SUBJECT:	**SRS INTERNAL AUDIT ANNUAL REPORT – 2025/26**
MEETING:	**GOVERNANCE & AUDIT COMMITTEE**
DATE:	**JUNE 4, 2025**
DIVISION/WARDS AFFECTED: ALL	

NON-PUBLICATION

Not Applicable.

1. PURPOSE:

To outline the work conducted in respect of the Shared Resource Service (SRS) for the year ended March 31, 2026 which forms the basis of the annual opinion of the Head of Internal Audit and enables the provision of assurance to the Governance & Audit Committee.

2. RECOMMENDATIONS:

To note the overall opinion provided by the Torfaen Head of Internal Audit and the intended coverage for 2026/27.

3. KEY ISSUES:

The audit risk assessment determined that the programme of work for 2025/26 should comprise 11 separate reviews [10 SRS and 1 GPA] to allow an overall opinion to be given as to the adequacy and effectiveness of governance, risk management, and control.

The resultant 6 ‘full’, and 4 ‘substantial’ audit opinions enable the determination of an overall opinion of *“satisfactory”* for the SRS specific audits. This recognises an improvement from the previous year and that areas for improvement will always exist as there was an increase in the number of low-risk issues/recommendations.

The expectation is that all agreed recommendations are implemented and that all opinions are at least ‘moderate’ if not ‘substantial’ which has been achieved.

The internal audit service can only ever provide reasonable assurance that there are no major weaknesses in the system of internal control.

The implications for the 2026/27 year is again 11 separate reviews, with several new audit areas and an estimated resource requirement similar to that for 2025/26.

4. **EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**

Not Applicable.

5. **OPTIONS APPRAISAL**

Not Applicable.

6. **EVALUATION CRITERIA**

The report relies upon several measures/milestones i.e.

- Risk Assessment to inform required coverage for the year ahead.
- Allocation of resources to assessed risk and required coverage.
- Engagement of the SRS and Finance & Governance Board.
- Completion of the proposed programme of work and the reporting of results.

7. **REASONS:**

Not Applicable.

8. **RESOURCE IMPLICATIONS:**

Not Applicable.

9. **CONSULTEES:**

This report compiles the results of the detailed progress reports presented to the SRS Finance & Governance Board on a quarterly basis. It is scheduled to be reported at its next meeting.

SRS Senior Management also receive the report, which they have accepted and acknowledged.

10. **BACKGROUND PAPERS:**

SRS Annual Internal Audit Report 2025-26 LA Partners

11. **AUTHOR:**

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