

SUBJECT:	INTERNAL AUDIT Progress Report for Quarter 4 (2025/26) & Quarter 2 Rolling Plan (2026/27)
DIRECTORATE:	Resources
MEETING:	Governance & Audit Committee
DATE:	June 2026
DIVISION/WARDS AFFECTED:	All

1. PURPOSE

To consider the adequacy of the internal control environment within the Council based on the outcomes of audit reviews and subsequent conclusions issued to the end of the 2025/26 financial year (31st March 2026).

To consider and approve the audit reviews to be undertaken during the second quarter of the 2026/27 financial year.

2. RECOMMENDATION(S)

1. That the Committee note the audit conclusions issued.
2. That the Governance & Audit Committee 'Call-In' the Chief Officer for People, Performance & Partnerships to a future meeting to discuss the reasons for the second consecutive unfavourable audit conclusions in relation to Employee General Expenses and Employee Travel (Mileage) Claims, and to seek assurance that appropriate controls will be implemented urgently.
3. That the Committee note the progress made by the Section towards meeting the 2025/26 Operational Audit Plan and the Section's performance indicators at end of the financial year.
4. That the Committee approve the Internal Audit 'Rolling Plan' covering Quarter 2 2026/27.

3. KEY ISSUES

- 3.1 The Global Internal Audit Standards (GIAS) came into force for the UK public sector in April 2025 replacing the Public Sector Internal Audit Standards. A self-assessment and gap analysis of compliance to the new standards has been completed and an action plan is in place to ensure the team fully meet the requirements.

- 3.2 The year end opinion of the Councils internal control environment will be based on the audit work undertaken during the year, cumulative audit knowledge from previous years on key financial systems along with any assurance gained from other parties where relevant.
- 3.3 Attached as Appendix 1 to this report is the Internal Audit & Counter Fraud Update Report from the Chief Internal Auditor covering the period until the 31st March 2026.
- 3.4 The report included as Appendix 1 covers the following 5 areas.
1. Results from Internal Audit Reviews (Quarter 4 2025/26)
 2. Follow-up of Previous Audit Recommendations
 3. Quarterly Internal Audit Plan (Q2 2026/27)
 4. Counter Fraud Investigations and Outcomes
 5. Performance Indicators
- 3.5 As detailed in Appendix 1, two Internal Audit follow-up reviews were completed during Quarter 4 (2025/26) in relation to Employee General Expenses and Employee Travel (Mileage) Claims. Both reviews resulted in consecutive unfavourable (Limited Assurance) audit conclusions. The report sets out the reasons for these outcomes. Where consecutive unfavourable opinions have previously been issued, the Committee has considered it necessary to request the relevant Chief Officer to attend the subsequent meeting to provide assurance that appropriate controls will be implemented without delay.
- 3.6 In view of the nature of the findings arising from the Caldicot Castle review, and the subsequent 'No Assurance' audit conclusion, the results of that review will be presented and considered as a confidential paper.

4. SERVICE MANAGEMENT RESPONSIBILITIES

- 4.1 Chief Officers, Heads of Service and Service Managers are responsible for addressing any weaknesses identified in internal systems and demonstrate this by including their management responses within the audit reports. When management agree the audit action plans, they are accepting responsibility for addressing the issues identified within the agreed timescales.
- 4.2 Ultimately, managers within MCC are responsible for maintaining adequate internal controls within the systems they operate and for ensuring compliance with Council policies and procedures. All reports, once finalised, are sent to the respective Chief Officers and Heads of Service for information and appropriate action where necessary.

5. RESOURCE IMPLICATIONS

None.

6. CONSULTEES

Deputy Chief Executive / Strategic Director – Resources (S151 Officer)

Results of Consultation:

N/A

7. BACKGROUND PAPERS

Operational Audit Plan 2025/26

8. AUTHORS AND CONTACT DETAILS

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**MONMOUTHSHIRE
COUNTY COUNCIL**
INTERNAL AUDIT

INTERNAL AUDIT & COUNTER FRAUD

UPDATE REPORT

JAN FURTEK
CMIIA CIA

CHIEF INTERNAL AUDITOR

2025/26 Quarter 4 Update
2026/27 Quarter 2 Rolling Plan





QUARTERLY REPORT CONTENT

1. Results from Internal Audit Reviews
2. Follow-up of Previous Audit Recommendations
3. Quarterly Internal Audit Plan
4. Counter Fraud Investigations and Outcomes
5. Performance Indicators





SUMMARY OF AUDITS CONCLUSIONS

Each Internal Audit report contains a conclusion (opinion) which is an overall assessment of the control environment reviewed.

The conclusions used are those recommended by CIPFA within their paper Internal Audit Engagement: Setting Common Definitions.

CONCLUSION	DESCRIPTION
SUBSTANTIAL ASSURANCE	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
REASONABLE ASSURANCE	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
LIMITED ASSURANCE	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
NO ASSURANCE	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.



SUMMARY OF AUDITS COMPLETED

Assurance work and Conclusions issued in draft since the last update report.

It has been agreed that where an Unfavourable Conclusion has been issued further information will be provided to G&AC on the following slides (if applicable).

Audit Title	Conclusion	Status
Monmouth Comprehensive School	Substantial Assurance	Draft
Shared Prosperity Fund	Substantial Assurance	Draft
Budgetary Control - Capital	Reasonable Assurance	Draft
Facilities & Building Cleaning (Follow-up)	Reasonable Assurance	Draft
Ysgol y Fenni	Reasonable Assurance	Draft
Caldicot School (Follow-up)	Reasonable Assurance	Draft
Schools Control Risk Self Assessments	Reasonable Assurance	Draft
Mardy Park (Follow-up)	Reasonable Assurance	Draft
MonLife Control Risk Self-Assessments	Reasonable Assurance	Draft
Recruitment & Selection	Reasonable Assurance	Draft
Employee Travel & Mileage Claims (Follow-up)	Limited Assurance	Draft
Employee General Expenses (Follow-up)	Limited Assurance	Draft
King Henry VIII 3-19 School	Limited Assurance	Draft
Caldicot Castle	No Assurance	Draft



SUMMARY OF AUDITS

UNFAVOURABLE CONCLUSION

Caldicot Castle – No Assurance

Given the nature of the issues identified during this review, the findings will be submitted to the Governance & Audit Committee for consideration as a confidential paper.



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

Employee General Expenses (Follow-Up) – Limited Assurance

This follow-up audit of Employee General Expenses (Dec 2025–Feb 2026) provides a Limited Assurance opinion for the second consecutive year. Only 4 of 12 prior recommendations have been fully implemented; key weaknesses remain in monitoring and challenge, policy compliance (including 'miscellaneous expenses'), VAT evidence and VAT recovery, use of appropriate purchasing routes/coding, and the quality of claim narratives. A separate VAT review by Finance & Control also identified significant compliance issues.

The Governance & Audit Committee is asked to seek assurance on a time-bound recovery plan to implement outstanding actions, strengthen VAT compliance and recovery, and embed the revised policy; Internal Audit will monitor progress.

RISK RATING	DESCRIPTION	TOTAL IDENTIFIED
CRITICAL	Major or unacceptable risk which requires immediate action.	0
SIGNIFICANT	Important risk that requires attention as soon as possible.	7
MODERATE	Risk partially mitigated but should still be addressed.	2



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

Employee General Expenses (Follow-Up) – Limited Assurance

Ref.	MODERATE (cont.)
1.07	Not all claims included sufficient context or detail of business reason.
New 1.14	The revised Travel and Reimbursement policy had not been effectively communicated to all staff.

Ref.	SIGNIFICANT
1.02	Although second line checking had been introduced, the spreadsheet did not indicate if a 10% sample had been reviewed. No follow up or challenge with employees / management had taken place.
1.03	Expenditure was often outside the scope of the Travel and Reimbursement policy. There was no clear policy definition for when and how to claim 'Miscellaneous Expenses'. One claim was deemed to be inappropriate by the auditor
1.04	Despite the Pay & Reward Policy 2025 explicitly prohibiting the reimbursement of professional and subscription fees, such costs continued to be claimed and paid through miscellaneous expenses.
1.08	Meal-related expense claims often lacked sufficient narrative detail and clear coding, making it difficult to confirm compliance with HMRC rules or distinguish staff subsistence from service-user or hospitality spending.
1.09	For the sample tested, the receipts provided were insufficient, often missing official VAT documentation or essential details such as a VAT number and breakdown.
1.12	VAT was not being reclaimed on eligible purchases resulting in higher cost for the Authority.
1.13	Claims were made through miscellaneous expenses where established forms of purchasing should have been used. The accounting treatment of My View miscellaneous expenses was not reflective of the type of expenditure made.



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

Employee Travel (Mileage) Expenses (Follow-Up) – Limited Assurance

This follow-up review again provides an unfavourable opinion for the Employee Travel (Mileage) Claim process, representing a second consecutive year of Limited Assurance for this area. While some actions have been partially implemented, the majority of key weaknesses remain, including incomplete second-line monitoring against HMRC expectations, insufficient journey detail and business rationale to support claims, incorrect home-to-work mileage deductions, inconsistent provision of valid VAT receipts, and a continued lack of robust managerial challenge at authorisation. In addition, arrangements for applying the correct mileage rates for Tusker salary-sacrifice vehicles and for evidencing driving licence/vehicle compliance checks remain inconsistent, increasing the risk of overpayments, regulatory non-compliance and financial loss unless management implements sustained, demonstrable improvements.

RISK RATING	DESCRIPTION	TOTAL IDENTIFIED
CRITICAL	Major or unacceptable risk which requires immediate action.	0
SIGNIFICANT	Important risk that requires attention as soon as possible.	7
MODERATE	Risk partially mitigated but should still be addressed.	1



SUMMARY OF AUDITS

UNFAVOURABLE CONCLUSION

Ref.	MODERATE (cont.)
1.02 (new)	The Travel and Reimbursement policy had not been effectively communicated to all staff.

Employee Travel (Mileage) Expenses (Follow-Up) – Limited Assurance

Ref.	SIGNIFICANT
1.01	Where second line monitoring of travel claims had been completed this was not a complete 10% check of claims as required by HMRC. A high level of error was identified but there was no evidence to confirm that employees or managers had been contacted as a result.
1.03	Whilst there was some very recent, limited, improvement in the journey details provided from some employees the majority of claims still do not provide clear business reasons for the journeys.
1.04	Home to work mileage has either failed to be deducted or had been deducted incorrectly.
1.05	Valid VAT receipts were not always provided in support of mileage claims.
1.06	Although all claims were authorised by the relevant manager, the issues identified in the audit evidenced that management checks were not robust.
1.07	The Authority paid the standard mileage reimbursement amount for employees who were part of the Tusker Salary Sacrifice for Cars Scheme, as opposed to the rates outlined in the Travel and Reimbursement policy which was based on the HMRC Company Car Advisory Notice.
1.08	The management checks of employee driving licences were not sufficient. There was no centralised monitoring of those using private vehicles on behalf of the Authority.



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

King Henry VIII 3-19 School – Limited Assurance

This unplanned reactive internal audit review concluded **Limited Assurance**, identifying significant gaps, weaknesses and non-compliance. Key issues included a projected deficit in excess of £2.2m by 31 Mar 2026 alongside weaknesses in deficit recovery and budget-setting/monitoring; non-compliant pay governance and other payroll/HR control weaknesses; weaknesses in income/lettings arrangements and system access controls; gaps in procurement documentation and retrospective ordering; incomplete asset/inventory records; and weaknesses in private fund governance (including commingling of charitable trust monies of c.£255k and lack of independent oversight).

It must be noted that testing of the School Private Fund was restricted because the 2024/25 records were off site and not returned during fieldwork period.

Two matters identified during the audit review remain under investigation and will be reported to the Governance & Audit Committee once complete.

RISK RATING	DESCRIPTION	TOTAL IDENTIFIED
CRITICAL	Major or unacceptable risk which requires immediate action.	2
SIGNIFICANT	Important risk that requires attention as soon as possible.	25
MODERATE	Risk partially mitigated but should still be addressed.	18
STRENGTH	No risk. Sound operational controls and processes confirmed.	18



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

King Henry VIII 3-19 School – Limited Assurance

Ref.	CRITICAL
2.02	The school had an increasing deficit budget, projected to be in excess of £2.2 million by the 31st March 2026. In addition; - The school had significantly exceeded their agreed Deficit Recovery Plan without the permission of the Local Authority. - The school had failed to set, agree and submit the 2025/26 budget by the required deadline. - The 2025/26 budget was set containing errors and omissions, including the non-inclusion of some staff and their associated payroll costs. There was also a significant under estimation of known costs. - Budget monitoring was not robust and did not always identify errors. - Prompt mitigating action had not been taken to effectively manage the in-year budget or the overall deficit. - The school budget was not a standing item on the Full Governing Body agenda.
3.02	The Pay Range of the Deputy Headteacher had been amended outside of the provisions of the School Teachers Pay & Conditions (Wales) Document.

Ref.	SIGNIFICANT
1.05	No rental / lease agreement existed between the School and Little Oaks Flying Start. The rental amount had not been formally agreed with the hirer or by the Governing Body. No income had yet been collected for 2025/26 or included within the school's budget forecast.
1.06	A shared use agreement for the leisure facilities had not been entered into with MonLife.
1.07	Safeguarding and risk assessment documentation had not been provided to the school by organisations who regularly lease parts of the school.
1.08	External catering staff had full access to the schools ParentPay system.
2.03	The school had not entered into any supply insurance scheme. The decision-making process for this could not be evidenced.
3.03	Caretaking staff were being paid at an incorrect overtime rate. This resulted in overpayments.
3.04	Return to Work Discussion forms had not been completed for all periods of sickness absence.
3.05	Not all staff had completed a Register of Business Interest form. There was an undeclared business interest.
3.06	Not all payroll forms had been authorised by the Headteacher / nominated senior representative.
3.07	Donations had been received and not declared within the Gifts and Hospitality Register.
3.08	Driver and vehicle checks had not been undertaken for all staff.
4.04	An external third party was used to procure and manage two large contracts without evidence of Governing Body consideration or approval. No procurement exercise was undertaken to support their appointment, and no evidence was available to demonstrate that the arrangement represented value for money.



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

King Henry VIII 3-19 School – Limited Assurance

Ref.	SIGNIFICANT (cont.)
4.05	Purchase orders were often raised retrospectively.
4.06	Adequate procurement documentation was not retained to demonstrate compliance with Contract Procedure Rules or to confirm that value for money had been achieved.
4.07	Receipts relating to Procurement Card transactions had not always been uploaded to Business World. VAT was not always reclaimed where appropriate.
5.02	The level of detail provided on the school's inventory was insufficient.
5.03	The details of IT equipment provided to staff was not recorded and no signed handover agreement was in place.
6.01	A significant amount of money (£255k) belonging to the Godfrey Watkins Charitable Foundation was retained in the School Private Fund.
6.02	Despite a substantial balance of £381k, the School Private Fund was not held in an interest-bearing bank account.
6.03	No monthly reconciliation of the School Private Fund cashbook or bank statements was documented. There was no evidence the fund had been reviewed by the Headteacher or nominated independent representative on a regular basis.

Ref.	SIGNIFICANT (cont.)
6.05	There was no evidence that a closing audit of the Deri View School Private Fund had been completed. The fund balance transferred did not agree to the Annual Statement of Account at the date of closure of Deri View Primary School.
7.04	Not all Governing Body Pay Review Sub-Committee minutes were available for inspection. Where held, the minutes sometimes provided inadequate levels of detail.
8.06	Safeguarding information for visitors was not on display within the reception area nor included on the electronic signing in system.
8.07	School trips requiring statutory Local Authority approval (adventurous activities and overseas trips) had not always been submitted and approved within the timeframes set by the MCC Educational Visits Policy.

Ref.	MODERATE
1.09	Three senior employees were set up on the catering system to receive free meals which was not in accordance with the school's policy. The reason(s) for members of staff being provided with a free meal was not recorded.
1.10	Cash stored prior to banking had exceeded the insurance limit of the safe. The Headteacher did not have independent access to the school safe.
1.11	Income was not always banked in a timely manner and was not always recorded correctly on the general ledger
1.12	It could not be confirmed that bankings had been subject to a secondary check.



SUMMARY OF AUDITS UNFAVOURABLE CONCLUSION

King Henry VIII 3-19 School – Limited Assurance

Ref.	MODERATE (cont.)
1.13	Rental charges did not always agree to the rates approved by the Governing Body. Income relating to lettings was received in arrears rather than in advance of the hire.
1.14	The school did not outline its invoicing, payment and refund arrangements in the Lettings Policy or on the booking form. The school raised its own invoices rather than using the corporate debtors system. Lettings income was being banked into the School Private Fund.
2.04	The current year School Development Plan did not detail the approximate financial costings, nor was the document published on the schools website.
2.05	The Governing Body had not agreed a virement limit for the Headteacher.
3.09	Additional hour batch input confirmation sheets had not been reviewed by the Headteacher / nominated independent representative.
3.10	In some instances, documentation had not been completed for periods of special leave of absence.

Ref.	MODERATE (cont.)
3.11	Annual Leave records for applicable non-teaching staff had not been maintained.
3.12	Sickness documentation was not routinely filed.
4.09	Procedures were not in place to monitor outstanding purchase orders.
4.10	Procurement Cards were being held in the safe and could be accessed by non-cardholders.
4.11	Valid VAT receipts were not always obtained for all purchases from the school's Imprest account. Some purchases should have been made through alternative procurement channels.
6.06	The school did not hold a copy of the School's Private Fund bank mandate or other documentation confirming the signatories on the account.
6.07	Where significant surpluses had been made on school trips they were not always redistributed or repaid to participants.



SUMMARY OF AUDITS YEAR TO DATE

*The number of Audit
Conclusions / Opinions
issued since 01st April 2025
(2025/26 Financial Year).*

Conclusion	Number
Substantial Assurance	7
Reasonable Assurance	17
Limited Assurance	6
No Assurance	1
Unqualified (Grant Claim)	1
Qualified (Grant Claim)	0
Total Conclusions issued	32



SUMMARY OF AUDITS IN PROGRESS

*Audit work currently in progress
where no draft report has yet been
issued.*

This is as of 30/04/26

Audit Title	IA Plan	Directorate	Fieldwork % Complete			
			25%	50 %	75 %	100 %
Fuel Cards (2025/26)	c/f 2025/26	Infrastructure				
Commercial Waste (2025/26)	c/f 2025/26	Infrastructure				
Goytre Fawr Primary School (2025/26)	c/f 2025/26	CLSE				
Procurement Cards (Follow-Up)	c/f 2025/26	Resources				
CLA Savings (Follow-Up)	c/f 2025/26	Social Care & Safeguarding				
Corporate Safeguarding	2026/27 Q1	Social Care & Safeguarding				
Seven View Park	2026/27 Q1	Social Care & Safeguarding	Delayed to Q2 due to change in management			
Procurement	2026/27 Q1	Resources				
Additional Payments (Schools)	2026/27 Q1	PPP	Consultancy & Advice			
School Admissions	2026/27 Q1	CLSE				
Osbaston Primary School	2026/27 Q1	CLSE				
Raglan VC Primary School	2026/27 Q1	CLSE				
Licensing	2026/27 Q1	Social Care & Safeguarding				
Grounds Maintenance	2026/27 Q1	Infrastructure				



SUMMARY OF AUDITS VALUE ADDED

Value-added audit work is internal audit activity that improves organisational performance by providing meaningful assurance, practical insights, and recommendations that enhance governance, risk management, and operational effectiveness.

Advice is often delivered by email, through Microsoft Teams calls, or as part of an internal audit review. The Audit team also contributes to several programme boards, including the New Social Care Management System and the Information Governance Group, to provide insight.

Audit Title	Type of Work
Resources	Financial Advice
Law & Governance	Financial Advice
Learning, Skills & Economy	Financial Advice
Social Care, Safeguarding & Health	Financial Advice
Infrastructure	Financial Advice
Place	Financial Advice
Chief Executives – Housing, Rural Development & Strategic Partnerships	Financial Advice
Customer, Culture and Wellbeing - Mon Life	Financial Advice
People, Performance and Partnerships	Financial Advice
Corporate	Annual Governance Statement
New Social Care Management System Project Board	Advice & Consultancy



FOLLOW-UP AUDITS PREVIOUSLY UNFAVOURABLE

The requirement for follow-up sits within the Global Internal Audit Standards **Domain V: Performing Internal Audit Services**, specifically under **Principle 15 – Communicate Engagement Conclusions and Monitor Action Plans**.

Unfavourable audit opinions (Limited or No Assurance) are formally followed up to confirm that agreed actions have been implemented and controls improved. A revised conclusion will be issued and reported to the G&AC.

For Substantial or Reasonable Assurance opinions, responsible officers must complete a self-assessment, which Internal Audit may validate through testing.

Follow-up reviews are scheduled based on the date of the final report allowing enough time for management actions to be implemented and then embedded.

Year	Audit Title	Opinion	Status
2023/24	Employee Mileage	Limited	Limited
	General Expenses	Limited	Limited
	Children Looked After Savings	Limited	Fieldwork
2024/25	Procurement Cards	Limited	Fieldwork
	Mardy Park Residential	Limited	Reasonable
	Facilities & Building Cleaning	Limited	Reasonable
	Bank Imprest - Severn View	Limited	2026/27 Q2
	Caldicot School	Limited	Reasonable
	Supply Staff at Schools	Limited	2026/27 Q3
	Contract Management	Limited	2026/27 Q4
	Pupil Referral Service	Limited	2026/27 Q3
	My Mates	Limited	2026/27 Q4
	H&S Building Compliance	Limited	2026/27 Q4
2025/26	Deprivation of Liberty Safeguards	Limited	2026/27 Q4
	King Henry VIII 3-19 School	Limited	2026/27 Q4
	Caldicot Castle	No Assurance	2026/27 Q2



FOLLOW-UP AUDITS

ALL AUDIT REVIEWS

The Internal Audit team issued 122 recommendations during the 2024/25 financial year. The table across provides an overall summary of results of the follow-up activity for all opinions issued.

Overall, 93% of recommendations had either been fully or partially implemented. This was a slight decrease from 96% in the previous year.

From the 2026/27 year, follow-up's of favourable opinions will now take place on a rolling basis in the next quarter following 1 complete year from report finalisation.

Measure	Number	Percentage
Recommendations fully implemented	76	62%
Recommendations partially implemented	38	31%
Recommendations fully or partially implemented	114	93%
Recommendations not implemented	6	5%
Recommendations considered no longer relevant	2	2%
Responses not received	0	0%
Total number of recommendations	122	100%



AUDIT PLAN

NON-NEGOTIABLES

As agreed within the Internal Audit Strategy 2026-27, there are a number of areas to be considered within each Quarterly Internal Audit plan considered to be non-negotiables.

The table opposite details these areas and when a review of the area can be next expected.

Audit Title	Directorate	Type of Review	Last Reviewed	Next Review
Payroll	People, Policy & Performance	Assurance	2022/23	2027/28
Budgetary Control (Revenue)	Resources	Assurance	2021/22	2027/28
Budgetary Control (Capital)	Resources	Assurance	2025/26	2028/29
Procurement	Resources	Assurance	2024/25	2026/27 Q1
Creditors	Resources	Assurance	2023/24	2027/28
Procurement Cards	Resources	Assurance	2025/26	2027/28
Debtors	Resources	Assurance	2025/26	2028/29
Council Tax	Resources	Assurance	2023/24	2027/28
National Non Domestic Rates (NNDR)	Resources	Assurance	2022/23	2026/27 Q3
Housing Benefits	Resources	Assurance	2023/24	2028/29
Health & Safety	Resources	Assurance	2019/20	2026/27 Q2
Safeguarding	Social Care & Safeguarding	Assurance	2020/21	2026/27 Q1
Annual Governance Statement	Cross Cutting	Assurance	Annual	Annual
Financial Advice	Cross Cutting	Added Value	Ongoing	Ongoing
Financial Assessments (Social Care Providers)	Social Care & Safeguarding	Added Value	Ongoing	Ongoing



AUDIT PLAN QUARTER 2

Based on the ongoing rolling Internal Audit Plan, the Chief Internal Auditor has identified the areas scheduled for review during this quarter.

A risk-based internal auditing approach has been applied to prioritise the team's workload for the period. These priorities may be adjusted if organisational needs or risk levels change.

Audit Title	Directorate	Type of Review	Risk	Status
Health & Safety	Resources	Assurance	High	Planned
Data Protection	Resources	Assurance	High	Planned
Caldicot Castle (Follow-Up & Admin Processes)	Place & Community Wellbeing	Assurance	High	Planned
Vehicle Usage & Enterprise Car Scheme	Infrastructure	Assurance	Medium	Planned
Secondments	People, Policy & Performance	Assurance	Medium	Planned
School Exclusions	Children, Learning, Skills & Economy	Assurance	Medium	Planned
New Children's Home	Social Care & Safeguarding	Assurance	Medium	Planned
Section 106 Funding	Place & Community Wellbeing	Assurance	Medium	Planned
Housing Support Grant	Social Care & Safeguarding	Grant Review	Medium	Planned
Follow-Up of Recommendations	Cross Cutting	Follow-up	Medium	Continuous
Annual Governance Statement	Corporate	Added Value	Medium	Planned
Financial Advice	Cross Cutting	Added Value	Medium	Continuous
Follow-up of Recommendations (reports finalised Q1 2025/26)	Cross Cutting	Added Value	Medium	Continuous
New Social Care Management System (Project Board Advisor)	Social Care & Safeguarding	Added Value	High	On-going



COUNTER FRAUD

CURRENT INVESTIGATIONS

These are the investigations or pieces of Counter Fraud work which were ongoing at the end of the quarter.

After an initial review, some concerns may be deemed not to require any further action. Others may be investigated directly by Internal Audit, or the team may provide support to other Council officers who are appointed as the formal Investigating Officer.

Year	Investigation Title	Reason for Investigation	Status
2025/26	Overtime payments (Cross Cutting)	Proactive review	Ongoing
	Employee E (School Based)	Inappropriate payments & non-compliance with Policy	Ongoing



COUNTER FRAUD INVESTIGATION OUTCOMES

These are investigations or proactive pieces of Counter Fraud work completed which have been deemed as being closed at the end of the quarter.

Where necessary, concerns may be passed to outside agencies such as the Police, Social Care Wales or the Education Workforce Council.

Year	Investigation Title	Reason for Investigation	Outcome
2025/26	Employee F (Social Care & Health)	Secondary employment & safeguarding	Dismissal



INTERNAL AUDIT PERFORMANCE INDICATORS

	2024/25	Q1	Q2	Q3	Q4	Target
1	Percentage of planned audits completed	10%	32%	49%	82%	80% pa
2	Average no. of days from audit closing meeting to issue of a draft report	2.7 days	1.7 days	2.3 days	1.8 days	15 days
3	Average no. of days from receipt of response to draft report to issue of the final report	N/A*	3.3 days	3.0 days	3.8 days	10 days
4	Percentage of recommendations made that were accepted by the clients	N/A*	100%	100%	100 %	95%
5	Percentage of clients at least 'satisfied' by audit process	N/A*	100%	100%	100 %	95%

	2025/26	Q1	Q2	Q3	Q4	Target
1	Percentage of planned audits completed	9%	30%	48.5 %	80.3%	80% pa
2	Average no. of days from audit closing meeting to issue of a draft report	1.5 days	3.2 days	3.7 days	2.6 Days	15 days
3	Average no. of days from receipt of response to draft report to issue of the final report	N/A	3.9 days	2.4 days	3.1 days	10 days
4	Percentage of recommendations made that were accepted by the clients	N/A	100%	100%	100 %	95%
5	Percentage of clients at least 'satisfied' by audit process	N/A	100%	100%	100%	95%