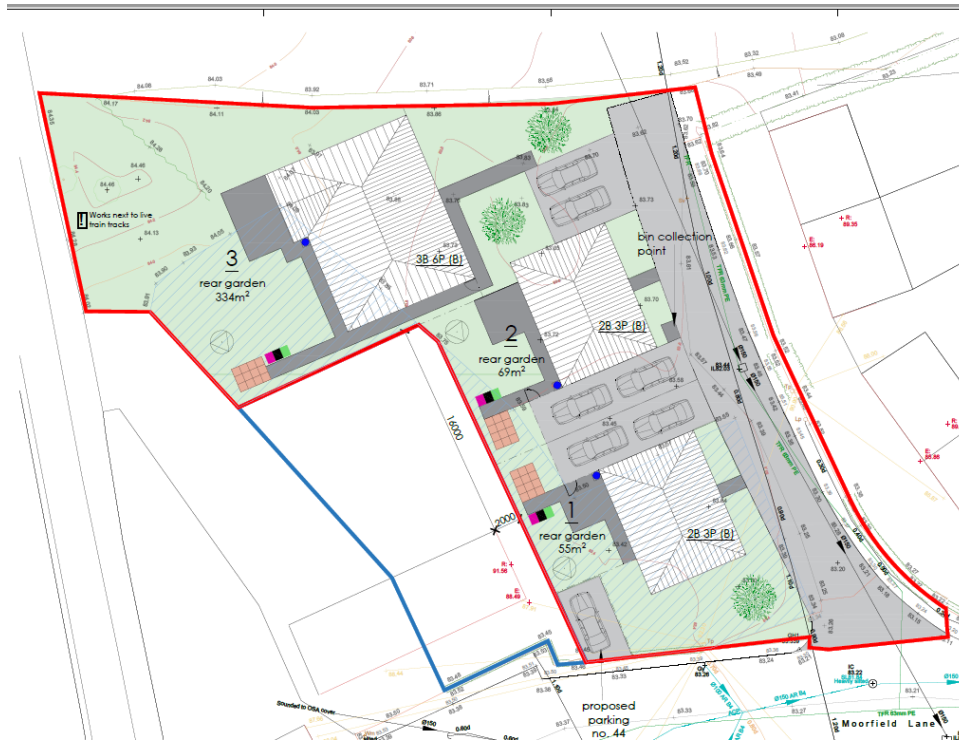
***(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive, you must provide copies of the background papers).***

**N/A**

DECEMBER 2024

# Appendix 1

## Appendix 1 Moorfield Lane Bolsover Homes



# Compliance Audit Report – 2024/25

## 17UC – Bolsover District Council

<b>Final Grade</b>	Green - Meets requirements
<b>Independent Auditor Organisation</b>	Beever and Struthers
<b>Independent Auditor Name</b>	George Shillam

### Report Purpose and Objectives

The purpose of the Compliance Audit report is to confirm that grant recipients have met Homes England's funding conditions and contractual requirements and have properly exercised their responsibilities as set out in the Capital Funding Guide.

We use the audit findings (which are confidential between Homes England and the grant recipient) to inform our future investment decisions and to reassure the Homes England Chief Accounting Officer that public funds have been properly used.

Where findings have been determined as breaches they are then used as the basis for recommendations and final grades for Providers. Grades of green, amber or red are awarded; definitions are provided at the end of this report. Where applicable the Provider is to use the recommendations to prevent similar breaches from reoccurring in the future and to aid good governance for complying with Homes England's policies, procedures and funding conditions.

Information about the audit process and guidance is available at:  
<https://www.gov.uk/guidance/compliance-audit>

### Compliance Audit Grade and Judgement Summary

<b>Final Grade</b>	Green - Meets requirements
<b>Judgement Summary</b>	On review of the evidence provided, the outcome of the audit has shown the provider has complied with all the programme requirements and guidance. A GREEN grade has been assigned and no breaches were identified.



## Scheme/Completions details

Scheme ID/ Completion ID	Address/Site ID	Scheme type
1089389	Moorfield Lane, Whaley Thorns, NG20 9DA	Rent

## Audit Results

Number of Schemes/Completions Audited	1
Number of Breaches Assigned	0
Number of High Severity Breaches	0
Number of Medium Severity Breaches	0
Number of Low Severity Breaches	0

## Provider's Acknowledgement of Report

The contents of this report including all recommendations must be acknowledged by your Board's Chair or equivalent. Confirmation of this acknowledgement must be recorded in the IMS Compliance Audit System by your Compliance Audit Lead no later **than three calendar months** of the report email notification being sent.

Report acknowledged by:

Date:

## Confidentiality

The information contained within this report has been compiled purely to assist Homes England in its statutory duty relating to the payment of grant to the Provider. Homes England accepts no liability for the accuracy or completeness of any information contained within this report. This report is confidential between Homes England and the Provider and no third party can place any reliance upon it.

## Compliance Audit Grade Definitions

<b>Green Grade</b>	No high or medium severity breaches identified, although there may be low breaches identified. The Homes England audit report shows that the provider
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	has a satisfactory overall performance but may identify areas where minor improvements are required.
<b>Amber Grade</b>	One or more medium severity breaches identified. The Homes England audit report will shows that the provider has failed to meet some requirements but has not misapplied public money. The provider will be expected to correct identified problem(s) in future schemes and current developments.
<b>Red Grade</b>	One or more high level severity breaches identified, the Homes England audit report shows that the provider has failed to meet some requirements and there has been a risk of misapplication of public funds.

## **Bolsover District Council**

### **Meeting of the Audit Committee on 7<sup>th</sup> July 2025**

#### **Summary of Progress on the 2024/25 Internal Audit Plan**

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

<b>Classification</b>	This report is public
<b>Contact Officer</b>	Jenny Williams – Head of the Internal Audit Consortium

#### **PURPOSE/SUMMARY OF REPORT**

To present, for members' information, the final progress report in respect of the 2024/25 Internal Audit Plan.

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#### **REPORT DETAILS**

##### **1. Background**

- 1.1 The Global Internal Audit Standards require that the Head of the Internal Audit Consortium reports periodically to the Audit Committee in respect of performance against the audit plan. Significant risk and control issues should also be reported.

##### **2. Details of Proposal or Information**

- 2.1 Appendix 1 is a summary of reports issued January – June 2025 in respect of the 2024/25 Internal Audit Plan.
- 2.2 The Appendix shows for each report the level of assurance given and the number of recommendations made / agreed where a full response has been received. This provides an overall assessment of the system's ability to meet its objectives and manage risk. The definitions of the assurance levels used can be seen in the table below.

<b>Assurance Level</b>	<b>Internal Audit Definition</b>	<b>Risk Register Link</b>
<b>Substantial Assurance</b>	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.	Minor / negligible impact
<b>Reasonable Assurance</b>	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.	Minor / moderate
<b>Limited Assurance</b>	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.	Moderate / Severe Impact
<b>Inadequate Assurance</b>	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.	Catastrophic Impact

2.3 In this period 7 reports have been issued 3 with substantial, 3 with reasonable and 1 with limited assurance. The final wording of the Climate Change audit report is in the process of being agreed, a reasonable assurance level has been awarded. In addition to this, 2 reports have been issued in respect of Dragonfly Ltd both with reasonable assurance.

2.4 As Members have previously requested, a full copy of the limited assurance sundry debtors report is attached at Appendix 2. The main reasons for a limited assurance report being issued were: -

- There is no automated recovery in the debtor system after the second reminder stage and limited recovery action has been taken after this
- Procedure notes are out of date and incomplete
- Aged debt reports don't go to all areas
- In some areas discretionary services continue to be provided even if the debtor has not paid
- Some staff members owe money to the Council
- It is unclear who can agree payment plans

2.5 The recommendations have been agreed and action is in the process of being taken to improve the controls and processes in place.

- 2.6 No issues arising relating to fraud were identified.
- 2.7 Appendix 3 provides the final picture in respect of the completion of the 2024/25 Internal Audit Plan. The areas not completed have been rolled forward to future years. The annual report provides more detail.
- 2.8 In terms of staffing, the BDC Senior Auditor has left the Internal Audit Consortium and started a Principal Accountant job at BDC. The Senior Auditor role has been advertised twice however it was not possible to recruit. CIPFA PENNA are now in the process of running a recruitment campaign for us. In the meantime, an Interim Senior Auditor has been recruited for a period of 6 months.
- 2.9 In addition to the above, the full time BDC Auditor has also left and the part time BDC Auditor has handed in their resignation. These posts are in the process of being advertised.
- 2.10 Resources will be shared with CBC and NEDDC to try and ensure that each Council completes enough of their audit plan to enable me to provide a year end opinion on the governance, risk and control arrangements in place.

### **3. Reasons for Recommendation**

- 3.1 To inform Members of progress on the 2024/25 Internal Audit Plan and to provide details of the Audit Reports issued to date.
- 3.2 To comply with the requirements of the Global Internal Audit Standards.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 N/A

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## **RECOMMENDATION**

That the report be noted.

## **IMPLICATIONS:**

<b><u>Finance and Risk</u></b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Details:</b>		
Internal audit reviews help to ensure that processes and controls are operating effectively thereby contributing to ensuring that value for money is obtained.		
On behalf of the Section 151 Officer		

<b><u>Legal (including Data Protection)</u></b> <b>Details:</b>  <p>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 the Public Sector Internal Audit Standards or guidance”.</p>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>
On behalf of the Solicitor to the Council	
<b><u>Staffing</u></b> <b>Details:</b>          	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>
On behalf of the Head of Paid Service	
<b><u>Equality and Diversity, and Consultation</u></b> <b>Details: N/A</b>          	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>
<b><u>Environment</u></b> Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment. <b>Details: N/A</b>          	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>

## DECISION INFORMATION

<input checked="" type="checkbox"/> <b><i>Please indicate which threshold applies:</i></b>	
<b>Is the decision a Key Decision?</b> A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:  <b>Revenue (a)</b> Results in the Council making Revenue Savings of £75,000 or more or <b>(b)</b> Results in the Council incurring Revenue Expenditure of £75,000 or more.	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>       <b>(a)</b> <input type="checkbox"/> <b>(b)</b> <input type="checkbox"/>

<p><b>Capital (a)</b> Results in the Council making Capital Income of £150,000 or more or <b>(b)</b> Results in the Council incurring Capital Expenditure of £150,000 or more.</p> <p><b>District Wards Significantly Affected:</b>  <i>(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)</i>  Please state below which wards are affected or tick <b>All</b> if all wards are affected:</p>	<p><b>(a)</b> <input type="checkbox"/>      <b>(b)</b> <input type="checkbox"/></p>          <p><b>All</b> <input type="checkbox"/></p>
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<p><b>Is the decision subject to Call-In?</b>  <i>(Only Key Decisions are subject to Call-In)</i></p> <p>If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i></p> <p><b>Consultation carried out:</b>  <i>(this is any consultation carried out prior to the report being presented for approval)</i></p> <p> <b>Leader</b> <input type="checkbox"/>    <b>Deputy Leader</b> <input type="checkbox"/>    <b>Executive</b> <input type="checkbox"/>    <b>SLT</b> <input type="checkbox"/>  <b>Relevant Service Manager</b> <input type="checkbox"/>    <b>Members</b> <input type="checkbox"/>    <b>Public</b> <input type="checkbox"/>  <b>Other</b> <input type="checkbox"/> </p>	<p><b>Yes</b> <input type="checkbox"/>      <b>No</b> <input type="checkbox"/></p>          <p><b>Yes</b> <input type="checkbox"/>      <b>No</b> <input type="checkbox"/></p>          <p><b>Yes</b> <input type="checkbox"/>      <b>No</b> <input type="checkbox"/></p>
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<p><b>Links to Council Ambition: Customers, Economy, Environment, Housing</b></p>
<p>Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.</p>

DOCUMENT INFORMATION	
Appendix No	Title
1	Summary of Internal Audit reports issued January to June 2025
2	Sundry Debtors Report
3	Final Progress Report on the 2024/25 Internal Audit Plan

## Background Papers

*(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 Executive you must provide copies of the background papers).*

December 2024



**BOLSOVER DISTRICT COUNCIL**  
**Internal Audit Consortium - Report to Audit Committee**  
**Summary of Internal Audit Reports Issued January – June 2025**

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B011	Housing Benefits and Council Tax Support	To ensure that benefits are paid promptly and accurately	Substantial	8/01/2025	29/01/2025	7L	7
B012	Cash and Banking	To ensure that all income is banked promptly and accurately and that regular reconciliations take place	Reasonable	20/01/2025	10/02/2025	2 (1M 1L)	2
B013	Corporate Targets	To ensure that Corporate Targets are meaningful, linked to the Council's ambition and calculated accurately and consistently with a defined definition.	Reasonable	27/01/2025	17/02/2025	7M	7
B014	Extreme Wheels	To review the processes in place.	Substantial	13/03/2025	03/04/2025	3L	3

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B015	Sundry Debtors	To ensure that invoices are raised promptly and accurately and that there are effective debt collection procedures in place	Limited	24/04/2025	16/05/2025	16 (7M 9L)	16
B016	Cyber Security Governance Arrangements	To evaluate and assess the effectiveness of cybersecurity governance, risk management and control processes	Reasonable	16/06/2025	7/07/2025	9 (4M 5L)	Note 1
B017	Environmental Health Other Licensing Income	To ensure that other Licensing Income is raised and collected in line with Legislation and Council policy	Substantial	16/06/2025	7/07/2025	6L	Note 1

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B018	Climate Change	To ensure that the Council is meeting its objectives in terms of identifying and delivering climate change initiatives	Reasonable	TBC	TBC		Final wording of report in the process of being agreed
	<b>Dragonfly Development Ltd</b>						
D003	Electrical Testing	To ensure there is a policy in place, legislative requirements are met, operatives are appropriately trained and qualified and that there is a program of testing in place.	Reasonable	30/4/2025	16/05/2025	5 (1M 4L)	5
D004	Sundry Debtors	To ensure that invoices are raised promptly and accurately and that there are effective debt collection procedures in place	Reasonable	6/06/2025	27/06/2025	4 (2M 2L)	Note 1

H = High Risk M = Medium Risk L = Low Risk

Note 1 – Response not due at time of writing report

## **Bolsover, Chesterfield and North East Derbyshire District Councils'**

### **Internal Audit Consortium**

### **Internal Audit Report**

<b>Authority:</b>	<b>Bolsover District Council</b>
<b>Subject:</b>	<b>BDC Sundry Debtors</b>
<b>Date of Issue:</b>	<b>24<sup>th</sup> April 2025</b>
<b>Assurance Level</b>	<b>Limited Assurance</b>
<b>Report Distribution:</b>	<b>Senior Accountancy Assistant, Principal Accountant Director of Finance &amp; Section 151 Officer, Chief Executive, Chief Executive (DF)</b>



**CHESTERFIELD**  
BOROUGH COUNCIL



**North East  
Derbyshire**  
District Council

## **INTERNAL AUDIT REPORT**

### **Sundry Debtors**

#### **Introduction**

In accordance with the 2024/25 annual audit plan a review of the key controls within the Sundry Debtors processes in respect of Bolsover District Council has been undertaken.

The sundry debtor IT system is part of the FMS (CIVICA Financials). The majority of sundry debtor invoices are raised on the system by departments with the Finance Team being responsible for system administration, generating invoices and their distribution, overall financial controls, collecting payments by direct debit, dealing with payment queries and managing recovery processes.

The year-end position for the value of outstanding debtors is as outlined below: -

<b>Position as at:</b>	<b>Value of unpaid Sundry Debts £</b>
31 <sup>st</sup> March 2021	586,163
31 <sup>st</sup> March 2022	817,507
31 <sup>st</sup> March 2023	1,586,893
31 <sup>st</sup> March 2024	1,466,978

Between 2021/22 and 2022/23 the value of debts increased by 94.1%. The 2022 Corporate Debt report presented to members, outlined that although debt collection processes were back to normal, the pandemic and the cost-of-living influenced businesses and individuals' ability to pay, as demonstrated by the arrear levels. There has been a reduction in arrears between 2022/23 and the 2023/24 of 7.55%.

The total value of debts on the system as at 14h February 2025 is £1,055,867.15. The Council has payment arrangement plans in place to cover £101,716.48 of this debt.

- Appendix 4 shows the value of unpaid invoices by department, for each financial year,
- Appendix 5 shows the number of unpaid invoices by department, for each financial year.

Dragonfly Ltd have their own FMS system (also CIVICA Financials) for raising debt associated with the Dragonfly Developments. The Finance Team provide similar debtor services to that provided to the Council but have no dealings with recovery processes after invoices have been issued. A separate audit has been undertaken on the company's sundry debtor processes.

## Scope and Objectives

The scope and objectives of the audit were to ensure that: -

- Previous recommendations have been implemented,
- All sundry income due (including periodical income) is invoiced timely and accurately,
- Separation of duties are in place regarding the raising and collection of income, and cancellation or write-off of debt,
- Sound Procedures are in place and effectively followed for cancelling invoices/ raising credit notes,
- Arrears recovery procedures are defined,
- Arrears are monitored and pursued in accordance with agreed procedures,
- Write-offs are appropriate, authorised and undertaken in accordance with agreed procedures,
- Write-off actions are correctly recorded in the Council's accounts,
- Accounts in credit are regularly reviewed for validity and where appropriate authorised refunds given,
- The suspense account is regularly cleared,
- Reconciliations between the Sundry Debtor system and the FMS are undertaken regularly and accurately,
- IT system is secure & adequate back-up arrangements are in place (assurance from completed Main Financial System audits),
- Targets have been established for raising invoices & collection of arrears.

## Risks

The following risks to meeting the objectives have been considered.

- Failure to invoice and collect income leading to financial loss.
- Failure to invoice promptly leading to budget not being achieved.
- Inadequate separation of duties or controls providing greater opportunity for fraud and misappropriation.

## Conclusion

The conclusion of the audit was that the reliability of the controls relating to the above areas was assessed as **Limited Assurance** (Definition of Assurance level). For a full list of Assurance definitions linked to risk see Appendix 1. For definitions of High, Medium, Low and Advisory recommendations see Appendix 2.

The help and assistance of the Principal Accountant, Senior Accountancy Assistant and Income and Expenditure Officer was much appreciated during the review.

## Findings and Recommendations

### Background

The day-to-day operation of Sundry Debtors transferred from the Revenues and Benefits Team to the Finance Team in 2019, together with one employee (in the post of Recovery Officer, who became the Accounting Assistant) who left two years after the transfer. During this period, COVID 19 occurred. From mid-March to 30<sup>th</sup> June 2020, the Council took no recovery action regarding debt collection. From 1<sup>st</sup> July 2020, along with other Derbyshire Authorities, 'soft recovery commenced,' which meant the customers were given extra time to repay debt. Full recovery methods were not re-introduced until late in 2021/22.

The Accountancy Assistant post, once vacant, was not recruited for and sundry debtor duties were absorbed into the Finance Team. During 2022, the Council agreed to set up Dragonfly Ltd after its housing development contractor, Woodhead Construction went into administration. The Finance Team, as a priority, were then involved with setting up the financial operations for the company which took considerable resources. Consequently, this has limited the time spent on sundry debtor recovery leading to no action being taken after the reminder stage in respect of some department debts.

In 2024 a new post, Income and Expenditure Officer was created whose duties include in part, undertaking sundry debtor duties. Progress is now being made and additional support with recovery action, has recently been provided from the Revenues and Benefits Team. However, it will take some time to resolve all the arrears matters. Further detail is within the Arrears Monitoring section of this report.

### Previous Recommendations

1. The previous audit of Sundry Debtors was completed in 2022/23 providing 'substantial assurance'. At that time two recommendations made in the previous audit (completed in 2019/20) had not been fully implemented: -

R1. Performance management information relating to Debtors should be reviewed to ensure that measures are designed to support the Council Vision and provide details relating to both short-term and long-term debtor information.

Response: We plan to incorporate this recommendation into service plan item No.3 as follows: *To review and update the sundry debtor processes (including arrears) and use the FMS to its full potential to enable invoices to be raised in departments. - This is still ongoing and will be progressed once COVID pressures have eased. We expect this to be fulfilled in 2022/23.*

R2. Regular updates should be pursued with originating departments and Legal section to provide sufficient assurance regarding the extent and effectiveness of debt recovery progress.



*Response: This again was delayed due to COVID and the decision made to pause any debt recovery during the height of the pandemic. Meetings are currently being scheduled with various colleagues within the authority, including Legal.*

2. The current audit has identified the planned review of sundry debtor processes has not taken place due to the issues discussed in the 'Background' section above, the impact of which is discussed later in the report. Finance have rolled out the raising of sundry debtor invoices to departments and provided the appropriate training. Regular meetings have taken place with two major departments (Trade Waste, DF- Property & Estates) regarding recovery rather than all areas. Finance have taken measures to streamline processes for raising debts by introducing a spreadsheet upload.
3. Whilst a specific sundry debtor audit has not been undertaken until now, Internal Audit completed audits in 2024 for Commercial Waste and Pollution Control which highlighted concerns regarding the continuing provision of services to customers despite sundry debtor accounts not being paid and the inadequacy of recovery processes. The Director of Finance was notified and it was established that time resources were already being put in place to deal with recovery through the use of Revenues and Benefits as mentioned above.

#### **Income due invoiced promptly and accurately**

4. Analysis of the Council's fees and charges income has been undertaken for 2023/24 and 2024/25 to identify areas where sundry debtor invoices are raised. This identified one area where fee income was below budget. This related to housing leaseholder charges which had not been charged due to billing being transferred for the first time to the Housing Department from the Finance Team. These charges have now recently been invoiced.
5. A sample of 20 transactions was examined and tests undertaken to ensure amounts had been raised promptly. The results were that: -
  - 18 out of 20 invoices had been raised promptly.
  - 2 invoices had not been invoiced promptly.
    - *Housing:* One invoice (INV 212035) for garage rent had been raised on 5<sup>th</sup> June 2024 but was due 1 April 2024. The Housing Department have stated that they notified the Finance Team that this debtor had not appeared on the list of invoices despite being passed to Finance on 20<sup>th</sup> September 2023. This amount has been invoiced using a 'charge code' which are discussed later in the report.
    - *Estates:* One invoice (INV 210400) related to the invoicing of electricity recharges for a tenant at Pleasley Mills. The period covered 12/12/23 to 09/01/24 but wasn't invoiced until 19/04/24. Electricity recharges are invoiced in arrears. It is understood that whilst information was sent to the Finance Team there was a problem with the spreadsheet upload which resulted in the

wrong period being entered on the invoice so should have been for the period 07/03/24 to 28/03/24.

These examples were exceptional and therefore no recommendation has been made.

6. For the same sample, tests were undertaken to ensure that the charges had been correct in terms of determination of VAT and where published, charges were in accordance with those approved. No issues were identified except for an invoice relating to lifeline charges
7. Further detail was requested to support the determination of lifeline charges (Debtor Account Reference: 004968, Invoice Reference 216323, as these differed from the fees agreed by Committee. The findings in respect to this account were that: -
  - The wrong rate for the provision of bronze lifeline services had been charged for the financial years 2012/13 to 2024/25 resulting in an undercharge of £1,473.11.
  - There is the potential for further errors covering the period 2006/2007 to 2011/12. The rates for this period were not readily available to determine this element.
  - VAT had been applied to the account whilst all other customers have been charged at zero-rate therefore no VAT. This matter has been referred to the Technical Officer to investigate the VAT status of lifeline charges.
  - No price increase has been applied for the financial years 2018/19 to 2024/25.
8. Where a regular service is provided, the Finance Team can create a 'charge code' on the system which identifies the value and the frequency of the charge. Periodic invoices are then created and allocated to a charge code. At the set frequency, invoices will automatically be generated and sent to customers. Fees and charges are subject to annual review at which time the Finance Team seek confirmation of new rates to revise fees. In the case above, for the financial year 2024/25 clarity was sought from the Housing Careline Team in respect to some charge codes that had not had price increases. The response confirmed which charge codes to apply increases and that the remaining codes should be taken out of use, however this did not take place as there remained live accounts against the charge code, instead the price increase was not applied. Further communication has taken place between the two departments but the issue has not been satisfactorily resolved.
9. The Finance Team are emailed by the department, usually annually where fees and charges change and these are actioned accordingly. As part of this annual exercise, all charge codes rates should be confirmed as correct and valid, regardless as to whether a change has been made. Departments should ensure notification to the Finance Team is timely and rates reflect those agreed by committee or delegated decision.

Recommendation	
<b>R1</b>	<p>The Finance Team introduce a template for completion by services, which lists all charge codes and requires the department to state the charge due after agreed price changes. This should be clear in terms of frequency of when amounts are charged and the VAT status.</p> <p><b>Risk: Medium</b></p>

Recommendation	
<b>R2</b>	<p>In respect of Lifeline Charges, the Housing Careline Service reconcile the invoices raised each year to that expected according to their own customer records.</p> <p>Where a customer (debtor) still appears against what they believe to be an incorrect charge code, the Housing department must indicate to the Finance Team which valid charge code should be used instead.</p> <p><b>Risk: Medium</b></p>

Recommendation	
<b>R3</b>	<p>A decision is taken, by the Director of Finance in conjunction with Assistant Director of Housing regarding the invoicing of undercharged lifeline services.</p> <p><b>Risk: Low</b></p>

## Separation of Duties

10. The Debtors Masterfile is controlled by the Finance Team. Departments may request the creation of a new customer account via the completion of an electronic form via the intranet (ERIC). Departments raise their own sundry debtor invoices which are only issued after electronic approval by the Finance Team (primarily by the Principal Accountant).
11. Income is received via approved payment channels and not by staff directly. Amounts shall only be written off after approval by the Director of Finance (and Committee when over £2,500).
12. Credit notes / Cancellations are requested by the department using a standard form which will only be actioned on the system by the Finance Team where appropriately authorised and contains the signature of the preparer and authoriser. The Debtors system

allows the Income and Expenditure Officer to both input and authorise the credit note which does not provide separation of duties.

Recommendation	
<b>R4</b>	Separation of duties is introduced within the Debtors ICT system to ensure that the same person is not able to both input and authorise a credit note.  <b>Risk: Low</b>

### **Credit notes and monitoring of accounts in credit.**

13. A sample of 10 credit notes were reviewed. All had requested documentation from the service which had been appropriately authorised. Details had been updated promptly and accurately onto the debtors system. The majority of credit notes issued related to lifeline charges where the tenant had deceased (169 credit notes), amendments to rent and electricity charges at commercial premises due to error or vacation of the tenant (204 credit notes), amendments to account for trade waste being terminated (62 accounts) or corrections to various accounts completed by the Finance Team on behalf of services (69 credit notes).
14. A sample of 10 accounts in credit were reviewed and there was evidence that steps were being taken to transfer or refund as appropriate.

### **Arrears recovery procedures are defined,**

15. Within the Finance Team arrears recovery procedures are in place but are not extensive and will require an update further to planned changes in recovery processes. Previous plans to improve recovery procedures have been delayed as previously commented. Progress is now being made. Some processes are still being defined and embedded. DF- Property & Estates have stated that they have their own recovery processes in respect to Commercial Rents. These will be reviewed further as part of the audit of Commercial Rents.

Recommendation	
<b>R5</b>	Once recovery processes have been properly defined and agreed, procedures should be documented and maintained and shared corporately.  <b>Risk: Medium</b>

### **Recovery Action**

16. There are various recovery routes set up within the Debtors system to deal with different types of debt. Many of the routes are not in use with the Finance Team mainly using the 'Main' recovery route' or the 'Community Alarms' recovery routes. Dragonfly Management (Bolsover) Limited's Property and Estates Team (using the Council's debtors system) use the 'Pleasley Vale rent /service charge/electricity' route for progressing arrears at Pleasley Vale Mills.
17. During most of 2023 and 2024, after the second reminder stage, there had been limited recovery action taken with cases not being referred to Enforcement Agent or Legal Services (with the exception of a few referred by DF - Property & Estates to Legal Services). Responsibilities of the Finance Team and that of departments when dealing with debt recovery are not clearly defined. Both should have a role. There is the perception within parts of the Council that once a debt has been raised, the department has no further responsibility to assist in its recovery. In some areas, the department is unaware that a debt is outstanding as discussed later in the report.
18. The Debtors system auto-generates the first reminder and second reminder which the Finance team will send to the customer. The Finance team deal with customer queries and put in place Direct Debit arrangements.
19. The 'main route' for recovery after reminders have been sent, are: -
  - after 35 days, 'Outside Officer'
  - after a further 90 days 'Check Agency'
  - after a further 999 days it will arrive at 'Check Outside Officer,'
  - after a further 28 days, 'Recovery letter sent'
  - after a further 28 days 'Issuing summons'
  - After 1 further day -end of route'.

An invoice may have progressed through all these routes on the system but no actual action may have been taken. The terms used such as 'Outside Officer,' 'Check Agency' are historic and don't have real meaning. The timeframes in place are thought to also be historic and set to stop automated recovery.

20. The Finance Team are reviewing invoices after the second reminder stage on a case by case basis to decide what further action is required and notes are added to the Debtors system accordingly. The recovery routes required for each type of debt haven't been established and therefore the Debtors system hasn't been revisited to assess whether the existing or new routes need creating. Once in place, there is the opportunity for more automation in the recovery process.
21. At present it is not possible from the Debtors system, to obtain a report of those which have been referred to Enforcement Agent or the Legal Section since these are not specific stages within the 'main route'. It is therefore difficult to confirm that records held by Enforcement Agents and the Legal Section reconcile to those on the Debtors system.

<b>Recommendation</b>	
<b>R6</b>	<p>To provide effective and efficient recovery processes, re-define recovery routes and timescales for each of the main types of debt and update the Debtors system accordingly.</p> <p>Where possible include specific stages (referred to Enforcement Agent, referred to Legal Section) in order to produce reports and provide assurance that these parties have all cases listed for action.</p> <p><b>Risk: Medium</b></p>

22. Monthly aged debt reports are generated from the Debtors system and emailed to the appropriate manager. Whilst the reports cover 93% of accounts outstanding on the system, there are some departments/ sections where no reports have been created and therefore, they may be unaware of the debt position.

<b>Department /Section Code</b>	<b>Department/Section</b>	<b>Number of invoices not included in weekly monitoring reports as at 14/02/25</b>
CMS	Community Safety	2
STR	Street Scene	42
HGS	Housing Garage Sites	38
HSG	Housing	30
PLA	Planning	3
PRO	Procurement	1
ELE	Elections	1
LEG	Legal	5
HRP	HR & Payroll	13
REV	Revenues & Benefits	2
FIN	Finance	22
EXP	Executive & Partnerships	3
		<b>162</b>

<b>Recommendation</b>	
<b>R7</b>	<p>Aged debt reports are created and emailed to the appropriate manager to cover the remaining department /sections as listed in the report</p> <p><b>Risk: Medium</b></p>

23. The effectiveness of routes in place for recovery have been considered and discussed below.

### Withdrawal of the service

24. Where there is an on-going service being provided to a customer, this can be withdrawn if payment has not been made. Previous audit reports issued in 2023/24 (Trade waste, Pollution Control) highlighted services were not being withdrawn despite non-payment and recommendations were made to address this matter.
25. The Aged Debt Analysis report indicates other areas where the department has more powers to ensure payment is made.
- Debtor ref 020420, invoice ref 180970 for £1,000 relates to planning fees to produce a S106 agreement. The debt was raised 12/07/2021 and planning application later given despite the fees being unpaid. Internal Audit established that the planning department were unaware of the account being unpaid as it was listed on a report issued to Legal Services. Recovery is now being pursued with the Developer.
  - Debtor ref 021796 and Debtor ref: 021071 are current employees who owe outstanding amounts further to services provided by the Council in May 2024 and December 2022. This is an issue that should be addressed by management.
  - Debtor ref: 019302 has various invoices outstanding totalling £708.63 for dog bin emptying dating back from January 2023. The service continues to be provided by the Council.
26. Debtor ref: 000624, existing tenant at Pleasley Mills, owes rent, electricity, and service charges of £20,307.87. No rent or service charge has been paid for November 2024 through to February 2025. According to the department the unit was damaged during Storm Babet and therefore the full rent may not now be chargeable. Discussions are currently on-going between DF - Property and Estates in respect of addressing these issues.
27. The Council can terminate the tenancies where rent due is not paid subject to due process. The Business Estates Manager has explained that recovery such as forfeiture can sometimes result in the tenant settling the debt and the being allowed back in to the unit, so consideration is needed as to which recovery route to take for it to be effective. A separate audit of Commercial Rents – Pleasley Mills is to take place as part of the 2025/26 Audit Plan.

Recommendation	
<b>R8</b>	Working with Finance, departments should review their areas and suspend/cease providing its services or commence enforcement (suspend licenses, legal action) as appropriate where payment is not being made.  <b>Risk: Medium</b>

<b>R9</b>	Where contacts have been established with customers, consideration be given to the departments first contacting the customer after the second reminder stage to encourage payment.  <b>Risk: Low</b>
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<b>Recommendation</b>	
<b>R10</b>	The non-payment of sundry debts by staff members should be addressed by management.  <b>Risk: Medium</b>

<b>Recommendation</b>	
<b>R11</b>	As part of the finance meetings with managers, the aged debt report is presented and discussed to ensure management are aware of the position and agreement is sought to remedy any on-going difficulties in terms of recovery.  <b>Risk: Low</b>

### Arrangements to Pay

28. Where the debtor contacts the Council with financial difficulties an instalment plan can be agreed. Currently there are no procedures indicating who is able to make arrangements, although through discussions with the Principal Accountant, it was expected that consultation would take place with either the Finance Team, the Legal Section (where they are dealing with a case) or Revenues and Benefits. No instalments via direct debit can be made without contacting the Finance Section. An example was provided where a service had agreed payment terms without consultation with the Finance Team. This wasn't set up via direct debit so the arrangement was not known until recovery action was taken. From a control perspective, instalments whilst useful, delay payments due to the Council therefore there should be clear, documented rules & processes as to who is able agree an instalment plan.
29. Two approved arrangements were reviewed.
- Debtor ref 018545 and Debtor ref 019510 had instalments plans in respect to housing repair charges and were being maintained.
  - Debtor ref 020192 owes £27,550 in respect to housing repairs. Low payments were being made but a new instalment plan now in place for higher sums.



30. The arrangements report is reviewed monthly by the Finance Team. Through discussion some agreements are monitored by the Finance Team whilst others are reviewed by departments.

Recommendation	
<b>R12</b>	<p>Documented rules &amp; processes should be in place which outline who is able to authorise instalment plans and how these shall be monitored.</p> <p>Where instalment plans are being agreed, consideration should be given as to the current debt in addition to arrears when agreeing the values payable.</p> <p><b>Risk: Medium</b></p>

Refer to Enforcement Agent

31. The Council employs Bristow & Sutor as its Enforcement agent. From November 2024 the Finance Team have begun referring certain debt types (Environmental Work in Default – 3 invoices and Trade Waste – 41 invoices) to them for recovery. Where payment has been received the system is being updated accordingly. However, presently no regular report has been run to assess whether action is being taken by the agents in all cases referred and those unsuccessful returned.

Recommendation	
<b>R13</b>	<p>Monthly reports are generated and reviewed from the Enforcement Agent portal to ensure appropriate action is taken and information is updated on the Debtors system.</p> <p><b>Risk: Low</b></p>

Refer to Legal Services

32. According to Legal Services, they have 7 debtor cases, 6 relating to rent and service charge arrears at Pleasley Mill and one relating to waste clearance. In respect to 2 cases relating to Pleasley Mill, Legal Services are indicating that they are awaiting further instructions from DF- Property and Estates. The Business Manager has stated that she has recently requested a regular monthly meeting to discuss new and previously referred cases.

33. Debtor Ref 020179, has rent and service charges (89 invoices) covering the period October 2020 to September 2023 totalling £19,306.23. A money judgement was obtained in September 2024 and the current position according to Legal Services is that negotiation is taking place with the debtor to repay before enforcing. The value shown by Legal Services for recovery is £14,468.69 however the value of debts including electricity recharges is the higher figure quoted above according to the Debtors system. According to DF -Property & Estates, further to legal advice via Gedling Borough Council forfeiture was not served until September 2023, therefore rent was due during the intervening period. According to the department there is the opportunity to make an additional claim for the difference.

Recommendation	
<b>R14</b>	<p>In respect of debtor 020179, the opportunity to obtain the difference between the amount due according to the money judgement and that owed to the Council be explored.</p> <p><b><i>DF Property &amp; Estates &amp; Legal Services</i></b></p> <p><b>Risk: Low</b></p>

#### Aged Debt Analysis

34. Aged debt analysis reports show individual debts outstanding which are overdue however, it is not suitable for identifying the Council's principal debtors. Having a report of the main debtors of the Council would assist in the Finance Team understanding the Council's key debtors and enable arrears management at a more strategic level, particularly where amounts are owed to several departments of the Council.

Recommendation	
<b>R15</b>	<p>Explore the production of a report identifying the Council's main debtors in arrears and report to Senior Management Team so collective action can be taken where necessary.</p> <p><b>Risk: Low</b></p>

35. In some situations, the debt may be 'statute-barred' which means that it can not be enforced by court order. Certain types of debt are statute barred six years from when: -
- The debt was acknowledged.
  - A payment was made
  - Court action was taken to collect it.

This does not mean that the debt cannot be pursued without legal action but that is less likely that these amounts will be recovered.

Recommendation	
<b>A1</b>	Those debts likely to be statute-barred are reviewed to consider whether submission for write-off is more appropriate given the time which has elapsed.  <b>Risk: Advisory</b>

#### Payment by Direct Debit

36. Requiring payment by Direct Debit from customers is the most efficient way to collect amounts owed to the Council. There are some areas within the Council where services are provided on a more commercial basis and had payment by Direct Debit been in place arrears may have reduced: -

- Housing - Lifeline Service – This is a non-statutory service. There is no formal requirement for the customer to pay for this service via Direct Debit. Customers pay for this service monthly or quarterly.
- Pleasley Mill – Rent /Service Charge and Electricity Charges. Some of the lease agreements signed at the start of the tenancies requires payment via Direct Debit. In respect to electricity charges there no requirement to pay these by Direct Debit. The service has highlighted that some Direct Debit arrangements are cancelled due to funds not being available.
- Trade Waste – Provision and Emptying of Trade waste bins. Other commercial operators require payment by Direct Debit.

Recommendation	
<b>R16</b>	Consideration is given to requiring payment by Direct Debit (at least for all non-statutory services of the Council).  <b>Risk: Low</b>

#### **Write-offs procedures**

37. There have been no write-offs over £2,500 only debts under £2,500. A sample of 5 write-offs were chosen for testing purposes. All had appropriate reasons for write-off and had been authorised in accordance with Financial Regulations.

38. Amounts have been written off against the department that had originally raised the income. The current bad debt provision is £399,336.64 and therefore sufficient to cover the older debts currently outstanding on the Debtors system.

### **Suspense account**

39. The suspense account is regularly cleared. No issues were found.

### **Reconciliations**

40. At the time of the audit, a cumulative reconciliation of the sundry debtor system and the ledger has been undertaken up to the end of December 2024.

### **Security & back-up arrangements for Debtors system**

41. CIVICA/FMS sign-in page is integrated with Windows authentication credentials. Therefore, if the credentials are recognised, the user is automatically logged on. Hence, when Windows passwords are changed periodically, this will synchronise with CIVICA/FMS. The system has privacy groups and user groups in place to restrict users access rights. It was stated since Sundry Debtors is a form of income for the Council, the risk is classed as minimal.
42. The Civica Financials/Purchasing servers are backed up as part of all servers using Veeam. SQL database backups of the Financials databases are also performed. Servers are restored to their most recently backed up state with minimal data-loss.

### **Targets have been established for raising invoices & collection of arrears**

43. The performance indicator relating to Sundry Debtors recovery is 'The percentage of sundry debtor arrears collected'. The audit report on Corporate Targets recently issued highlighted that there were no details stating how each performance indicator was to be calculated. The Finance Team have now provided this information to support this indicator. The indicator measures the percentage of outstanding debt as at 31<sup>st</sup> March the preceding year has been collected during the current financial year. Reported performance as at quarter 3 for 2024/25 was 70% against a target of 90%.

## Appendix 1

<b>Assurance Level</b>	<b>Internal Audit Definition</b>	<b>Risk Register Link</b>
<b>Substantial Assurance</b>	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.	Minor / negligible impact
<b>Reasonable Assurance</b>	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.	Minor / moderate
<b>Limited Assurance</b>	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.	Moderate / Severe Impact
<b>Inadequate Assurance</b>	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.	Catastrophic Impact

## Appendix 2

### BDC

#### Indicative Definitions of High Medium and Low Recommendations

Rating	Definition
<b>High</b>	<p>Risks that can have a catastrophic / severe impact on the operation of the Council or service - Must take action to mitigate or terminate if not possible to do so: -</p> <ul style="list-style-type: none"> <li>• Death, extensive injury, major permanent harm</li> <li>• Unable to function without government or other agency intervention</li> <li>• Significant impact on service objectives</li> <li>• Inability to fulfil obligations</li> <li>• Short to medium term impairment to service capability</li> <li>• Adverse national publicity, highly damaging, loss of public confidence</li> <li>• Major adverse local publicity</li> <li>• High risk of fraud being able to occur e.g., key internal controls are not operating or are missing</li> <li>• Direct link to a strategic risk occurring</li> <li>• A serious breach of legislation/ legal requirements leading to substantial financial penalties or severe breach of data protection (report to ICO)</li> <li>• Substantial loss or damage to Council assets/or information</li> </ul>
<b>Medium</b>	<p>Risks which have a noticeable impact on the service provided, will cause a degree of disruption to service provision / impinge on the budget - Check current controls and consider if others are required: -</p> <ul style="list-style-type: none"> <li>• Medical treatment required, semi-permanent harm up to 1 year</li> <li>• Short term disruption to service capability</li> <li>• Significant financial loss</li> <li>• Some adverse publicity, needs careful public relations</li> <li>• Isolated personal details compromised</li> <li>• Risk of fraud being able to occur</li> <li>• Direct link to identified operational risks occurring</li> <li>• A serious breach of organisational policies and procedures</li> <li>• A breach of legislation / legal requirements leading to a moderate financial impact</li> <li>• Loss or damage to Council assets, information</li> <li>• Previously agreed medium internal audit recommendations remain outstanding</li> </ul>
<b>Low</b>	<p>Risks where the impact and any associated losses will be minor</p> <ul style="list-style-type: none"> <li>• First Aid treatment, non- permanent harm up to 1 month, no obvious harm or injury</li> <li>• Minor / negligible impact on service objectives</li> <li>• Financial loss that can be accommodated at service level / minimal</li> <li>• Some public embarrassment, no damage to reputation, unlikely to cause any adverse publicity / internal only</li> <li>• Minimal risk of fraud</li> <li>• No direct link to operational or strategic risks</li> <li>• A minor breach of organisations policies and procedures</li> <li>• A minor breach of Legislation / legal requirements</li> <li>• Low risk of loss or damage to Council assets</li> </ul>
<b>Advisory</b>	<p><b>Not risk or control related</b></p> <ul style="list-style-type: none"> <li>• May enhance the service</li> <li>• May achieve efficiencies</li> <li>• May lead to an improved outcome</li> </ul>

## Appendix 3

### Internal Audit Report – Implementation Schedule

<b>Report Title:</b>	<b>Sundry Debtors</b>	<b>Report Date: 24<sup>th</sup> April 2025</b>
		<b>Response Due By Date: 16<sup>th</sup> May 2025</b>

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
<b>R1</b>	One Lifeline customer has not received the annual price increase for many years. There is confusion between the Finance Team and the Housing department in respect to amounts chargeable against specific charge codes for Lifeline services.	The Finance Team introduce a template for completion by services, which lists all charge codes and requires the department to state the charge due after agreed price changes. This should be clear in terms of frequency of when amounts are charged and the VAT status.	<b>Medium</b>	√	FH	Feb/ March 2026	Charge codes will be reviewed annually in advance of the new year.
<b>R2</b>	The same Lifeline customer has been charged the incorrect rate (in addition to no annual price being applied). There is a risk that customers may be allocated against the incorrect charge code resulting in the incorrect price being charged.	In respect of Lifeline Charges, the Housing Careline Service reconcile the invoices raised each year to that expected according to their own customer records.  Where a customer (debtor) still appears against what they believe to be an incorrect charge code, the	<b>Medium</b>	√	VD	Year end	We have started to do this. We have a meeting arranged with Finance to agree how we can work together to ensure that we reconcile annually in the

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
		Housing Team must indicate to the Finance department which valid charge code should be used instead.  <b>Housing Services</b>					future, but where any issues are identified these are instantly resolved
<b>R3</b>	There is an undercharge relating to one Lifeline customer due to an error made by the Council, resulting in a small reduction in income.	A decision is taken, by the Director of Finance in conjunction with Assistant Director of Housing regarding the invoicing of undercharged lifeline services.	<b>Low</b>	√	TF	June 2025	To discuss potentially not invoicing with AD of Housing once the accounts are complete.
<b>R4</b>	The Income & Expenditure officer is able to create and authorise credit notes on the debtors ICT system therefore there is the risk of fraud or error	Separation of duties is introduced within the Debtors ICT system to ensure that the same person is not able to both input and authorise a credit note	<b>Low</b>	√	FH	March 2025	This was implemented with immediate effect.
<b>R5</b>	Whilst there are some procedures notes these are outdated and do not fully include expected recovery actions.	Once recovery processes have been properly defined and agreed, procedures should be documented and maintained and shared corporately.	<b>Low</b>	√	FH	October 2025	

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	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
R6	The Recovery Route established within the Debtors ICT system for most debts is not effective. The action stages have no real meaning after second reminder stage. There is no automated recovery after second reminder stage.	To provide effective and efficient recovery processes, re-define recovery routes and timescales for each of the main types of debt and update the Debtors system accordingly.  Where possible include specific stages (referred to Enforcement Agent, referred to Legal Section) in order to produce reports and provide assurance that these parties have all cases listed for action.	Medium	√	FH	October 2025	
49 R7	Monthly Aged debt reports are not produced for all areas of the Council; therefore, some sections are unaware that debts remain outstanding.	Aged debt reports are created and emailed to the appropriate manager to cover the remaining department /sections as listed in the report.	Medium	√	FH	October 2025	
R8	There are areas where the Council is continuing to provide a service or enabling companies to meet statutory requirements without	Working with Finance, departments should review their areas and suspend/cease providing its services or commence enforcement (suspend	Medium	√	FH	October 2025	

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
	obtaining payment or annual fees.	licenses, legal action) as appropriate where payment is not being made					
R9	In some cases, the department has enforcement powers, which is more likely to result in payment quicker than through recovery action.	Where contacts have been established with customers, consideration be given to the departments first contacting the customer after the second reminder stage to encourage payment.	Low	√	FH	October 2025	
R10	Some members of staff owe amounts due to the Council for services provided which may result in a reputational risk to the Council	The non-payment of sundry debts by staff members should be addressed by management.	Medium	√	TF	July 2025	To discuss with Statutory Officers once accounts are finished.
R11	Where aged debt reports are being distributed to departments it is not clear that these reports are being reviewed by all managers and any issues highlighted.	As part of the finance meetings with managers, the aged debt report is presented and discussed to ensure management are aware of the position and agreement is sought to remedy any on-going difficulties in terms of recovery	Low	√	FH	June 2025	
R12	There is potential for inappropriate staff to agree instalment plans or agree these at an	Documented rules & processes should be in place which outline who is able to authorise instalment plans	Medium	√	FH	October 2025	

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
	inappropriate level, delaying payments due to the Council.	and how these shall be monitored.  Where instalment plans are being agreed, consideration should be given as to the current debt in addition to arrears when agreeing the values payable					
R13	There is no monitoring of cases referred to the Enforcement Agent to ensure that timely action is being taken.	Monthly reports are generated and reviewed from the Enforcement Agent portal to ensure appropriate action is taken and information is updated on the Debtors system.	Low	√	FH	June 2025	
51 R14	The value of the money judgement served for debtor ref 020179 is lower than the full amount owed to the Council and is not being actively pursued.	In respect of debtor ref 020179, the opportunity to obtain the difference between the amount due according to the money judgement and that owed to the Council be explored.  <b>DF Property &amp; Estates &amp; Legal services</b>	Low		DF/Legal		

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
<b>R15</b>	Some debtors owe amounts for services provided across the Council in which case a corporate approach agreed by SMT may be more appropriate.	Explore the production of a report identifying the Council's main debtors in arrears and report to Senior Management Team so collective action can be taken where necessary	<b>Low</b>	✓	TF	October 25	To discuss with Tony about creating a crystal report for the purpose of taking to SLT quarterly.
<b>R16</b>	Collecting amounts due via Direct Debit is the most efficient way of collecting sums due.	Consideration is given to requiring payment by Direct Debit (at least for all non-statutory services of the Council).	<b>Low</b>	✓	TF	October 25	To discuss with Statutory officers and portfolio holder potentially.
<b>A1</b>	There is the potential for some debts to be unrecoverable due to be statute-barred.	Those debts likely to be statute-barred are reviewed to consider whether submission for write-off is more appropriate given the time which has elapsed	<b>Advisory</b>	✓	TF	December 25	We will bring this to the attention of staff as part of a bigger training exercise.

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Please tick the appropriate response (✓) and give comments for all recommendations not agreed.

Signed Head of Service:		Date:	
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**Note: In respect of any High priority recommendations please forward evidence of their implementation to the Internal Audit team as soon as possible.**

## Bolsover District Council Internal Audit Plan 2024/25

Complete
Ongoing
Deferred

	Risk	BDC 2024/25 Days
<b>Main Financial Systems</b>		
Main Accounting / Budgetary Control	M	15
Creditors	M	20
Debtors	M	15
Cash and Banking	M	20
Council Tax	M	20
Government Grants / sign off	M	3
Treasury Management	M	15
Housing Benefits	M	20
<b>Total Main Financial Systems</b>		<b>128</b>
<b>Dragonfly</b>		
Corporate Gov Arrangements - External review published 30 <sup>th</sup> May 25	H	15
<b>Total</b>		<b>15</b>
<b>Corporate / Cross Cutting</b>		
Climate Change	M	12
Corporate Governance / Assurance Statement	H	2
Corporate Targets	M	12
Financial advice / working groups	H	20
Health and Safety (Joint with NEDDC)	M	10
Risk Management	M	10
<b>Total Cross Cutting</b>		<b>66</b>

	Risk	BDC 2024/25 Days
<b>Other Operational Audits</b>		
Asset Management Arrangements	M	8
Corporate Credit Cards	L	5
Petty Cash	L	5
Disabled Facilities Grants (Joint with NEDDC)	M	10
E.H Misc Licensing (Joint with NEDDC)	L	8
Extreme Wheels	L	8
Insurance	M	12
Members Expenses	L	12
Money Laundering	L	5
Section 106	M	12
Social Media / Facebook / Bolsover TV	L	10
<b>Total Operational Areas</b>		<b>95</b>
<b>IT Related</b>		
Network Security/Disaster Recovery etc (Joint with NEDDC and DDDC)	H	15
<b>Total IT</b>		<b>15</b>
<b>Dragonfly</b>		<b>73</b>
<b>Special Investigations / Contingency/ emerging risks</b>		<b>40</b>
<b>Apprenticeships / training</b>		<b>30</b>
<b>Audit Committee / Client Liaison/Board Meetings</b>		<b>15</b>
<b>National Fraud Initiative</b>		<b>6</b>
<b>Grand Total</b>		<b>483</b>

## **Bolsover District Council**

### **Meeting of the Audit Committee on 7th July 2025**

### **Internal Audit Consortium Annual Report 2024/25**

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

<b>Classification</b>	This report is public
<b>Contact Officer</b>	Jenny Williams Head of the Internal Audit Consortium

## **PURPOSE/SUMMARY OF REPORT**

The purpose of this report is to: -

- Present the 2024/25 Internal Audit Consortium Annual Report for Bolsover District Council and the Head of Internal Audit's opinion on the adequacy of the Council's arrangements for governance, risk management and control.
- The report enables the Audit Committee to obtain necessary assurances on the overall arrangements of governance, risk management and control systems.

## **REPORT DETAILS**

### **1. Background**

- 1.1 The Public Sector Internal Audit Standards (applicable for the 2024/25 financial year) require that the Head of the Internal Audit Consortium delivers an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement.

### **2. Details of Proposal or Information**

- 2.1 The 2024/25 Internal Audit Consortium Annual Report that includes the audit opinion for Bolsover District Council is attached at Appendix 1.
- 2.2 The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and internal control. The work of internal audit over the year allows the Head of Internal Audit to form the annual internal audit opinion as required by the PSIAS. The opinion is also derived from other assurances such as the work of the Risk Management Group and Public Sector Network compliance.
- 2.3 The Head of Internal Audit's opinion for 2024/25 set out in the attached annual report is that: -

*In my opinion reasonable assurance can be provided on the overall adequacy and effectiveness of the Council's framework for governance, risk management and control for the year ended 2024/25. In terms of Dragonfly Management (Bolsover) Ltd reasonable assurance can also be provided. In respect of Dragonfly Development Ltd the Council is placing reliance on the assurance received from the company's external auditors. The governance arrangements between the Council and the companies have not been assessed by internal audit during the year as the Council have commissioned a review by the Local Partnerships commencing in April 2025.*

*In this context "reasonable assurance" means that arrangements are in place to manage key risks and to meet good governance principles but there are some areas where improvements are required. Assurance can never be absolute.*

- 2.4 The annual report also provides a summary of the work undertaken by Internal Audit in 2024/25, information on the performance of the Internal Audit service, an assessment of conformance against the Public Sector Internal Audit Standards and the results of the Quality Assurance and Improvement Programme (QAIP). A progress update in respect of the action plan to achieve full compliance with the Global Internal Audit Standards is also included.

### **3. Reasons for Recommendation**

- 3.1 To present to Members the annual report for the Internal Audit Consortium in respect of Bolsover District Council for 2024/25.
- 3.2 To ensure compliance with the Public Sector Internal Audit Standards that were applicable for the 2024/25 financial year before the introduction of the Global Internal Audit Standards in April 2025.
- 3.3 To provide an annual opinion on the overall adequacy and effectiveness of the Council's governance, risk and control arrangements including any qualifications to that opinion.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 Alternative options are not applicable, the PSIAS require that an annual report is produced including an opinion on the Council's governance, risk and control arrangements.

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## **RECOMMENDATION**

1. That the 2024/25 Internal Audit Consortium Annual Report for Bolsover District Council and the overall assurance opinion on the Council's governance, risk management and control arrangements be accepted.



**IMPLICATIONS:****Finance and Risk:** Yes ☐ No ☒**Details:**

The annual report provides assurance to the Audit Committee on the governance, risk management and control arrangements in place.

On behalf of the Section 151 Officer

**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 the Public Sector Internal Audit Standards or guidance”.

On behalf of the Solicitor to the Council

**Environment:**

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:**

Whilst there are not considered to be any direct environmental impacts in relation to this report, sound internal control, governance and risk management arrangements will support the achievement of the Council’s Ambition.

**Staffing:** Yes ☐ No ☒**Details:**

On behalf of the Head of Paid Service

**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>Revenue - £75,000</b> <input type="checkbox"/> <b>Capital - £150,000</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>Executive</b> <input type="checkbox"/> <b>SLT</b> <input 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"/>	Details:

<b>Links to Council Ambition: Customers, Economy and Environment.</b>
The Head of Internal Audit's annual opinion helps to provide assurance that the council's resources and priorities are focused on achieving the objectives within the Ambition Statement and that there are appropriate governance, risk and control arrangements in place.

DOCUMENT INFORMATION	
Appendix No	Title
1	Internal Audit Consortium Annual Report 2024/25 for Bolsover District Council.

<b>Background Papers</b>
<i>(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 Executive you must provide copies of the background papers).</i>

**Annual Report of the  
Internal Audit Consortium  
2024/25  
Bolsover District Council**



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**Jenny Williams**

**Head of the Internal Audit Consortium**

## Introduction and Background

- 1.1 For the year 2024/25 the Public Sector Internal Audit Standards (PSIAS) apply to all internal audit service providers, whether in-house, shared services or outsourced.
- 1.2 The PSIAS state: -
- The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.
  - The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
  - The annual report must also include a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

## Summary of Work Undertaken

- 2.1 Appendix 1 details the audit reports issued in respect of audits included in the 2024/25 internal audit plan. The appendix shows for each report the overall assurance level provided on the reliability of the internal controls and the assurance level given at the last audit. The report opinions can be summarised as follows: -

<b>Assurance Level</b>	<b>2023/24 Number</b>	<b>2023/24 %</b>	<b>2024/25 Number</b>	<b>2024/25 %</b>
Substantial	9	45	10	56
Reasonable	11	55	6	33
Limited	0	0	2	11
Inadequate	0	0	0	0
<b>Total</b>	<b>20</b>	<b>100</b>	<b>18</b>	<b>100</b>

- 2.2 A definition of the above assurance levels is shown at the bottom of Appendix 1.

2.3 No fraud was identified.

## **Performance of the Internal Audit Consortium**

3.1 The following table summarises the performance indicators for the Internal Audit Consortium.

<b>Description</b>	<b>2024/25</b>		<b>2025/26</b>
	Plan	Actual	Plan
Cost per Audit Day	£346	£334	£366
Percentage of Plan Completed (BDC)	75%	74%	75%
Sickness Absence (Average Days per Employee)	8.0	3.16	8.0
Customer Satisfaction Score (BDC)	85%	93%	85%
To issue internal audit reports within 10 days of the close out meeting	90%	100%	90%
Quarterly reporting to Audit Committee	100%	100%	100%

## **Audit Opinion 2024/25**

- 4.1 The Head of the Internal Audit Consortium is responsible for the delivery of an annual audit opinion that can be used by the council to inform its governance system. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 4.2 In my opinion reasonable assurance can be provided on the overall adequacy and effectiveness of the Council's framework for governance, risk management and control for the year ended 2024/25. In terms of Dragonfly Management (Bolsover) Ltd reasonable assurance can also be provided. In respect of Dragonfly Development Ltd the Council is placing reliance on the assurance received from the company's external auditors. The governance arrangements between the Council and the companies have not been assessed by internal audit during the year as the Council

have commissioned an independent review by the Local Partnerships commencing in April 2025.

- 4.3 This year 18 reports have been issued 10 substantial, 6 reasonable, 2 limited and 0 inadequate assurance reports (including the climate change audit report that is pending issue). Managers have either already implemented or are in the process of implementing the audit recommendations made.
- 4.4 Assurance can never be absolute. In this context “reasonable assurance” means that arrangements are in place to manage key risks and to meet good governance principles, but there are some areas where improvements are required.
- 4.5 The opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans. An internal audit plan for 2024/25 was developed with the intention of being able to provide independent assurance on the adequacy and effectiveness of systems of governance, risk and control across a range of financial and organisational areas.
- 4.6 As well as internal audit work assurance has also been gained from previous years’ work, the work of the risk management group, public sector network compliance and the Social Housing Regulator.
- 4.7 The work of the risk management group provides assurance as key members of the Council’s management team meet on a regular basis to discuss both strategic and operational risks and the mitigating factors in place or required to reduce risk.
- 4.8 Holding a valid Public Sector Network Compliance certificate provides assurance that the Council’s network security arrangements, policies and controls are sufficiently rigorous to be allowed to interact with the Public Sector Network and those connected to it.
- 4.9 A recent inspection of the Council’s housing services by the Regulator of Social Housing saw Bolsover District Council

achieve the second highest positive rating possible. The grade means that while there are some areas for improvement, overall, there is a positive level of 'assurance' that BDC are achieving the consumer standards set by the regulator.

- 4.10 Overall, 89% of the areas audited received Substantial or Reasonable Assurance demonstrating that in the main there are effective systems of governance, risk management and control in place.
- 4.11 The Audit Committee receive a 6 monthly report in relation to outstanding audit recommendations. Where a limited or inadequate assurance audit report is issued, managers are asked to attend the Audit Committee to discuss progress and to provide assurance that recommendations are being implemented in a timely fashion.

### **Issues for Inclusion in the Annual Governance Statement**

- 5.1 The internal control issues arising from audits completed in the year and outstanding internal audit recommendations have been considered by the Director of Finance during the preparation of the Annual Governance Statement.
- 5.2 Audit work has identified that in particular, improvement is required in respect of the collection of sundry debtor arrears and decent homes reporting.

### **Comparison of Planned work to Actual Work Undertaken**

- 6.1 The Internal Audit Plan for 2024/25 was approved by the Audit Committee on the 12th March 2024. 74% of the Internal Audit Plan has been completed with the remaining audits being scheduled into future Audit Plans. Appendix 2 details the audits completed and those deferred.

### **Compliance with the Public Sector Internal Audit Standards / Code of Ethics**

- 7.1 From a self- assessment against the PSIAS (and new Global Internal Audit Standards) in November 2024 it can be confirmed that the Internal Audit Consortium comply with the



Public Sector Internal Audit Standards and the Code of Ethics. An action plan has been developed to work towards full compliance with the Global Internal Audit Standards (GIAS).

### **Quality Assurance Improvement Programme (QAIP)**

- 8.1 The Head of the Internal Audit Consortium must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. The Internal Audit Consortium's QAIP is shown at Appendix 3. The procedures and processes documented within the QAIP are designed to ensure compliance with the PSIAS and Code of Ethics for the 2024/25 financial year and the GIAS for the 2025/26 financial year. The QAIP includes an update on the improvement plan for the 2024/25 financial year and the new improvement plan in respect of achieving compliance with the GIAS.

### **Confirmation of Independence**

- 9.1 It can be confirmed that the internal audit activity is organisationally independent. Internal audit reports directly to the Director of Finance but has a direct and unrestricted access to the Corporate Leadership Team and the Audit Committee. The Head of Internal Audit attends every Audit Committee meeting.
- 9.2 During the 2024/25 financial year, all Auditors have acted with integrity and objectivity and at no point has their independence been compromised. Annually each Auditor completes a declaration of interests form to identify any potential conflicts of interest. Where declarations are made, work is allocated to ensure a conflict does not occur.

### **Review of performance against the Internal Audit Charter**

- 10.1 The Audit Charter was reported to and approved by the Audit Committee in September 2024 and a new Charter that complies with the GIAS is due to be approved in July 2025.

10.2 Based on the information provided in this report on the completion of the 2024/25 internal audit plan, it is considered that the requirements of the Charter were met during the year.

## Appendix 1

### Bolsover District Council – Internal Audit Reports Issued 2024/2025

Ref	Report Title	Overall Opinion/ Assurance	
		2024/25	Previous Audit
1	Imprest Accounts	Substantial	N/A
2	Corporate Credit Card	Substantial	N/A
3	Non Decent Homes Reporting	Limited	N/A
4	Health and Safety	Substantial	Substantial
5	Disabled Facilities Grants	Substantial	Substantial
6	Members Allowances	Substantial	Satisfactory
7	Insurance	Substantial	Substantial
8	Section 106	Reasonable	Substantial
9	Creditors	Substantial	Substantial
10	Money Laundering	Reasonable	Reasonable
11	Housing Benefits and C Tax Support	Substantial	Substantial
12	Cash and Banking	Reasonable	Substantial
13	Corporate Targets	Reasonable	Substantial
14	Extreme Wheels	Substantial	Substantial
15	Sundry Debtors	Limited	Substantial
16	Cyber Security Governance	Reasonable	Reasonable
17	E.H Other Licensing	Substantial	Reasonable
18	Climate Change	Reasonable	Substantial

#### Internal Audit Assurance Level Definitions

Assurance Level	Definition
<b>Substantial Assurance</b>	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
<b>Reasonable Assurance</b>	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.
<b>Limited Assurance</b>	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.
<b>Inadequate Assurance</b>	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.

## Appendix 2

### Comparison of Planned Work to Completed Work

Complete
Ongoing
Deferred

	Risk	BDC 2024/25 Days
<b>Main Financial Systems</b>		
Main Accounting / Budgetary Control	M	15
Creditors	M	20
Debtors	M	15
Cash and Banking	M	20
Council Tax	M	20
Government Grants / sign off	M	3
Treasury Management	M	15
Housing Benefits	M	20
<b>Total Main Financial Systems</b>		<b>128</b>
<b>Dragonfly</b>		
Corporate Gov Arrangements - External review completed and issued May 2025	H	15
<b>Total</b>		<b>15</b>
<b>Corporate / Cross Cutting</b>		
Climate Change	M	12
Corporate Governance / Assurance Statement	H	2
Corporate Targets	M	12
Financial advice / working groups	H	20
Health and Safety (Joint with NEDDC)	M	10
Risk Management	M	10
<b>Total Cross Cutting</b>		<b>66</b>

		<b>Risk</b>	<b>BDC 2024/25 Days</b>
	<b>Other Operational Audits</b>		
	Asset Management Arrangements	M	8
	Corporate Credit Cards	L	5
	Petty Cash	L	5
	Disabled Facilities Grants (Joint with NEDDC)	M	10
	E.H Misc Licensing (Joint with NEDDC)	L	8
	Extreme Wheels	L	8
	Insurance	M	12
	Members Expenses	L	12
	Money Laundering	L	5
	Section 106	M	12
	Social Media / Facebook / Bolsover TV	L	10
	<b>Total Operational Areas</b>		<b>95</b>
	<b>IT Related</b>		
	Network Security/Disaster Recovery etc (Joint with NEDDC)	H	15
	<b>Total IT</b>		<b>15</b>
	<b>Dragonfly</b>		<b>73</b>
	<b>Special Investigations / Contingency/ emerging risks</b>		<b>40</b>
	<b>Apprenticeships / training</b>		<b>30</b>
	<b>Audit Committee / Client Liaison/Board Meetings</b>		<b>15</b>
	<b>National Fraud Initiative</b>		<b>6</b>
	<b>Grand Total</b>		<b>483</b>

# **Internal Audit Consortium**

## **Quality Assurance and Improvement Programme (QAIP)**



## **Introduction**

The Public Sector Internal Audit Standards require that the Head of Internal Audit develops and maintains an improvement programme that covers all aspects of the internal audit activity. For 2025/26 this will change to being compliance with the Global Internal Audit Standards.

A quality assurance and improvement programme (QAIP) is designed to enable an evaluation of the internal audit activity's conformance with the Public Sector Internal Audit Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The quality assurance and improvement programme must include both internal and external assessments.

**Internal assessments** must include: -

- Ongoing monitoring of the performance of the internal audit activity.
- Periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of internal audit practices.

**External assessments** must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation.

This QAIP covers: -

- 1) Internal Assessments
- 2) External Assessments
- 3) Staff qualifications / experience
- 4) Training
- 5) Working Practices
- 6) 2024/25 Improvement Plan update

## 7) 2025/26 Improvement Plan / Compliance with Global Internal Audit Standards Action Plan

### **1) Internal Assessments**

Internal assessments consist of the following: -

- An annual assessment against the Public Sector Internal Audit Standards by the Head of the Internal Audit Consortium. This was undertaken in November 2024 in tandem with an assessment against the Global Internal Audit Standards. An action plan is in place to aid achievement of full compliance with the Global Internal Audit Standards.
- Reviews of working papers – All audit working papers are reviewed by the Head of Internal Audit or a Senior Auditor to ensure that they meet required standards and support the findings of the review. These reviews are documented.
- Review of audit reports – The Head of Internal Audit reviews all reports for quality and consistency before they are formally issued.
- Key performance indicators – these are reported to each Audit Committee in the annual report.
- Customer feedback – Customer satisfaction surveys are issued with every report and the results monitored. Based on the customer satisfaction survey forms returned (11 for BDC), the average score was 93% for customer satisfaction during 2024/25.
- All staff completed a declaration of personal interests statement in September 2024.

### **2) External Assessments**

An external review of internal audit took place in May 2021 the results of which concluded “Current services are assessed to “generally conform” with the PSIAS and compare favourably with peers, there are no areas where the service does not comply with the Standards”.

The results of the external assessment were fully reported to each Audit Committee and to the Joint Board.



An action plan was developed from the points arising in the 2021 external review and has been used to further drive improvement, which has now been fully implemented.

The next external review is due in May 2026 and will be against the GIAS.

### **3) Audit Staff Qualifications / Experience**

The table below summarises the qualifications and experience of the Internal Audit Consortium staff as at May 2025.

<b><u>Post</u></b>	<b><u>Qualification</u></b>	<b><u>Experience</u></b>
Head of Internal Audit	CIPFA	25 plus years
Senior Auditor NEDDC	-	15 years plus
Senior Auditor BDC	Vacant from 18 <sup>th</sup> May	
Senior Auditor CBC	AAT	3 years
Auditor BDC	Vacant from 12 <sup>th</sup> May	
Auditor BDC	-	1 year 2 months
Auditor NEDDC	-	2 years 3 months
Auditor NEDDC	AAT	25 plus years
Auditor CBC	-	6 years
Auditor CBC	-	1.5 Years

### **Training Undertaken in 2024/25**

Training records are maintained to monitor both professional and ad hoc training received by staff.

Training is delivered via webinars, team meetings, professional journals etc. All staff undertake Continuous Professional Development.

During 2024/25 training included: -

- CIPFA'S weekly "bitesize" training topics
- New auditors all attend a 2 day webinar "introduction to Internal audit"
- Team building day – Communication skills for internal auditors
- Principles of risk assessment
- Elevating the impact of internal audit
- Driving regulatory success and strengthening risk management
- Code of practice for the governance of internal audit
- Preventing fraud before it happens
- Root cause analysis
- CIPFA Governance update
- Ethics
- VAT

In addition to this the Internal Consortium are members of the Midlands Audit Group, The Notts Audit Group and the Local Authority Chief Auditors network. These groups share ideas and best practice.

### **Working Practices**

- All staff have quarterly Valuing Individuals and Performance reviews. These reviews set and monitor the achievement of objectives and identify any training requirements.
- 1:1's – All staff have 1:1 meetings with their manager at least monthly.
- The Internal Audit Manual is a comprehensive record of audit procedures and requirements and is regularly updated.
- Declarations of Business Interest – Staff are required to complete a declaration of business interests form on an annual basis and cannot undertake audits where there is a potential conflict of interest.

- Team meetings – Monthly team meetings are held which discuss points of practice, audit findings, information sharing and include elements of training and brainstorming.

### Progress against 2024/25 Improvement Plan

	Opportunity for Improvement	Who	Comment
1	To review the internal audit report format to see if it can be improved for the client / be more risk focused.	HOIAC / Team	New report format agreed and being trialled from April 2025
2	To improve permanent file information to ensure that they contain system notes etc, labelling of files so clear what it is / deletion of outdated information.	All	Ongoing All staff reminded to maintain permanent files and checked after each audit completed
3	To review the Global Internal Audit Standards that were published in January 2024 and assess and implement any changes that would be beneficial to the Internal Audit Consortium.	HOIAC	Global Standards self assessment undertaken and an action plan developed to achieve full compliance
4	To review Public Sector guidance re changes required in respect of the Global Standards (consultation due Autumn 24 with guidance published by the end of 24 to become mandatory April 2025).	HOIAC	Complete
5	To update the Assurance mapping exercise last undertaken 2019/20 to be used to inform IA opinion and future audit plans.	HOIAC / Team	Complete and ongoing

	Assurance mapping to become a standard team meeting agenda item.		
6	To review and update the Internal Audit Manual with any new requirements following the update of the PSIAS.	HOIAC	In progress – added to GIAS action plan
7	To review the customer satisfaction survey for continued relevance.	Team	Reviewed and updated
8	To undertake relevant training / webinars to keep up to date / meet CPD requirements.	All	Ongoing
9	To review each Council's current Risk Management strategy to ensure that our risk definitions for High, Medium and Low recommendations still reflect any revised strategies	HOIAC	Complete

## Global Internal Audit Standards Action Plan / 2025/26 Improvement Plan

Complete
In Progress
Not Started

Domain	Principle	Standard	Standard Description	Action	Progress	Who
11	1	1.1	Internal Auditors must perform their work with honesty and professional courage.	To include ethics training annually on a team meeting agenda	March 2025	HOIAC
78	1	1.3	Internal Auditors must not engage in or be party to any activity that is illegal or discreditable to the organisation or the profession of internal auditing or that may harm the organisation or its employees.	To include training in laws, regulations, ethical and professional behaviour on team meeting agenda annually	March 2025	HOIAC
11	2	2.1 & 2.2	Internal Auditors must maintain professional objectivity when	Objectivity training to be undertaken in team meetings annually	March 2025	HOIAC

Domain	Principle	Standard	Standard Description	Action	Progress	Who
			performing all aspects of internal audit services			
11	4	4.1	The Internal Audit functions methodologies must be established, documented and maintained in alignment with the standards.	The Internal Audit Manual requires updating to reflect the Global Standards and principles instead of the Public Sector Internal Audit Standards	August 2025	HOIAC
11	4	4.2	Internal auditors must exercise due professional care by assessing the nature, circumstances and requirements of the services to be provided.	Due professional care to be discussed annually at team meetings	March 2025	HOIAC
111 679	6	6.1 & 6.2	The Head of the Internal Audit Consortium must provide the Audit Committee and Senior management with the necessary information to establish the internal audit mandate. The Internal Audit Charter	Internal Audit Charter to be updated to specifically record the Internal Audit Mandate i.e. Accounts and Audit Regulations 2015. Review of the current Internal Audit Charter to ensure that it reflects the requirements of the Global Internal Audit Standards	April 2025	HOIAC

Domain	Principle	Standard	Standard Description	Action	Progress	Who
			must include the legal requirements of the mandate.	e.g. a specific sentence must be included committing to adhering to the Global Standards		
111	6	6.3 & 7.1	The Audit Committee should meet periodically with Internal Audit without the presence of Senior Management	To be arranged as and when required but at least annually	July 2025	HOIAC
11	6	6.3 & 7.1	The Audit Committee should provide input to support senior management in the performance evaluation of the Head of the Internal Audit Consortium	The Audit Committee to be consulted by the Director of Finance on the performance of the Head of the Internal Audit Consortium and to feedback to the Service Director Finance at CBC for inclusion in the Head of audits performance review.	April 2026	Director of Finance
1V	9	9.2	The Head of the Internal Audit Consortium must develop and implement a strategy for the internal audit function that supports the	Develop an internal audit strategy including vision, strategic objectives and supporting initiatives	September 2025	HOIAC



Domain	Principle	Standard	Standard Description	Action	Progress	Who
			strategic objectives and success of the organisation and aligns with the expectations of the Standards and Audit Committee, senior management and other key stakeholders.			
1V	9	9.3	The Head of the Internal Audit Consortium must establish methodologies to guide the internal audit function in a systematic and disciplined manner to implement the internal audit strategy, develop the internal audit plan and conform with the standards.	There is a comprehensive internal audit manual however this requires updating to reflect the Global Standards citing specific standards rather than the PSIAS Standards at present and reference to the Strategy once written.	August 2025	HOIAC
1V	9	9.5	When the Internal Audit Function relies on the work of other assurance providers, the Head of	Other assurances that we are aware of are already documented. For the assurances that we rely on, the	April 2025	HOIAC

Domain	Principle	Standard	Standard Description	Action	Progress	Who
			the Internal Audit Consortium must document the basis for that reliance and is still responsible for the conclusions reached by the internal audit function	basis for reliance will be documented e.g. PSN certification, external audit, Derby City Internal Auditors re the operation of the Building Control partnership and Social Housing Regulator reviews.		
82 1V	10	10.3	The Head of the Internal Audit Consortium must strive to ensure that the internal audit function has technology to support the Internal Audit Process	Sections of the internal audit strategy should describe current or planned initiatives for using technology to advance the internal audit functions objectives. Development of AI to be kept under review for potential use by the Consortium.	September 2025	HOIAC
1V	11	11.1	The Head of the Internal Audit Consortium must promote formal and informal communication between the internal audit function and its stakeholders	A Guide to Internal audit is on the intranet but this was written some years ago and requires updating / refreshing.	September 2025	HOIAC

Domain	Principle	Standard	Standard Description	Action	Progress	Who
1V	2	11.2	The Head of the Internal Audit Consortium must establish and implement methodologies to promote accurate, objective, clear, concise, constructive, complete and timely internal audit communications	Recorded in the audit manual however this will be supplemented with a days training - Communication skills for internal auditors - training day arranged for February 25	February 2025	HOIAC
v	14	14.3 & 14.4	When evaluating potential engagement findings internal auditors must collaborate with management to identify the root causes when possible.	Test schedule conclusion for each test where there is a finding to be updated to include the root causes of an issue	25/26 audits onwards	HOIAC and Audit team
v	15	15.1	When internal auditors become aware that management has initiated or completed actions to address a finding before the final	Reports to reflect more consistently when actions have already been taken during audits to address the risks identified.	25/26 audits onwards	Audit team

Domain	Principle	Standard	Standard Description	Action	Progress	Who
			communication, the actions must be acknowledged in the communication			

**Additional Requirements of the Application note and The Code of Practice for the Governance of Internal Audit in UK Local Government**

Requirement	Action	When by	Who
When expressing conformance with Standards, Auditors must be clear that they are conforming to the GIAS subject to the Application note, and must refer to this as Conformance with Global Internal Audit Standards in the UK Public Sector	To be included in revised Charter and annual report 2025/25 onwards.	April 2025 and July 2026	HOIAC
Auditors must confirm adherence to the Application note and note any non -conformance	To be included in the Annual Report 2025/26	July 2026	HOIAC
The Authority should explain how it complies with the Code of Practice for the Governance of Internal Audit in UK Local Government in its Annual Governance Statement	To be included in the 2025/26 Annual Governance Statement	July 2026	HOIAC
The Code must be included in the Head of the Internal Audit Consortium's annual internal quality assessment and used in external assessments	Used for November 2024 self-assessment. Next external review due May 26	May 2026	HOIAC

The Audit Committee must satisfy itself on the effectiveness of Internal Audit taking into account conformance with the Standards, interactions with the Committee, performance and feedback from Senior Management. Their conclusions should be reported to those charged with Governance e.g. as part of the Audit Committee annual report.	BDC & NEDDC section 151 Officer already takes a report to Audit Committee annually assessing the effectiveness of IA – to also be done by CBC & DDDC 151 Officers.	July 2026	Director of Finance
The Internal Audit Charter should reflect internal audits role – Championing good practice in governance through assurance, advice and contributing to the authority's annual governance review.	To ensure included in the Internal Audit Charter	April 2025	HOIAC

## **BOLSOVER DISTRICT COUNCIL**

### **Meeting of the Audit Committee on 7<sup>th</sup> July 2025**

### **Implementation of Internal Audit Recommendations**

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

<b>Classification</b>	This report is Public
<b>Contact Officer</b>	Jenny Williams Head of the Internal Audit Consortium

### **PURPOSE/SUMMARY OF REPORT**

To present, for Members' information, a summary of the internal audit recommendations made and implemented for the financial years 2021/22 - 2024/25 to date.

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### **REPORT DETAILS**

#### **1. Background**

- 1.1 Internal Audit make recommendations to improve the governance, risk and control processes in place. It is important to monitor the implementation of these recommendations to improve the control environment and to reduce the risk of fraud and error.

#### **2. Details of Proposal or Information**

- 2.1 This report is to inform Members of the Audit Committee of the internal audit recommendations made and progress in respect of implementing them.
- 2.2 Appendix 1 provides an analysis of the number of recommendations made and implemented for the financial years 2021/22 – 2024/25 to date. The table also summarises the number of recommendations that have been implemented and those that are outstanding. Below this the table details every outstanding recommendation along with the relevant managers latest update of progress made.
- 2.3 There are 5 recommendations outstanding 1 high risk, 1 medium risk and 3 Low risk.

### 3. Reasons for Recommendations

- 3.1 To inform Members of the internal audit recommendations made, implemented and outstanding so that it can be assessed if appropriate and timely action is being taken.
- 3.2 To comply with Standard 15.2 of the Global Internal Audit Standards that requires internal auditors to confirm that management has implemented the internal auditor's recommendations or management action plans following an established methodology, which includes: -
- Inquiring about progress on the implementation
  - Performing follow up assessments using a risk- based approach
  - Updating the status of management's actions in a tracking system

### 4 Alternative Options and Reasons for Rejection

- 4.1 Not Applicable

### RECOMMENDATION(S)

That the report be noted.

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### IMPLICATIONS:

<b><u>Finance and Risk</u></b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Details:</b>		
On behalf of the Section 151 Officer		
<b><u>Legal (including Data Protection)</u></b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Details:</b>		
On behalf of the Solicitor to the Council		
<b><u>Staffing</u></b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Details:</b>		
On behalf of the Head of Paid Service		

**Equality and Diversity, and Consultation**Yes ☐No ☒**Details:****Environment**Yes ☐No ☒

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:****DECISION INFORMATION:**☒ ***Please indicate which threshold applies:*****Is the decision a Key Decision?**

A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:

**Revenue (a)** Results in the Council making Revenue Savings of £75,000 or more or **(b)** Results in the Council incurring Revenue Expenditure of £75,000 or more.

**Capital (a)** Results in the Council making Capital Income of £150,000 or more or **(b)** Results in the Council incurring Capital Expenditure of £150,000 or more.

**District Wards Significantly Affected:**

*(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)*

Please state below which wards are affected or tick **All** if all wards are affected:

Yes ☐No ☒**(a)** ☐**(b)** ☐**(a)** ☐**(b)** ☐**All** ☐



<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>
If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Consultation carried out:</b> <i>(this is any consultation carried out prior to the report being presented for approval)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Leader</b> <input type="checkbox"/> <b>Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	

<b>Links to Council Ambition: Customers, Economy, Environment, Housing</b>
The implementation of Internal audit recommendations helps to ensure that the Council is delivering high quality, cost effective services and reduces the risk of fraud and error.

### **DOCUMENT INFORMATION:**

Appendix No	Title
Appendix 1	Summary of Internal Audit Recommendations Made, Implemented and Outstanding 2021/22 – 2024/25

<b>Background Papers</b>
<i>(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 Executive, you must provide copies of the background papers).</i>

DECEMBER 2024

## Summary of Internal Audit Recommendations made, implemented and outstanding 2021/22 – 2024/25

<b>Recommendations Made</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
Number of High Risk	1	0	1	4
Number of Medium Risk	13	18	24	25
Number of Low Risk	27	37	49	52
<b>Total</b>	<b>41</b>	<b>55</b>	<b>74</b>	<b>81</b>
<b>Recommendations Implemented</b>	<b>39</b>	<b>53</b>	<b>71</b>	<b>25</b>
High Risk Recommendations Outstanding	1	0	0	0
Medium Risk Recommendations Outstanding	1	0	0	0
Low Risk Recommendations Outstanding	0	0	1	2
Not overdue yet	0	2	2	54
Total Overdue Recs	2	0	1	2
<b>Percentage due implemented or carried fwd to next audit</b>	<b>95%</b>	<b>100%</b>	<b>99%</b>	<b>93%</b>

## **BDC Internal Audit Recommendations Outstanding**

**2021/22**

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not		
Ref				High	Medium	Low		Overdue	Overdue	Implemented
B010	30 Year HRA Business Plan	Both	Reasonable	1	2		3		2 (1H 1M) On hold pending condition survey	1
<b>Total</b>				<b>1</b>	<b>2</b>		<b>3</b>		<b>2</b>	<b>1</b>

**2022/23**

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not		
Ref				High	Medium	Low		Overdue	Overdue	Implemented
B002	Food Hygiene	Resources	Reasonable		2	5	7	1		6
B019	Taxi Licensing Arrangements	Resources	Reasonable		1	4	5	1		4
<b>Total</b>					<b>3</b>	<b>9</b>	<b>12</b>	<b>2</b>	<b>0</b>	<b>10</b>

## 2023/24

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not		
Ref				High	Medium	Low		Overdue	Overdue	Implemented
B008	Expenses & Allowances	Corporate Services & Partnerships	Substantial			3	3		1L	2
B018	CIPFA Financial Management Code	Finance	Reasonable		1	2	3	2		1
<b>Total</b>					<b>1</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>1</b>	<b>3</b>

## 2024/25

Report	Audit	Directorate	Conclusion	Recommendations			Total	Not		
Ref				High	Medium	Low		Overdue	Overdue	Implemented
B001	Imprest Accounts	Finance	Substantial			2	2	2		
B002	Corporate Credit Card	Finance	Substantial			2	2	2		
B003	Non Decent Homes Reporting	Services	Limited	4	1	1	6	1	1L	4
B004	Health & Safety	Services	Substantial			2	2			2
B005	Disabled Facilities Grants	Services	Substantial			2	2			2
B006	Members Allowances	Governance & Legal	Substantial			6	6		1L	5
B007	Insurance	Finance	Substantial				0			0
B008	Section 106 Agreements	Services	Reasonable		2	2	4			4
B009	Creditors	Finance	Substantial			4	4	4		
B010	Money Laundering	Finance	Reasonable		3		3	2		1

B011	Housing Benefits & CTax Support	Finance	Substantial			7	7	3		4
B012	Cash & Banking	Finance /Corporate Services & Partnerships	Reasonable		1	1	2	1		1
B013	Corporate Target	Corporate Services & Partnerships	Reasonable		7		7	6		1
B014	Extreme Wheels	Services	Substantial			3	3	3		
B015	Sundry Debtors	Finance	Limited		7	9	16	15		1
B016	Cyber Security Governance	Finance	Reasonable		4	5	9	9		
B017	E.H Other Licensing Income	Services	Substantial			6	6	6		
<b>Total</b>				<b>4</b>	<b>25</b>	<b>52</b>	<b>81</b>	<b>54</b>	<b>2</b>	<b>25</b>

## BDC Outstanding Internal Audit Recommendations

Audit and date audit completed	Recommendation Outstanding	Risk and Original Target Date	Managers Comment
HRA Business Plan – December 2021	The 30 Year HRA Business Plan should be revisited at least every 5 years in line with the MTFP to ensure that it is financially viable and meets the objectives of the Council Ambition. Once finalised the 30 year Plan that is currently in development should be formally approved by Council.	High  Once finalised then every 5 years	The stock condition survey is likely to mean a significant change to the HRA business plan figures. Therefore, we are waiting to receive the results from the survey before we properly update the plan.
HRA Business Plan – December 2021	Whilst developing the new HRA 30 Year Business Plan the assumptions made should be stress tested to ensure that the plan is robust i.e. looking at best and worst case scenarios for important factors such as voids, inflation and rent levels.	Medium  Once finalised then every 5 years	Please see previous comment.
Expenses and Allowances – September 2023	On the successful implementation of the new HR21 system the BDC Mileage and Travel Related	Low  March 2024	The new system yet to be implemented, revised target date August 2025.

Audit and date audit completed	Recommendation Outstanding	Risk and Original Target Date	Managers Comment
	<p>Expenses Policy and HR21 Guidance should be reviewed and updated and should incorporate the use of electric vehicles. If the new system is not in place by January 2024 the documents should be updated by a matter of course.</p> <p>.</p>	<p>Revised target August 2025</p>	
<p>Non Decent Homes Reporting</p> <p>June 2024</p>	<p>The availability of better-quality reports (requiring less manipulation of the data via spreadsheet) is explored.</p> <p>Further assistance should be sought from the Open Housing User Group on this matter and the opportunity should be taken to assess how others are using the system to determine the Decent Homes Standard.</p>	<p>Low</p> <p>June 2024</p> <p>Revised target June 2025</p>	<p>Housing Open Decent Homes module being updated to improve information retention and reporting.</p> <p>The Stock Condition Survey has been completed and the team are testing that the open system can receive the data and we can run report from this. This is on track to be completed end March 25.</p> <p>Guidance has been sought from the Open Housing user group which has been beneficial</p> <p>As part of the Open Housing Contract renewal (April 25) we are looking to enhance how the system works, however</p>

Audit and date audit completed	Recommendation Outstanding	Risk and Original Target Date	Managers Comment
			there will need to be implementation of new systems
Members Allowances July 2024	To meet legislative requirements, the Members Allowance Scheme must be published in local newspapers.	Low 30 <sup>th</sup> September 2024  Revised target June 2025	February 2025 – a quote is in the process of being obtained from DCC



## **BOLSOVER DISTRICT COUNCIL**

### **Meeting of the Audit Committee on 7<sup>th</sup> July 2025**

#### **Internal Audit Charter**

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

<b>Classification</b>	This report is Public
<b>Contact Officer</b>	Jenny Williams Head of the Internal Audit Consortium

### **PURPOSE/SUMMARY OF REPORT**

This report is for Members information and approval of the new Internal Audit Charter that reflects the requirements of the Global Internal Audit Standards in the UK Public Sector.

### **REPORT DETAILS**

#### **1. Background**

- 1.1 The current Internal Audit Charter meets the requirements of the Public Sector Internal Audit Standards (PSIAS) however, from the 1<sup>st</sup> April 2025 the Global Internal Audit Standards in the UK Public Sector replace the PSIAS. The new Charter has been developed to meet the requirements of the Global Internal Audit Standards.

#### **2. Details of Proposal or Information**

- 2.1 In accordance with the Global Internal Audit Standards, the Head of Internal Audit must develop and maintain an Internal Audit Charter that specifies, as a minimum, the internal audit function's: -

- Purpose of internal auditing
- Commitment to adhering to the Global Internal Audit Standards
- Mandate, including scope and types of service to be provided, and the audit committee's responsibilities and expectations regarding management's support of the internal audit function
- Organisational position and reporting relationships

- 2.2 The proposed Internal Audit Charter is attached as Appendix 1.

### 3. Reasons for Recommendations

- 3.1 To comply with the GIAS and to clearly set out the purpose, authority and principal responsibilities of the Internal Audit Consortium.

### 4 Alternative Options and Reasons for Rejection

- 4.1 Not Applicable

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### RECOMMENDATION(S)

1. That the Internal Audit Charter be agreed.
2. That the agreed Internal Audit Charter be reviewed annually or sooner than that in the event of any significant changes to the Internal Audit function or the Global Internal Audit Standards.

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### IMPLICATIONS:

<b><u>Finance and Risk</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b> The adoption of a Charter in line with the Global Internal Audit Standards helps to ensure that the Internal Audit Consortium is operating in line with best practice and thereby providing value for money.		
On behalf of the Section 151 Officer		
<b><u>Legal (including Data Protection)</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b>		
On behalf of the Solicitor to the Council		
<b><u>Staffing</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b>		
On behalf of the Head of Paid Service		

**Equality and Diversity, and Consultation**Yes ☐No ☒**Details:****Environment**Yes ☐No ☒

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:****DECISION INFORMATION:**☒ ***Please indicate which threshold applies:*****Is the decision a Key Decision?**

A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:

**Revenue (a)** Results in the Council making Revenue Savings of £75,000 or more or **(b)** Results in the Council incurring Revenue Expenditure of £75,000 or more.

**Capital (a)** Results in the Council making Capital Income of £150,000 or more or **(b)** Results in the Council incurring Capital Expenditure of £150,000 or more.

**District Wards Significantly Affected:**

*(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)*

Please state below which wards are affected or tick **All** if all wards are affected:

Yes ☐No ☒**(a)** ☐**(b)** ☐**(a)** ☐**(b)** ☐**All** ☐

<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input checked="" type="checkbox"/>
If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Consultation carried out:</b> <i>(this is any consultation carried out prior to the report being presented for approval)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Leader</b> <input type="checkbox"/> <b>Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	

<b>Links to Council Ambition: Customers, Economy, Environment, Housing</b>
A current Internal Audit Charter will help to ensure that internal audit operates in accordance with the Global Internal Audit Standards which includes focusing on helping the Council to achieve the objectives within the Council Ambition.

# **DOCUMENT INFORMATION:**

Appendix No	Title
Appendix 1	Internal Audit Charter

<b>Background Papers</b>
<i>(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 Executive, you must provide copies of the background papers).</i>

DECEMBER 2024

## **Internal Audit Charter for Chesterfield Borough Council, Bolsover District Council and North East Derbyshire District Council**

### **Purpose**

The purpose of the internal audit function is to strengthen each Councils ability to create, protect, and sustain value by providing the Audit Committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight and contributing to the authority's annual governance review.

The internal audit function enhances each Councils:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Each Councils internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with the IIA's Global Internal Audit Standards in the UK public sector, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to each Audit Committee.
- Internal auditors are free from undue influence and committed to making objective assessments.

### **Commitment to Adhering to the Global Internal Audit Standards**

Each Councils internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards. The Head of the Internal Audit Consortium will report to each Councils Audit Committee and senior management annually regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

### **Mandate**

#### **The Accounts and Audit Regulations 2015**

#### **Internal Audit (extract from the Accounts and Audit Regulations 2015)**

5.(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—

(a) make available such documents and records; and (b) supply such information and explanations;

as are considered necessary by those conducting the internal audit.

(3) In this regulation “documents and records” includes information recorded in an electronic form.

## **Authority**

Each Councils Audit Committees grants the internal audit function the mandate to provide the Audit Committee and senior management with objective assurance, advice, insight, and foresight.

The internal audit function’s authority is created by its direct reporting relationship to the Audit Committee. Such authority allows for unrestricted access to the Audit Committee.

The Audit Committee authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function’s objectives.
- Obtain assistance from the necessary personnel of each Council and other specialised services from within or outside each Council to complete internal audit services.

## **Independence, Organisational Position, and Reporting Relationships**

The Head of the Internal Audit Consortium will be positioned at a level in the organisation that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. The Head of the Internal Audit Consortium will report functionally to each Councils Audit Committee and administratively (for example, day-to-day operations) to the Directors of Finance. This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the Audit Committee, when necessary, without interference and supports the internal auditors’ ability to maintain objectivity.

The Head of the Internal Audit Consortium will confirm to each Councils Audit Committee, at least annually, the organisational independence of the internal audit function. If the governance structure does not support organisational independence, the Head of the Internal Audit Consortium will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The Head of the Internal Audit Consortium will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

## **Changes to the Mandate and Charter**

Circumstances may justify a follow-up discussion between the Head of the Internal Audit Consortium, Audit Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant acquisition or reorganisation within the organization.
- Significant changes in the Head of the Internal Audit Consortium, Audit Committee, and/or senior management.
- Significant changes to the organisation's strategies, objectives, risk profile, or the environment in which the organisation operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

## **Audit Committee Oversight**

To establish, maintain, and ensure that the Councils internal audit function has sufficient authority to fulfill its duties, the Audit Committee will:

- Discuss with the Head of the Internal Audit Consortium and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the Head of the Internal Audit Consortium has unrestricted access to and communicates and interacts directly with the Audit Committee, including in private meetings without senior management present.
- Discuss with the Head of the Internal Audit Consortium and senior management other topics that should be included in the internal audit charter.

- Participate in discussions with the Head of the Internal Audit Consortium and senior management about the “essential conditions,” described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit functions charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter annually with the Head of the Internal Audit Consortium to consider changes affecting the organisation, such as the employment of a new Head of Internal Audit or changes in the type, severity, and interdependencies of risks to the organisation; and approve the internal audit charter annually.
- Approve the risk-based internal audit plan.
- Review the Head of Internal Audit Consortium’s performance.
- Receive communications from the Head of the Internal Audit Consortium about the internal audit function including its performance relative to its plan.
- Ensure a quality assurance and improvement program has been established.
- Review of the results of the quality assurance and improvement program annually.
- Make appropriate inquiries of management and the Head of the Internal Audit Consortium to determine whether scope or resource limitations are inappropriate.

## **Head of the Internal Audit Consortium Roles and Responsibilities**

### **Ethics and Professionalism**

The Head of the Internal Audit Consortium will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organisation and be able to recognize conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organisation.
- Report organizational behavior that is inconsistent with the organisation’s ethical expectations, as described in applicable policies and procedures.



## Objectivity

The Head of the Internal Audit Consortium will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the Head of the Internal Audit Consortium determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for the Council.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Council employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the Head of the Internal Audit Consortium, Audit Committee, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

## Managing the Internal Audit Function

The Head of the Internal Audit Consortium has the responsibility to:

- At least annually, submit a risk-based internal audit plan to the Audit Committee and senior management for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee / Joint Board and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in the Council's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and senior management quarterly and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the Council and communicate to the Audit Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to each Councils relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the Head of the Internal Audit Consortium cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Audit Committee.

## **Communication with the Audit Committee and Senior Management**

The Head of the Internal Audit Consortium will report periodically to the Audit Committee and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget (to Joint Board).
- Significant revisions to the internal audit plan.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the Council's risk appetite.

## **Quality Assurance and Improvement Program**

The Head of the Internal Audit Consortium will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the Head of the Internal Audit Consortium will communicate with the Audit Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified,

independent assessor or assessment team from outside the Council; qualifications must include at least one assessor holding a CMIIA or CCAB qualification and suitable public sector internal audit experience.

## **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the organisation, including all of the Council's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for the Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the Council's strategic objectives are appropriately identified and managed.
- The actions of the Council's officers, directors, management, employees, and contractors comply with the Council's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact on the Council.
- The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

## **BOLSOVER DISTRICT COUNCIL**

### **Meeting of the Audit Committee on 7<sup>th</sup> July 2025**

#### **Internal Audit Plan 2025/26**

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

<b>Classification</b>	This report is Public
<b>Contact Officer</b>	Jenny Williams Head of the Internal Audit Consortium

### **PURPOSE/SUMMARY OF REPORT**

To present to members the 2025/26 Internal Audit Plan for approval.

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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 in July 2025. Some of the areas within the 2024/25 plan have been carried forward to 2025/26.

- 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**

<b>Summary</b>	<b>Audit Days</b>
Main Financial Systems	72
Other Operational Audits	120
Computer / IT Related	10
Corporate / Cross Cutting / Governance	123
Special Investigations & Contingency	40
Apprenticeships / Training	30
Audit Committee / Client Liaison	15
Dragonfly Ltd	73
<b>Grand Total</b>	<b>483</b>

- 2.4 Resource availability has been based on the Consortium Business Plan that was approved by Joint Board on the 26<sup>th</sup> March 2025. 483 days are allocated in total. It is intended to allocate 73 days to Dragonfly Ltd this year. As Dragonfly Ltd use the same systems as the Council, wherever possible the same areas are covered in the BDC and Dragonfly Ltd Plan to utilise our resource most effectively.
- 2.5 The plan is ambitious and is reliant upon having a full staffing complement and fully trained staff.
- 2.6 The BDC Senior Auditor left the Internal Audit Consortium in May 2025 and difficulties have been encountered trying to fill this post. The full time Auditor has also left in May 2025 and the part time Auditor has handed in her notice.
- 2.7 Whilst permanent recruitment is ongoing, an interim Senior Auditor has been employed for 6 months. In addition to this, staff Members based at NEDDC and CBC will also spend time working on audits from the BDC plan.

### **3. Reasons for Recommendations**

- 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 Not applicable.

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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.

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### **IMPLICATIONS:**

<b><u>Finance and Risk</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b> Internal audit reviews help to ensure that processes and controls are operating effectively thereby contributing to ensuring that value for money is obtained. The plan is ambitious and is reliant upon having sufficient resource available.		
On behalf of the Section 151 Officer		
<b><u>Legal (including Data Protection)</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b> 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 the Public Sector Internal Audit Standards or guidance".		
On behalf of the Solicitor to the Council		
<b><u>Staffing</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
<b>Details:</b>		
On behalf of the Head of Paid Service		

**Equality and Diversity, and Consultation**Yes ☐No ☒**Details:****Environment**Yes ☐No ☒

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:****DECISION INFORMATION:**☒ ***Please indicate which threshold applies:*****Is the decision a Key Decision?**

A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:

**Revenue (a)** Results in the Council making Revenue Savings of £75,000 or more or **(b)** Results in the Council incurring Revenue Expenditure of £75,000 or more.

**Capital (a)** Results in the Council making Capital Income of £150,000 or more or **(b)** Results in the Council incurring Capital Expenditure of £150,000 or more.

**District Wards Significantly Affected:**

*(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)*

Please state below which wards are affected or tick **All** if all wards are affected:

Yes ☐No ☒**(a)** ☐**(b)** ☐**(a)** ☐**(b)** ☐**All** ☐



<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Consultation carried out:</b> <i>(this is any consultation carried out prior to the report being presented for approval)</i>	<b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/>
<b>Leader</b> <input type="checkbox"/> <b>Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	

<b>Links to Council Ambition: Customers, Economy, Environment, Housing</b>
The internal audit plan is linked to the Council Ambition in respect of its aim to deliver an excellent service that will provide assurance in respect of the Councils governance, risk and control arrangements.

### **DOCUMENT INFORMATION:**

Appendix No	Title
Appendix 1	Draft Internal Audit Plan 2025/26

<b>Background Papers</b>
<i>(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 Executive, you must provide copies of the background papers).</i>

DECEMBER 2024

## Bolsover District Council Internal Audit Plan 2023/24 – 2025/26

Audits not completed

Priority		2023/24 Days	2024/25 Days	2025/26 Days	Risk Factor / Strategic Risk
	<b>Main Financial Systems</b>				
M	Main Accounting/Budgetary Control / MTFP	0	15	0	Failure to produce a reliable set of accounts, lack of control over spending, (Strategic Risk 2)
M	CIPFA Financial Management Code	12	0	0	Lack of financial resilience / Sustainability (Strategic Risk 2)
M	Payroll	20	0	22	Employees are paid incorrectly, there are ghost employees in the system
M	Creditor Payments	0	20	0	Incorrect or fraudulent payments are made (Strategic risk 3)
M	Government Grants / sign off	0	3	0	Monies not paid out in accordance with scheme
M	Debtors	0	15	0	Loss of income, fraud
M	Treasury Management	0	15	0	Misappropriation of funds, poor investment decisions
M	Cash and Banking	0	20	0	Loss of income, theft
M	Council Tax	0	20	20	Loss of income, fraud (Strategic risk 3)
M	Non Domestic Rates	20	0	0	Loss of income, fraud (Strategic risk 3)
M	Housing / Council Tax Benefits	20	20	0	Reputational damage, fraud (Strategic risk 3)
M	Housing Rents	20	0	20	Loss of income, fraud (Strategic risk 3/12)
M	Housing Repairs (now Dragonfly Management)	20	0	0	Reputational damage, health and safety risks (Strategic Risk 3)
H	HRA Business Plan	0	0	10	Plans are unaffordable (Strategic Risk 3)
	<b>Total Main Financial Systems</b>	<b>112</b>	<b>128</b>	<b>72</b>	
H	<b>Dragonfly – Company audits</b>		<b>73</b>	<b>73</b>	Company failure, poor governance, reputational damage, financial loss

Priority		2023/24 Days	2024/25 Days	2025/26 Days	Risk Factor / Strategic Risk
H	<b>Corporate Governance Arrangements with Dragonfly (external review taking place)</b>	20	15	0	Poor Governance
	<b>Other Operational Audits</b>				
M	Asset Management Arrangements (Joint audit with Dragonfly)	12	8	10	Assets not fit for purpose, poor VFM
L	Careline	0	0	12	Vulnerable adults are not appropriately supported
M	Clowne Leisure Centre	15	0	20	Loss of income / theft (Strategic risk 3)
L	Commercial Waste	10	0	0	Loss of income
M	Compliance Cncl Properties, Legionella, gas, electric	12	0	0	Health & Safety
L	Corporate Credit Card	0	5	0	Inappropriate spend
M	Domestic / Household Waste	0	0	12	Reputational Damage
M	Disabled Facilities Grants	0	10	0	Reputational / fraud
L	E.Health Misc Licensing	0	8	0	Income loss, reputational
L	E.Health Pollution Prevention & Control	8	0	0	Income loss, non compliance with legislation
L	Expenses & Allowances	12	0	0	Fraudulent / incorrect claims
M	Final Accounts	5	0	0	Incorrect payments, fraud
L	Flytipping	0	0	8	Reputational Damage
L	FOI / Env Regs	10	0	0	Lack of transparency
M	Gas Servicing (now Dragonfly Management)	12	0	0	Safety risk, reputational issues (Strategic risk 3)
M	Homelessness	12	0	0	Reputation, public welfare, failure in statutory duty (Strategic Risk 13)
M	Housing Allocations and Lettings	0	0	13	Reputational risk, fraud
M	Insurance	0	12	0	Wrong cover levels and type, fraudulent claims

Priority		2023/24 Days	2024/25 Days	2025/26 Days	Risk Factor / Strategic Risk
L	Leisure – Extreme Wheels	0	8	0	Health & Safety
L	Members Expenses	10	12	0	Fraud, reputational risk
L	Money Laundering	0	5	0	Fraud
L	Private Sector Housing Disrepairs	0	0	8	Reputation
L	Petty Cash	0	5	0	Inappropriate Spend
L	Planning Fees	10	0	0	Loss of income
M	Pleasley Vale Outdoor Centre	12	0	0	Health & Safety
L	Rechargeable Repairs (Hsg, now Dragonfly Management)	6	0	0	Loss of income
M	Right to Buy	12	0	0	Fraud
M	Section 106	0	12	0	Loss of income/fraud/ reputational damage, failure to complete projects
M	Sickness Absence / Wellbeing	12	0	0	Fraud, morale(Strategic Risk 4)
M	Social Media / Facebook / Bolsover TV	0	10	12	Reputational Damage
M	Taxi Licensing	0	0	10	Safeguarding (Strategic Risk 10)
M	Transport, fuel, plant	0	0	15	VFM / fraud / theft
L	VAT	8	0	0	Penalties
	<b>Total Operational Audits</b>	<b>178</b>	<b>95</b>	<b>120</b>	
	<b>Computer and IT Related</b>				
H	Cyber Security / Network Security / Systems Security/ Transformation programme/ Digital / DR	0	15	0	Attack on Council systems (Strategic risk 12)
M	IT Inventory / disposal of old Equip	10	0	10	Theft of equipment / data
L	Members IT Equipment	12	0	0	Equipment not returned / issued in error
	<b>Total Computer and IT related</b>	<b>22</b>	<b>15</b>	<b>10</b>	

Priority		2023/24 Days	2024/25 Days	2025/26 Days	Risk Factor / Strategic Risk
	<b>Cross Cutting Areas</b>				
M	Bolsover Regeneration Fund	0	0	14	Failure to spend the money on time and risk of repayment of grant (Strategic Risk 5)
M	Business Continuity / Emergency Planning - DCC	0	0	12	Inadequate plan in place to be able to continue in the event of an emergency (Strategic Risk 6/11)
H	Climate Change	12	12	0	Reputation, failure to meet council objectives (Strategic Risk 14)
L	Complaints Procedures	0	0	8	Complaints go unanswered damaging the reputation of the Council
H	Corporate Governance and AGS	2	2	2	Poor Governance (Strategic Risk 8)
M	Data Protection	0	0	13	Mis- use of data, large fines (Strategic Risk 3)
M	Ethical Governance *	0	0	15	There is a poor culture in place leading to poor VFM and fraud etc (Strategic Risk 8)
H	Financial Advice / Working Groups	20	20	20	Appropriate controls not in place
M	Health and Safety	0	10	0	Risk of injury, death (Strategic Risk 8)
M	Corporate Targets	0	12	0	Poor Governance (Strategic Risk 8)
H	Procurement	15	0	15	Fraud, poor value for money
M	Risk Management	0	10	12	Failure to identify and mitigate risks (Strategic risk 8)
M	Safeguarding	12	0	0	Public safety, reputational risk (Strategic Risk 9)
M	UK Shared Prosperity Grant – Grant compliance	0	0	12	Grant spent inappropriately, risk of repayment (Strategic Risk 5)
	<b>Total Cross Cutting</b>	<b>61</b>	<b>66</b>	<b>123</b>	
	Special Investigations /Contingency/Emerging risks	40	40	40	Fraud, loss of income

Priority		2023/24 Days	2024/25 Days	2025/26 Days	Risk Factor / Strategic Risk
	Apprenticeship / training	30	30	30	Lack of appropriately trained staff
	NFI / Key contact	5	6	0	Fraud
	Audit Committee / Client Officer Liaison	15	15	15	Non- compliance with Global Internal Audit Standards
	<b>Planned Total Days</b>	<b>483</b>	<b>483</b>	<b>483</b>	

### Reserve area

#### Recruitment and Selection

\*Ethical governance audit includes – values, behaviours, culture, Codes of Conduct, whistleblowing policy, gifts and hospitality, declarations of interest, Anti-fraud policy, expenses and allowances policy, recruitment policy

### Audit Committee Work Programme 2025/26

Date of Meeting	Items for the Agenda	Lead officer
7th July 2025	Homes England: Compliance Audit Report - 2024/25	Head of Property Services (Dragonfly)
	Internal Audit Progress Report	Head of Internal Audit Consortium
	Internal Audit Annual Report 2024/25	Head of Internal Audit Consortium
	Implementation of Internal Audit Recommendations	Head of Internal Audit Consortium
	Internal Audit Charter	Head of Internal Audit Consortium
	Internal Audit Plan	Head of Internal Audit Consortium
	Audit Committee Work Programme 2025-2026	Section 151 Officer
25th September 2025	Items for the Agenda	Lead officer
	Strategic Risk Register	Chief Executive
	BDC Statement of Accounts 2024/25	Section 151 Officer
	Assessment of Going Concern Status	Section 151 Officer
	Annual Report of Committee	Section 151 Officer
	Annual Governance Statement and Local Code of Corporate Governance	Monitoring Officer
	Report of Internal Audit - Summary of progress on the Internal Audit Plan 2025/26	Head of Internal Audit Consortium
	Report of External Auditor - Audit Strategy Memorandum	Forvis Mazars
	Audit Committee Work Programme 2025-2026	Section 151 Officer
	Member Training 2025/26 - Member Discussion	Committee Members

Date of Meeting	Items for the Agenda	Lead officer
29th January 2026	Items for the Agenda	Lead officer
	Strategic Risk Register	Chief Executive
	Accounting Policies 2025/26	Section 151 Officer
	Report of Internal Audit - Summary of progress on the Internal Audit Plan 2025/26	Head of Internal Audit Consortium
	Implementation of Internal Audit Recommendations Head of Internal Audit Consortium	Head of Internal Audit Consortium
	Report to those charged with Governance - Forvis Mazar's Audit Completion Report	Forvis Mazars
	Audit Committee Work Programme 2025/26	Section 151 Officer
9th April 2026	Items for the Agenda	Lead officer
	Strategic Risk Register	Chief Executive
	Internal Audit Charter	Head of Internal Audit Consortium
	Internal Audit Plan 2026/27	Head of Internal Audit Consortium
	Summary of progress on the Internal Audit Plan 2025/26	Head of Internal Audit Consortium
	Audit Committee Work Programme 2025/26	Section 151 Officer