Bolsover District Council

Meeting of the Audit Committee on 16th July 2026

Internal Audit Consortium Annual Report 2025/26

Report of the Head of the Internal Audit Consortium

Classification	This report is public
Contact Officer	Head of Internal Audit

PURPOSE/SUMMARY OF REPORT

The purpose of this report is to: -

- Present the 2025/26 Internal Audit Consortium Annual Report for Bolsover District Council and the Head of Internal Audit's conclusion 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 Head of the Internal Audit Consortium is required to deliver an annual internal audit conclusion and report that can be used by the organisation to inform its Annual Governance Statement.

2. Details of Proposal or Information

2.1 The 2025/26 Internal Audit Consortium Annual Report that includes the audit conclusion for Bolsover District Council is attached at Appendix A.

2.2 The annual internal audit conclusion 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 conclusion. The conclusion is also derived from other assurances such as the work of the Risk Management Group, external audit, the Social Housing Regulator and Public Sector Network compliance.

2.3 The Head of Internal Audit's conclusion for 2025/26 set out in the attached annual report is that: -

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 2025/26. Reasonable assurance can also be provided for Dragonfly Management (Bolsover) Ltd. 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 commissioned a review by the Local Partnerships that took place 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 2025/26, information on the performance of the Internal Audit service, an assessment of conformance against the Global Internal Audit Standards in the UK Public Sector and a Quality Assurance and Improvement Programme (QAIP).

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 2025/26.

3.2 To provide an annual conclusion on the overall adequacy and effectiveness of the Council's governance, risk and control arrangements including any qualifications to that conclusion.

4 Alternative Options and Reasons for Rejection

5.1 Alternative options are not applicable, the GIAS in the UK Public Sector require that an annual report is produced including a conclusion on the Council's governance, risk and control arrangements.

RECOMMENDATION

That the 2025/26 Internal Audit Consortium Annual Report for Bolsover District Council and the overall assurance conclusion 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 **<u>Legal (including Data Protection):</u>** **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 **<u>Environment:</u>** 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. **<u>Staffing</u>:** **Yes☐** **No ☒** **Details:** On behalf of the Head of Paid Service

DECISION INFORMATION

Is the decision a Key Decision? 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: **Revenue - £75,000 ☐ Capital - £150,000 ☐** ☒ *Please indicate which threshold applies*	No
Is the decision subject to Call-In? (*Only Key Decisions are subject to Call-In*)	No
District Wards Significantly Affected	None
Consultation: **Leader / Deputy Leader ☐ Executive ☐** **SLT ☐ Relevant Service Manager ☒** **Members ☐ Public ☐ Other ☐**	Details:

Links to Council Ambition: Customers, Economy and Environment.
The Head of Internal Audit's annual conclusion 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**
A	Internal Audit Consortium Annual Report 2025/26 for Bolsover District Council.

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).*