Committee and Date	Item
Audit Committee 16th July 2025 10:00am	 Public

Draft Internal Audit Annual Plan 2025/26

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Cabinet Member (Portfolio Holder):	Heather Kidd, Leader of the Council Duncan Kerr, Chairman of the Audit Committee Roger Evans, Portfolio Holder – Finance	

1. Synopsis

The risk based Internal Audit Plan, 2025/26 is presented to Audit Committee for approval. It will evaluate the effectiveness of the Council's risk management, internal control and governance processes across all Directorates.

2. Executive Summary

2.1. This report provides Members with the proposed risk based Internal Audit Plan for 2025/26. The annual plan will provide coverage across the high-risk areas of the Council and delivers internal audit services to a range of external organisations. It takes account of issues identified by the clients' risk management frameworks, including the risk appetite levels set by management for the different activities or parts of the organisations audited. The proposed plan considers the requirement to produce an annual internal audit opinion and assurance framework. The plan is usually presented at the February Audit Committee meeting; however, it was agreed to delay the finalisation of the 2025/26 plan due to the significant changes to the Council's senior leadership team, wider changes to the Council structure and operating model at that time.

The slight delay in the development of the plan also allowed for consideration of any additional risk areas.

2.2.   Given the need to respond flexibly to both the Council's demands and the available resources in the team at different times throughout the year, the plan is designed to ensure that all external contracts are completed and for Shropshire Council, must do areas of work are delivered alongside an element of high-risk audits. If there is further recruitment within the year allocations will be made on risk priority matched to auditor skill sets from high-risk areas within the Council not covered in the planned element. The draft 2025/26 Internal Audit plan is set out in **Appendix A** and the call off list of in **Appendix B**. Delivery outcomes will continue to be reported to Audit Committee through the standard performance reports.

3. Recommendations

3.1.   The Committee is asked to consider and endorse, with appropriate comment, the approach taken to create the proposed Internal Audit Plan for 2025/26 and approve its adoption.

Report

4. Risk Assessment and Opportunities Appraisal

4.1.   Under the Audit Committee's terms of reference, reviewing the risk-based audit plan, including internal audit resource requirements, the approach to using other sources of assurance and any other work upon which reliance is placed, is an important responsibility. In considering this plan Members should be assured that it is linked to the Council's key risks and provides enough coverage to ensure a reasonable opportunity to identify weaknesses in the internal control environment. Risks identified as being critical to the Council's operations will be reported and rectified where possible and viable.

4.2.   Areas to be audited within the plan have been considered using risk register information both at an operational and strategic level.

4.3.   The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998. There are no direct environmental, equalities, consultation or climate change consequences of this proposal.

4.4.   The Internal Audit Annual Plan satisfies the Global Internal Audit Standards (GIAS), CIPFA's Application Note on the GIAS and the Accounts and Audit Regulations 2015 part 2. The latter sets out the requirements on all relevant authorities in relation to internal control, including requirements in respect of accounting records, internal audit and review of the system of internal control. Specifically:

'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.'

5. Financial Implications

5.1. The Internal Audit plan is delivered within approved budgets. The work of Internal Audit contributes to improving the efficiency, effectiveness and economic management of the wider Council and its associated budgets.

6. Climate Change Appraisal

6.1. This report does not directly make decisions on energy and fuel consumption; renewable energy generation; carbon offsetting or mitigation; or on climate change adaption. However, the work of the Audit Team will look at these aspects relevant to the governance, risk management and control environment of the Council. The majority of audit work will continue to be carried out remotely thereby reducing fuel consumption.

7. Background

7.1. The provision of a risk based Internal Audit Plan consistent with the Council's goals is an essential part of ensuring probity and soundness of the Council's internal controls, risk exposure and governance framework. The plan has been devised to ensure that it delivers against the GIAS and the requirement to produce an annual Head of Internal Audit opinion and assurance framework. In so doing it can be confirmed that the plan covers the following activities:

- Governance processes
- Ethics
- Information technology governance
- Risk management and
- Fraud management.

7.2. The plan has been, for several years, presented at the February Audit Committee meeting rather than June/July. It was agreed to delay the finalisation of the 2025/26 plan, however, due to the imminent and significant changes to the Council's senior leadership team, wider changes to the Council structure and operating model at that time. The slight delay in the development of the plan also allowed for consideration of any additional risk areas.

7.3. The 2025/26 Internal Audit year will continue to see pressures on services due to the impact of the voluntary redundancy programme, the required savings delivery, recruitment challenges in some areas, target operating model / restructure and transformation project work. Due to the scale and pace of change within the organisation the audit plan needs to be agile to respond to the changing risk environment it faces.

7.4. The audit risk assessment is reviewed annually with the Chief Executive, Executive Directors including the s151 Officer and Service Directors to ensure that it remains robust and relevant to the needs and risk profile of the Council.

The process also recognises that the Council is embarking on a significant period of changes through transformation and service redesign, continuing to seek service improvements using innovative approaches in providing services, all against a background of reducing resources and the need to identify further savings.

7.5. In accordance with the GIAS there is a requirement that Internal Audit must create a risk based internal audit plan that supports the achievement of the organisation's objectives. The risk-based planning process is summarised in the diagram below:
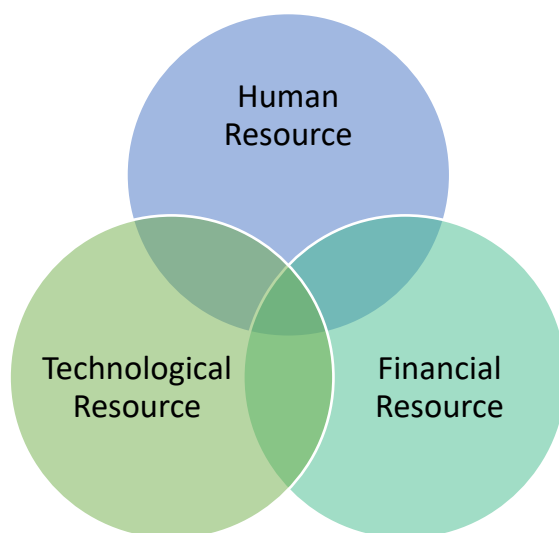
Audit Planning Framework
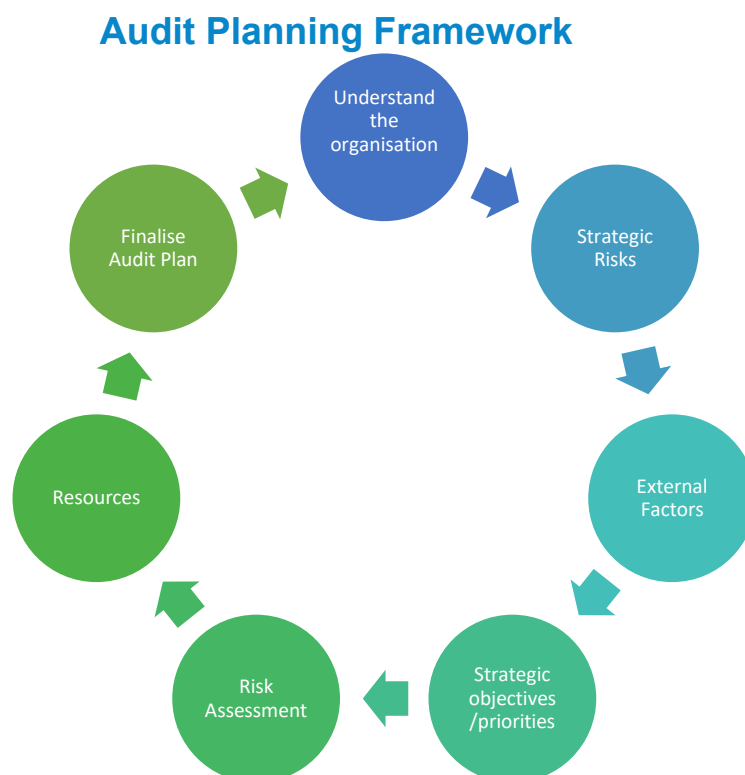
7.6. When considering the risks affecting audit areas, account has been taken of:
- changes to services / transformation;
- the new Council operating model, transformation programmes, refined principles and service plans;
- the Shropshire Plan;
- Workforce pressures following the voluntary redundancy programme;
- budget pressures and saving commitments;
- previous audit findings;
- opening and closure of establishments;
- comments from the external auditors on scope and coverage to ensure the work of Internal Audit does not duplicate that of the external auditor;
- Audit Committee terms of reference;
- increased partnership working or different delivery models for future service delivery;
- risks identified by the risk management process;
- school budget deficits and self-assessments;

- large contracts likely to be undertaken; and
- assurances from services, internal governance and external parties.

7.7. Top risks facing councils include continuing pressures on finance and therefore financial sustainability including setting a balanced budget; income collection and problem debt; commercialism; supply chains and third party risks; increasing demand on services; safeguarding children; growth and complexity demands on social care functions; environmental, social and governance issues; cyber security and digital services; attraction of and retention of staff with enough experience, knowledge and capacity to manage risks and reduce the potential for waste, losses or inefficiencies. All of which have been considered when formulating the plan.

7.8. The impact of the voluntary redundancy programme is still ongoing with some key posts removed as part of this process and is therefore not yet reflected in the internal control environment. There are a significant number of lower assurance levels and fundamental recommendations made. Follow up of these areas is a must do in respect of unsatisfactory audits, with only a proportion of limited assurance audits being revisited within current resources.

7.9. **Appendix A** provides the summarised Internal Audit plan and identifies a planned day requirement of 1,088 days for Shropshire Council audit work and 159 days of work for external clients.

Resources

7.10. The team has provision for posts for just short of 11 full time equivalents with a mix of skills in finance, information technology, contract management, governance, establishments, systems, counter fraud, investigations and project management. There has been several changes to the team during 2024/25 and four posts remain vacant. Skills continue to be developed across the wider team and funding for external contractors from any vacancy monies will be considered if recruitment is unsuccessful. As at June 2025, a recruitment process is currently underway for Senior Auditors.

7.11. The GIAS specifically refer to resource requirements, broadly these can be broken down into the following:

Resource Area	GIAS Requirement	Current position
Human Resource	The Internal Audit service needs to have an appropriate range of knowledge, skills, qualifications and experience to deliver the audit plan. Internal Auditors should also have support from management to perform their duties effectively.	As part of the new Council operating model Internal Audit are required to deliver £78,720 of savings. One post has been identified within the Internal audit Structure to contribute to this. Given the number of vacancies held within the team, one vacant post has been removed which leaves four vacant posts. I would not ordinarily want to diminish the capacity of Internal Audit but in my view the removal of this vacant post will have a minimal impact overall. Further recruitment is currently underway.
Financial Resource	The Internal Audit service should have access to the necessary resources to deliver the internal audit strategy and audit plan.	The Internal Audit team budget is set by finance and approved by members as part of the main Council budget. Given the current financial position there are control gateways on recruitment and purchasing across the Council and Internal Audit are subject to these.
Technological Resource	Internal Auditors should have access to the necessary resources, including information technology to support the delivery of audit work and pursue opportunities to improve efficiency and effectiveness.	An audit management system (Pentana) is in place and analytics tools are available through Microsoft and specialist audit software such as IDEA analytics. There is a need to further develop analytics within the team to drive efficiencies in audit testing. A resources and training strategy is being developed to ensure that this is addressed.

7.12. The Audit Plan for 2025/26 has been prepared to ensure maximum benefit to the Council with available resources. Based on a risk analysis approximately 3,778 days are required to review all high-risk areas. With current resources it would

take almost four years to cover all high-risk areas. Resources available after deducting allowances for non-chargeable time (leave, management meetings, administration, etc.); and chargeable time (attendance at corporate officer and member meetings, responding to legislation, s151 officer work requests, training etc.) amount to 1,088 days, of which 159 are to be used on providing services to customers other than Shropshire Council leaving a balance of 929 days. This includes recent recruitment with the successful candidates starting in June and July.

7.13. If further recruitment within the year is successful, allocations will be made on risk priority matched to auditor skill sets from high-risk areas within the Council not covered in the planned element. The call off list of audit areas is prioritised based on risk and will ensure high risks are focused on; it removes the need to spend time replanning as new resources become available and work can be assigned almost immediately by any Principal Auditor. **Appendix A** provides details of the areas that Audit will review during 2024/25 and **Appendix B**, the call off list for currently unplanned work that will be prioritised. To provide some context one full time Auditor delivers approximately 200 additional days per year

7.14. Members are reminded that where Audit cannot provide independent assurance, they can at any time, request Managers for any of the areas identified to provide assurances directly to them; this should be considered by Members especially for items listed in **Appendix B** that are not guaranteed an audit in the next twelve months.

7.15. Contingencies for fraud and advice, if not required in full this year, can be re-allocated and higher priority reviews brought back into the plan.

7.16. In considering the plan for 2025/26 the key items to note are:

- Included in the plan are several key fundamental systems which are of a high material value to the Council's operations and require regular review.
- A separate risk-based analysis of the IT audit areas has been conducted and assessments of applications, projects, developmental changes, new technology, changes to guidance and follow ups in areas requiring improvements are planned. IT continues to form a significant part of the internal audit plan reflecting the Council's reliance on technology and digital transformation requirements as services are redesigned and the threat of cyber risks expands. This work underpins the Council's principle to make digital the preferred way to work and transact.
- The counter fraud contingency has been maintained at 150 days to accommodate the current level of investigation work in progress.
- Internal Audit will continue to request schools to complete a self-assessment process on a three-year basis. The Headteachers will be asked to share the self-assessment with both the Chair of Finance and Governors and seek their sign off to it. This approach will enable provision of a more rounded assessment of processes to support the s151 Officer's wider assurance of the school environment.
- Consultation with the Chief Executive, Executive Directors and Service Directors have identified areas where they would like assurances, most of these are high risk and as such included in the plan.

- The plan provides continual professional development and training for auditors during the year. This helps to retain staff, future proof the skills of team members and build skills in areas where updated knowledge is required for the benefit of the Council, external clients and the auditors. To reflect the number of Auditors new to the Council and in some cases Audit, the plan continues to allow for inclusion of review areas to support professional training courses that based on risk alone would not be covered in the plan.
- Decisions based on current data and intelligence is another of the Council's principles and the increased use of data analytics within Audit will support both testing and focus, as well as providing information on where controls can be improved alongside quality of the systems used. This will build on the work already in place which has been used to add value to IT Active Directory and Purchase ledger audit work.
- Resources are allocated to provide internal audit services to external clients and various honorary, voluntary and grant funds. In addition, audit time is allocated to review areas of significant risk which are being considered for transfer to other delivery models.

7.17. A copy of the draft plan for Shropshire Council and those of our external clients will be forwarded to the appropriate external auditors inviting their comments on coverage and to maximise any shared learning from each other's work.

7.18. Every effort has been made to include all key audit areas required in the plan. If other items are identified from discussions with colleagues from External Audit, or as knowledge becomes available from other sources, these will be agreed with the Section 151 Officer and reported to a future Audit Committee

8. Conclusions

8.1. The audit plan has been developed to allow for appropriate coverage aligned to the GIAS and to allow sufficient flexibility to respond to change which will happen during the year. Whilst every effort is made to deliver the audit plan as shown, there will always be the need to respond to emerging risks and changing circumstances. The audit plan is therefore a statement of intent and our regular meetings with senior management throughout the year will ensure that it is reviewed regularly and bought back to Audit Committee to approve any changes.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Audit universe and resources analysis
Global Internal Audit Standards
CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector
CIPFA Audit Committees, Practical Guidance for Local Authorities and Police, 2022 edition
Accounts and Audit Regulations 2015
Risk in Focus – Hot topics for Internal Auditors ECIIA 2025

Local Member:	N/A

Appendices

Appendix A: 2025/26 Draft Internal Audit Plan
Appendix B: Call Off List
Appendix C: Strategic Risk Key

APPENDIX A

2025/26 DRAFT INTERNAL AUDIT PLAN

It should be noted that the audit titles and high-level scopes included below are only indicative at this stage. At the start of each audit, an initial discussion will be held to agree the specific objective and scope of the review.

Audit Area	Days Required	Strategic Risk	Scope Description
Assurance Audits			
Corporate Governance	8	GOV	Review of the effectiveness of the governance framework and processes to ensure the Council operates in a transparent, accountable and ethical manner aligning with statutory obligations and best practice. This is a key audit to feed into the Chief Audit Executive's (CAE) year end opinion and support the assurances required by the Audit Committee and sets out the Local Code of Governance to demonstrate compliance with the CIPFA SOLACE framework.
Ethics / Culture	10	GOV	Review of the Council's arrangements to implement a robust ethical framework and supportive culture to ensure it serves the public effectively and responsibly. The audit aims to ensure the Council promotes accountability and transparency whilst ensuring compliance with legal and regulatory requirements such as the Nolan Principles of Public Life.
New Operating Model (NOM)	10	GOV / BBS	Review of the Council's operating model against statutory deliverables, compliance with legislation and corporate plans (The Shropshire Plan). The audit aims to ensure there is appropriate governance and oversight to ensure the Council's new operating model is fit for purpose and supports the delivery of financial sustainability and value for money. The pilot in HR will be subject to review in this current year.
Amazon Web Services (AWS) Platform	10	CYB	Review of the use of the Amazon platform to ensure it is secure and efficient, safeguards public data and resources and aligns to the Councils IT strategy given the critical role of cloud platforms in supporting the Council's operations.
Debt Recovery	15	BBS	To provide assurance that the Council's debt recovery arrangements are effective, efficient, compliant with legislation and internal policy to support the Council's financial sustainability and good governance.
Budget Management	8	BBS	To provide assurance on the robustness of the budgetary control process including savings and ensuring informed forecasting during the financial year to inform decision making so that budgets are planned, monitored and controlled to support the Council's objectives. The audit

Audit Area	Days Required	Strategic Risk	Scope Description
			aims to ensure that public funds are allocated and utilised effectively, financial risks are identified and mitigated whilst maintaining transparency and accountability in financial management.
Business Continuity Planning	10	CYB	To provide assurance that the Council is effectively managing the risks to critical services, data, staff and infrastructure throughout the relocation to the Guildhall. The audit aims to ensure there are appropriate arrangements in place to maintain essential services, safeguard resources and meet statutory duties.
Disaster Recovery	5	CYB	Review of the disaster recovery plans for the Councils ICT systems to assess the preparedness, resilience and governance of the Council's IT systems in the event of a disruptive incident such as a cyber attack or hardware failure.
Conditional Access	7	CYB	To evaluate the effectiveness, security and governance of the arrangements that control access to Council systems and data based on conditions such as user identify, device status, location and risk level.
Decommission Shirehall Data Centre Project	10	CYB	To review the project management of the arrangements for the closure of the Shirehall datacentre. The audit aims to ensure that the integrity of the Council's IT network and data is maintained in a secure and efficient manner.
IT Restructure	5	GOV	To provide assurance on the restructure of the IT Service to ensure it if effective, aligns with strategic objectives and ensures appropriate arrangements are in place for service delivery.
Networking Switch Management	10	CYB	To provide assurance that the Council's network infrastructure is secure, resilient, properly configured and effectively managed to support critical service delivery and data protection.
Nutanix Data Centre Solution	10	CYB	To provide assurance on the security, reliability and governance of the Council's Nutanix platform used to manage virtualised IT environments, storage and cloud services.
Power BI Reporting and Development	7	GOV	To provide assurance on the administration, governance, accuracy, security and effectiveness of the use of Power BI for data analytics and decision making.
PSN (public sector network) Accreditation	5	CYB	To provide assurance that the Council is meeting the security and governance requirements to access and use the Public Sector Network that enables secure and efficient data sharing between local authorities and government departments.
Solar Winds Network Monitoring	10	CYB	To provide assurance over the secure, effective and compliant use of the Solar Winds IT management software suite used for network monitoring, systems management and IT Infrastructure oversight.

Audit Area	Days Required	Strategic Risk	Scope Description
Unified Communications	7	CYB	To provide assurance that integrated communication services tools are being managed securely, effectively and in line with strategic, operational and legal requirements.
Northgate - Revenues & Benefits Application	10	CYB	An IT application audit of the revenues and benefits system software. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice.
Procurement Strategy	8	GOV	To review the Council's approach to managing procurement activity to achieve value for money, promote efficiency, sustainability and social value. The audit aims to ensure that the procurement strategy supports the Council's objectives whilst complying with legal and regulatory requirements demonstrating the effective use of public funds. The audit will consider the arrangements for ensuring compliance with the Procurement Act 2023 which came into force in February 2025.
Human Resources / Workforce Planning	10	SKI	To review the process used to ensure the Council has the right number of skilled employees with the right mix of capabilities and the right time to meet current and future service delivery needs to ensure productivity is maximised. The audit aims to ensure there are effective processes for workforce planning strategies which align to the council's strategic objectives, budgetary constraints and workforce diversity objectives.
Health & Safety	8	MHW	To provide assurance on the controls in place for managing health and safety responsibilities and compliance with Council policy and relevant legislation.
Emergency Planning	8	CCS	To provide assurance that the Council is effectively fulfilling its legal duties under the Civil Contingencies Act 2004 and that it is adequately prepared to respond to and recover from major incidents that could impact the health, safety and wellbeing of the local population.
Risk Management	10	GOV	Annual audit required as part of the Audit Committee Terms of Reference and ensure compliance with Global Internal Audit Standards (previously Public Sector Internal Audit Standards). This will include a review of the procedures in place to compile, report and monitor, operational, project and strategic risks against the requirements of the Risk Management Strategy to ensure risks are appropriately identified, assessed, managed and monitored to support the achievement of the Council's strategic and operational objectives. This will include a review of new risk management system, framework, policy and effectiveness planned for 2025.

Audit Area	Days Required	Strategic Risk	Scope Description
Liquid Logic Application (Adults & Childrens) / Controcc	15	CYB	An IT application audit of the social care and case management software used by adults and childrens social care teams. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice
Virtual School	10	SGC	To provide assurance that the Council is meeting its statutory responsibilities for the education of Looked-After Children (LAC) and children with a social worker who were previously LAC. The audit aims to ensure that there are appropriate arrangements in place to support vulnerable learners.
Magic Notes AI	7	SGC	To provide assurance over the governance, security, effectiveness and ethical use of Magic Notes AI pilot as a transcription tool to automate documentation within childrens social care.
EHCP AI	7	GOV	To provide assurance over the governance, security, effectiveness and ethical use of Artificial Intelligence (AI) as a transcription tool to automate the documentation of Education, Health and Care Plans (EHCPs) for children with Special Educational Needs or Disabilities (SEND).
SEND Commissioning	10	SGC / BBS	To provide assurance on the commissioning arrangements for high cost SEND plans. The audit aims to ensure commissioning provides value for money whilst meeting the strategic objectives of the Council.
Care Act - Market Shaping	10	BBS	To provide assurance that the Council is fulfilling its legal duties to manage, influence and support a sustainable adult social acre market as required by the Care Act 2014. The audit aims to ensure has appropriate arrangements in place so that high-quality, diverse and affordable care services are available to meet the current and future needs of Shropshire residents.
Shirehall Disposal	7	BBS / GOV	To provide assurance on the process undertaken to dispose of Shirehall to ensure it is lawful, transparent, well-managed and maximises value for money for the Council.
Big Town Plan / Shrewsbury Riverside Development	10	GOV / BBS	To provide assurance on the governance arrangements in place to manage this large scale capital project. The audit aims to ensure that a robust system of oversight is in place to ensure the project is delivered on time and budget and meets the intended objectives.
IDOX Planning, Building Control & Gazetteer Management System	10	CYB	An IT application audit of the software used to manage key regulatory and planning functions. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice.

Audit Area	Days Required	Strategic Risk	Scope Description
Community Equipment Contract (Medequip)	3	BBS	To provide assurance that the are appropriate governance arrangements in place to effectively manage the contract for community equipment services such as wheelchairs, walking aids and hoists to support independent living, reduce hospital admissions and enable hospital discharge.
Housing Options / Homelessness	12	BBS	To provide assurance that the Council are satisfying its obligations under the following legislation: Homelessness Act 2002; Homelessness Reduction Act, 2017 and Domestic Abuse Act 2021. In addition, the audit will establish how the Housing Options Team prevent and manage homelessness within Shropshire.
Garden Waste Collection	8	CCS	To provide assurance on the process for requesting and paying for the collection of garden waste following the introduction of charges in 2024/25.
Follow Up Audit Assurance			
Shropshire Plan Delivery	5	GOV / BBS	To provide assurance that the Shropshire Plan is embedded into operational delivery and appropriate governance arrangements are in place to ensure it delivers its objectives. This is a follow up of the recommendations made as part of the 2024/25 unsatisfactory audit assurance report which included a fundamental recommendation.
Management & Control of CCTV Operations	6	GOV	Review of the arrangements to ensure appropriate governance arrangements are in place for CCTV surveillance systems and ensure compliance with legislation and data protection. This audit will follow up the recommendations made in the 2022/23 and 2023/24 limited assurance audit reports.
VAT	5	GOV	Review of arrangements for ensuring that Value Added Tax (VAT) is properly controlled and accounted for in line with legislation. This audit will follow up the recommendations made in the 2020/21 and 2023/24 limited assurance audit reports.
BluPrint - Print Unit Operations	6	Gov	To provide assurance that the service is efficient, well-managed, cost effective and aligned to the Council's objectives. This will include following up the recommendations made as part of the 2017/18 limited assurance audit.
Corporate Networking - Active Directory	10	CYB	To provide assurance that the Council's identity and access management systems, centrally managed through Active Directory are secure, well-managed, compliant and support the Council's cybersecurity and operational objectives and in line with the corporate information security policy / best practice. This will include following up the recommendations made as part of the 2017/18 limited assurance audit report.

Audit Area	Days Required	Strategic Risk	Scope Description
Database Access / Admin / Management	8	CYB	To provide assurance that the Council's internally managed databases are secure, properly maintained and effectively governed. The audit aims to ensure that the Council's data is accurate, available, resilient and protected from misuse or loss. This will include following up the recommendations made as part of the 2022/23 limited assurance audit report.
ICT Project Financing and Recharges	5	BBS	To provide assurance that the Council is effectively managing the financial planning, funding, allocation and recovery of costs for it's ICT projects. The audit aims to ensure compliance with internal policies, and the principles of transparency, accountability and value for money. This will include following up the recommendations made as part of the 2017/18 limited assurance audit report. This area was previously received a limited audit assurance in 2016/17.
IT Code of Practice / Acceptable Use	8	GOV	To provide assurance that a policy and associated standards have been created to provide clarity on acceptable use of IT facilities. The audit aims to ensure that the Council complies with industry best practice guidance and that appropriate mechanisms are in operation to monitor compliance with it. This will include following up the recommendations made as part of the 2021/22 limited assurance audit report.
Mobile Device Management - Intune	5	CYB	To provide assurance on the security, governance, compliance and operational effectiveness of the Council's use of Microsoft Intune which is used to manage devices and applications on the IT network. This will include a follow up of the recommendations made in the 2020/21 limited assurance audit report.
Remote Support	5	CYB	To provide assurance on the effectiveness and security of how the Council delivers remote IT services to staff and Councillors. This will include a follow up of the recommendations made in the 2017/18 limited assurance audit. This area was also rated as limited in 2016/17.
WhatsApp	3	CYB	To ensure that the use of WhatsApp as a communication tool is aligned to the Council's policies and complies with legal and regulatory requirements and is used in an effective and secure manner. Given the increasing role in informal communication it is critical to ensure that WhatsApp usage is appropriately managed to safeguard the Council's operations and reputation. This will include following up the recommendations made as part of the 2024/25 unsatisfactory audit assurance report. This area was previously rated as unsatisfactory in 2023/24.
Key Supply Contracts	10	BBS	To provide assurance on the adequacy of the contract management arrangements for Supply Contracts by examining a sample of the arrangements for mid-term contracts that are

Audit Area	Days Required	Strategic Risk	Scope Description
			not reviewed separately as part of the audit plan. This will include following up the recommendations made as part of the 2019/20 limited assurance audit.
Performance Management & PI's	8	GOV	To provide assurance that the Council's performance management framework is measuring the right things, interpreting them correctly and using that information to improve services, demonstrate accountability and achieve the desired outcomes in line with the Shropshire Plan. A briefing note was issued in 2024/25 and the audit deferred to 2025/26 due to a restructure in that area.
Agency & Consultancy Staff	5	BBS	Review of compliance with Council policies and procedures in relation to the employment of agency and consultancy staff. This audit will follow up the recommendations made as part of the 2024/25 unsatisfactory internal audit report which was issued following two previous limited audit assurances.
Payroll System	25	GOV	Fundamental audit of the operations of the payroll system including starters, leavers, payments to third parties e.g. HMRC, payroll runs and BACS payments. The aim of the audit is to ensure that employees are paid the correct amount, at the correct time for work performed, deductions are calculated correctly and all legal and contractual obligations are met. The audit will follow up the recommendations made as part of the 2022/23 Limited audit assurance report.
Recruitment / Retention / Redeployment arrangements	6	MHW / SKI	To review the arrangements in place for recruiting staff. The audit aims to ensure that recruitment is undertaken in a fair and transparent way in compliance with relevant legislation ensuring relevant pre-employment checks have been undertaken. This will include a follow up of the recommendations made in the 2023/24 limited assurance audit. This area was previously assessed as limited in 2022/23 and 2017/18.
Travel and Subsistence	4	BBS	To review the arrangements for reimbursing employees who have incurred business related expenditure whilst doing their job to ensure compliance with the Council policy. This will include following up recommendations made as part of the 2024/25 limited assurance audit. This area was previously assessed as limited in 2022/23.
Assistive Technologies including BOTS	10	GOV	To provide assurance on how effectively and safely assistive technologies are being used by the Council to support vulnerable adults and children receiving care at home or in supported living. This will include a follow up of the recommendations made as part of the 2019/20 limited assurance audit report of the pilot Broseley Project / Activage.

Audit Area	Days Required	Strategic Risk	Scope Description
Continuing Health Care (CHC) Funding	8	BBS / PAR	To ensure that the Council's responsibilities and financial contributions in relation to CHC are being managed effectively and in line with relevant legislation in the context of joint working with the NHS. The audit aims to ensure there are appropriate processes in place to identify responsibilities of both parties to reduce the risk of funding dispute and financial risk for the Council. This will include following up the recommendations made as part of the 2024/25 limited assurance audit.
Adoption Process including allowances	10	SGC	To provide assurance that the Council is making adoption allowance payments that are accurate, timely and are properly approved in line with the Council's policy. This area was previously rated as limited following a self-assessment in 2020/21.
Children's Residential Care Contract Management	4	SGC	To provide assurance that the Council is safely, legally and effectively commissioning and managing residential placements for looked-after children. The audit aims to ensure that the contracts deliver quality care, value for money and strong safeguarding standards. The audit will include a follow up of the recommendations made as part of the 2023/24 limited assurance audit which included a fundamental recommendation.
Children's Social Care budget management	5	SGC / BBS	To provide assurance on the arrangements for setting, monitoring and reporting of Children's Social Care budgets. This will include a follow up of the recommendations made in the 2024/25 limited assurance audit.
Direct Payments Children	10	SGC	Review of Children's Direct Payments processed and monitored by Social Care to ensure that client spend is in line with their agreed Support Plan and to ensure client contributions are made where required and overpayments or large unspent balances are identified and recovered where appropriate. The audit will review compliance against the statutory elements of the Care Act 2014 whilst identifying risks, promoting value for money and the safeguarding of public funds. This will include a follow up of the recommendations made as part of the 2020/21 Limited assurance audit.
Domiciliary & Respite Services (Short Breaks)	4	SGC	To provide assurance that the Council is delivering its legal, financial and safeguarding responsibilities in relation to a short breaks service for disabled children and their families in line with the Childrens Act 1989 and the Breaks for Carers of Disabled Children Regulations 2011. The audit will follow up the recommendations made as part of the 2023/24 unsatisfactory audit assurance report which included a fundamental recommendation.

Audit Area	Days Required	Strategic Risk	Scope Description
Foster Care	5	SGC	To provide assurance that the Council is making foster care payments that are accurate, timely and are properly approved in line with the Council's policy. This will include a follow up of the recommendations made as part of the 2022/23 limited assurance audit.
Bishops Castle Community College	10	GOV	To provide assurance that the school is managing its financial, governance and operational responsibilities effectively in compliance with statutory requirements and the Council's Financial Rules. This will include a follow up of the recommendations made in the 2023/24 unsatisfactory assurance audit which included two fundamental recommendations. The school had previously been assessed as limited in 2021/22 and unsatisfactory in 2019/20.
Personal Budgets / Direct Payments Finance Team- Adults	10	BBS	Review of Direct Payments processed and monitored by Social Care to ensure that client spend is in line with their agreed Support Plan and to ensure client contributions are made where required and overpayments or large unspent balances are identified and recovered where appropriate. The audit will review compliance against the statutory elements of the Care Act 2014 whilst identifying risks, promoting value for money and the safeguarding of public funds. This will include a follow up of the recommendations made as part of the 2020/21 Limited assurance audit.
Security of Council Buildings Health and Safety	5	GOV	To provide assurance that appropriate security measures are in place and in line with Council Policy to protect all Council Buildings. This will include a follow up of the recommendations made in the 2024/25 limited audit assurance report. This follows previous limited assurance audits in 2019/20 and 2023/24.
External Catering Contracts	2	BBS	To provide assurance that the Council has appropriate arrangements in place for the management of Shire Services contracts for external catering. The audit aims to ensure that contract monitoring arrangements are robust and the profitability of the contracts are monitored. This will include a follow up of the fundamental recommendation made as part of the 2024/25 audit which was reasonable assurance opinion.
Partnerships	8	GOV	To provide assurance that the Council's partnerships arrangements are effectively governed to deliver value for money and ensure accountability and transparency whilst supporting the Council's aims and objectives. This will also include following up the recommendations made as part of the 2023/24 limited assurance audit. This area was previously assessed as limited in 2019/20.
Housing Client Side	5	GOV	To provide assurance that there are robust contract management arrangements, and adherence to the legal agreement between Shropshire Council and Shropshire Towns and

Audit Area	Days Required	Strategic Risk	Scope Description
			Rural Housing (STaRH). This will include following up the recommendations made as part of the 2024/25 limited assurance audit.
Much Wenlock Sports Centre - Joint Use	5	GOV	To provide assurance that operational procedures are in place at the establishment to ensure compliance with policy, procedure and best practice. It will also include a follow up of the recommendations made in the 2024/25 limited audit. The establishment previously received unsatisfactory assurance opinions in 2023/24, 2022/23, 2019/20 and 2016/17. It also received a limited assurance in 2017/18.
Galaxy - Libraries System	8	GOV	An IT application audit of the Libraries system software. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice. This will include following up the recommendations made as part of the 2017/18 limited assurance audit report. This area was also rated as limited in 2016/17.
The Lantern	5	GOV	To provide assurance that operational procedures are in place at the establishment to ensure compliance with policy, procedure and best practice. This follow up review will focus on the arrangements in place for the collection of income in relation to lettings at the establishment. It will also include a follow up of the recommendations made in the 2024/25 Unsatisfactory audit. The establishment previously received unsatisfactory assurance opinions in 2021/22 and 2019/20.
Chipside Parking System Application Review	10	GOV	An IT application audit of the parking system software. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice. This will include following up the recommendations made as part of the 2018/19 limited assurance audit report. This area was also rated as limited in 2016/17.
CONFIRM-Highways Management System	10	GOV	An IT application audit of the highways management system software. The audit aims to ensure the software is well governed, secure and is administered effectively in line with best practice. This will include a follow up of the recommendations made as part of the 2022/23 limited assurance audit report. This area was also rated as limited in 2018/19 and 2017/18.
Highways Maintenance - Term Maintenance -Kier	15	GOV	To review the contract management arrangements for highways services provided externally by Kier under the Term Maintenance contract. The audit aims to ensure that the Council is safeguarding public resources and delivering value for money through its contractual arrangements. This will include a follow up of the recommendations made as part of the 2023/24 limited assurance audit report. This area was previously rated as limited in 2021/22 and unsatisfactory in 2020/21 and 2019/20.

Audit Area	Days Required	Strategic Risk	Scope Description
Highways Other Major Contracts	2	GOV	To review the arrangements in place to devolve the responsibilities for horticultural maintenance to Shrewsbury Town Council including establishing appropriate delegation and a monitoring board. The management of this contract was previously assessed as limited in 2024/25 and unsatisfactory in 2022/23 with a fundamental recommendation.
Section 38 Road Adoption	4	GOV	To provide assurance that appropriate governance processes are in place to ensure that Section 38 agreements are overseen in accordance with the Highways Act 1980. This will include following up the recommendations made as part of the 2024/25 unsatisfactory audit. The service was previously rated as limited in 2018/19
TOG (Transport Operations Group)	10	GOV	To provide assurance that operational procedures are in place to effectively manage the Transport Operations Group (TOG) to ensure compliance with policy, procedure and best practice. The audit aims to ensure that the Council has appropriate arrangements in place for the vehicles it hires, leases or owns or operates. This audit will include following up the recommendations made as part of the 2018/19 limited assurance audit report. The service was previously rated as unsatisfactory in 2017/18.
Waste - Veolia Contract	8	CCS	To provide assurance on the adequacy of the contract management and payment arrangements on the Veolia Contract. The audit aims to ensure that the contract is administered in a manner that achieves value for money, delivers intended outcomes and complies with statutory and regulatory requirements. Additionally it identifies risks and weakness in contract management to support continuous improvement and mitigate potential financial, legal and reputational risks. This will include following up the recommendations made as part of the 2017/18 limited assurance audit report.
Other Audit Work			
Annual Governance Statement (AGS)	1	GOV	Contributing to the compilation of the Annual Governance Statement (AGS) and Director Assurance Statements. The AGS is a key part of the Council's governance framework and accompanies the Council's audited Financial Statements.
Counter Fraud Work	15	GOV	Proactive counter fraud work including awareness, training, fraud risk assessment, Self Assessment against Fighting Fraud and Corruption Locally (FFCL) 2020s and high risk fraud areas on a rolling programme.
Counter Fraud, Policies and Training	2	GOV	Review of policies and procedures in order to keep up to date with emerging fraud risks, regulation and case law.

Audit Area	Days Required	Strategic Risk	Scope Description
Finance - Final Grant Claims	8	BBS	Audits of grants requiring Chief Audit Executive approval prior to submission to the administering body. These audits ensure compliance with the grant terms and conditions providing assurance that the Council is managing public funds effectively and maximising grant expenditure where possible.
National Fraud Initiative (NFI)	20	GOV	Co-ordination of NFI exercise mandated by the Cabinet Office. This work aims to ensure that the Council is using the initiative effectively to prevent fraud and safeguard public funds.
Active Directory Analytics	10	CYB	To undertake an analytical review of the on-premise Active Directory using a variety of PowerShell Scripts to produce a variety of data and extracts, which could if necessary be further analysed using IDEA. This work aims to ensure that Active Directory is managed in a secure an efficient manner to control access to the Council's IT systems.
Financial Evaluations	30	GOV	Financial Evaluations are required as part of Financial Rules for major contracts (those valued at over £170,000). Financial sustainability checks may also be completed part way through delivery of a contract where there is a risk of financial failure of a service provider. This work helps mitigate financial risks to the Council.
Payroll Data Analytics (IDEA)	4	GOV	To provide quarterly data to the Payroll Manager to improve the accuracy, reliability, consistency and integrity of the data within the payroll system. The aim of this work is to ensure that data within the payroll system is of a high quality to reduce the risk of fraud or error.
Schools Self Assessments (Audit Provided)	8	GOV	To review a sample of schools controls evaluation self assessments. Results are used to inform the annual programme of work targeting higher risk areas and providing feedback to schools where weaknesses are identified.
SFVS - Schools Financial Value Statement	2	GOV	To review the results of SFVS returns completed by schools. This review informs the annual programme of work for schools, highlighting areas of non-compliance or risk. This work also provides assurance to the S151 Officer to support the sign off the SFVS CFO Assurance Statement.
BSOG Grant Bus Subsidy	2	N/A	To provide assurance over the compliant and effective use of the Bus Services Operators Grant (BSOG) to support bus services that might otherwise be unprofitable and to help operators keep fares down.
Advisory Contingency (General)	20	N/A	To provide ad hoc advice to all areas of the Council.
Fraud Contingency	150	GOV	Reactive work on fraud investigations.

Audit Area	Days Required	Strategic Risk	Scope Description
Unplanned Audit Contingency	50	N/A	The contingency allows for responding to emerging issues and ad hoc pieces of work not foreseen at the annual planning stage and completion of prior year work in progress at year end.
Other non-Audit Chargeable Work	120	N/A	This includes other corporate requirements such as training, management responsibilities, briefings, corporate reporting and servicing the Audit Committee.
External Clients	159	N/A	Delivery of work for external and honorary and voluntary clients.
Total Days	**1,208**		

<div align="right">**Appendix B**</div>

Call off Audit List 2025/26

Audit Area	Days Required	Strategic Risk	Scope Description
Role of Proper Officer	8	GOV	To provide assurance that the statutory and delegated responsibilities assigned to designated officers are being discharged lawfully, transparently and effectively.
Freedom of Information (FOI) and Subject Access Requests (SAR)	8	GOV	To provide assurance on the Council's management of FOI requests and SARs. The audit will review the robustness of second line controls to oversee compliance when FOIs and SARs are handled across the organisation, this will include Environmental Information Regulation (EIR) requests.
Members allowances and expenses	10	GOV	To provide assurance that Members allowances and expenses are paid in line with policy requirements.
Member Development Training	8	GOV	To provide assurance that the Council has robust arrangements to support Members in their induction and continued learning to enable effective decision making and governance arrangements at the Council.
Regulation of Investigatory Powers Act (RIPA)	8	GOV	To review the arrangements for ensuring staff are aware of the RIPA policy and ensure there are appropriate arrangements in place for managing the process.
Registrars	10	GOV	To provide assurance on the adequacy and effectiveness of the controls in place within the Registrars Service to ensure compliance with statutory requirements, the accuracy and security of registration records, the efficiency of service delivery, and the quality of customer service provided to the public.
Coroners and Mortuary Service	10	GOV	To provide assurance on the adequacy and effectiveness of the controls in place within the Coroners Service to ensure compliance with statutory requirements.
Project Management	12	BBS	To review the adequacy, effectiveness and consistency of project management across the organisation, including governance structures, risk and resource management, and performance monitoring, to ensure that projects are delivered on time, within budget, and in alignment with the Council's strategic objectives The audit will consider projects that are managed both within and outside of the Project Management Office (PMO).
Strategic Transformation Partner - PwC Contract	10	BBS	To provide assurance that the contract was well managed, delivered its key objectives and delivered value for money.

Audit Area	Days Required	Strategic Risk	Scope Description
Business Continuity Planning	10	GOV / CYB	To provide assurance on the completeness and effectiveness of service recovery / business continuity plans. The audit will assess staff knowledge of existing plans and evaluate how resilient plans are in the event of a significant event/action e.g. complete IT outage.
Revenues and Benefits service delivery	8	GOV	To provide assurance on the delivery of the revenues and benefits service, to identify potential efficiency savings and opportunities for increased income.
Organisational Workforce Resilience	15	SKI	To provide assurance that the workforce is resilient and productivity is maximised. The audit will review components of the employee experience to identify how resilient the organisation is and what actions are being taken to address potential weaknesses. Areas included in the review will be absence trends, exit interviews, vacancy management and staff satisfaction surveys.
Parking and Parking Enforcement	10	BBS	To provide assurance on the management arrangements in place for parking and parking enforcement. The audit will include consideration of the management proposal to bring them together in the future to ensure strategies are aligned and there are joined up working relationships between the two areas.
Adults with Learning Disabilities Day Services	10	BBS	To provide assurance on the adequacy of the day services provided for adults with learning disabilities to ensure they meet customer requirements, current demand and provide value for money. The audit will review strategies, demand and financial viability.
Shropshire Carers Support Team	10	GOV	To provide assurance that the operational processes are in place following the service being brought back into the Council 18 months ago.
Adult Social Care Data Quality	12	GOV	To provide assurance on data quality across Adult Social Care and ensure it meets the needs of the service for performance reporting purposes to ensure accurate financial management and decision making. The audit will identify available datasets to understand if there are any weaknesses within the data, including where data is held, availability and format.
Approved Mental Health Professionals	8	SKI	To provide assurance on the management arrangements are in place for the recruitment and retention of Approved Mental Health Professionals (AMHPs). The audit will address potential risks in this area and will include reviewing national pay, retention policies, roles and responsibilities and impact of an aging workforce.
Stepping Stones	10	BBS / SGC	To provide assurance on the management arrangements to ensure the program is achieving its intended outcomes to prevent children from entering care and stepping them down from residential care. The audit will include all stepping down of residential placements and will review

Audit Area	Days Required	Strategic Risk	Scope Description
			the savings identified are monitored on a regular basis and corrective action taken if these are not to be met and alternative savings identified.

Total Days 177

<div align="right">**Appendix C**</div>

Strategic Risk Key

Strategic Risk	Abbreviation	Risk Owner	Likelihood	Impact	Status
Failure to protect from and manage the impact of a targeted cyber-attack on ICT Systems used by the Authority	CYB	James Walton	5	5	25
Inability to contain overall committed expenditure within the current available resources within this financial year	BBS	James Walton	5	5	25
Inability to set a balanced budget for a given year within the MTFS.	BBS	James Walton	5	5	25
Failure of Officers and Members to adhere to Governance arrangements.	GOV	James Walton	5	4	20
Health & Wellbeing of The Workforce	MHW	James Walton	5	4	20
Critical Skills shortage impacting on Recruitment, Retention & Succession Planning	SKI	James Walton	5	4	20
Impact of extreme pressures upon partners (social care, health, and criminal justice)	PAR	Rachel Robinson / Tanya Miles	5	4	20
Responding and Adapting to Climate Change	CCS	Andy Begley	4	4	16
Impact of increased waiting lists in relation to DoLs, OT and SI	WLI	Tanya Miles	4	4	16
Safeguarding children.	SGC	Tanya Miles	3	4	12