

Bolsover District Council

Meeting of the Audit Committee on 9th April 2026

Summary of Progress on the 2025/26 Internal Audit Plan

Report of the Head of the Internal Audit Consortium

Classification	This report is public
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PURPOSE/SUMMARY OF REPORT

To present, for members' information, a progress report in respect of the 2025/26 Internal Audit Plan.

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 to date in respect of the 2025/26 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.

Assurance Level	Internal Audit Definition	Risk Register Link
Substantial Assurance	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
Reasonable Assurance	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
Limited Assurance	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
Inadequate Assurance	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 5 reports have been issued 2 with substantial 2 with reasonable and 1 with limited assurance.

2.4 As Members have previously requested, a full copy of the limited assurance asset management report has been attached as Appendix 2.

The main reasons for a limited assurance report being issued were: -

- Since the inception of Dragonfly Management (Bolsover) Limited overall responsibility for asset management plans has become lost with confusion amongst senior managers within the Council and Dragonfly as to where responsibility lay.
- Risk to not achieving expected outcomes is not addressed through Risk Registers or elsewhere.
- There is no single system in place which records all asset attributes. Asset management is disjointed and critical factors and information may be overlooked.
- In the absence of an Asset Management Plan, it is difficult to evidence that the Council is narrowing the gap between the current condition of the asset base and an acceptable standard. Some insight is provided from Condition Surveys and

from Asbestos and water quality inspections. These will assist with developing the Capital Programme and the Medium-Term Financial Plan.

- KPIs relevant to Asset Management have not been developed and benchmarking with other comparable Local Authorities has not been undertaken.

2.5 No issues arising relating to fraud were identified.

2.6 Appendix 3 provides the progress to date in respect of the completion of the 2025/26 Internal Audit Plan. The majority of the plan will be completed with just 2 areas being rolled forward to 2026/27.

3. Reasons for Recommendation

3.1 To inform Members of progress on the 2025/26 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 in the UK Public Sector.

4 Alternative Options and Reasons for Rejection

4.1 N/A

RECOMMENDATION

That the report be noted.

IMPLICATIONS:

<u>Finance and Risk</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details: 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		
<u>Legal (including Data Protection)</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
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		

Staffing Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Details:	On behalf of the Head of Paid Service
Equality and Diversity, and Consultation Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Details: N/A	
Environment Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.	
Details: N/A	

DECISION INFORMATION

<input checked="" type="checkbox"/> 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:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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.	(a) <input type="checkbox"/> (b) <input type="checkbox"/>
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.	(a) <input type="checkbox"/> (b) <input type="checkbox"/>
District Wards Significantly Affected: <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 All if all wards are affected:	All <input type="checkbox"/>

<p>Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></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>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>Consultation carried out: <i>(this is any consultation carried out prior to the report being presented for approval)</i></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>Leader <input type="checkbox"/> Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	

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

Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.

DOCUMENT INFORMATION	
Appendix No	Title
1	Summary of Internal Audit reports issued in respect of the 2025/26 Internal Audit Plan February to March 2026
2	Asset Management Report
3	Progress on the 2025/26 Internal Audit Plan

<p>Background Papers <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></p>