



**Committee and Date**

Audit and Governance Committee

25<sup>th</sup> June 2026

10:00am

Item

Public

## Review of the Audit and Governance Committee's Annual Work Plan 2026/27

<b>Responsible Officer:</b>	Duncan Whitfield		
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<b>Cabinet Member</b> (Portfolio Holder):	Heather Kidd, Leader of the Council Sharon Ritchie-Simmons Chair of the Audit and Governance Committee Roger Evans, Portfolio Holder – Finance		

### 1. Synopsis

Audit and Governance Committee Members agree annually, a plan of work and appropriate learning and development to undertake their duties effectively and deliver them to a high standard therefore ensuring the integrity of the financial reporting and governance of the Council.

### 2. Executive Summary

- 2.1. It is important that Audit and Governance Committee Members have an agreed plan of work for the year ahead and receive appropriate learning and development to deliver their responsibilities effectively. This report provides an opportunity for the committee to review its workplan for the year ahead following a change in membership.
- 2.2. The Audit and Governance Committee work plan and learning and development sessions for members will be met from within approved budgets.

### 3. Recommendations

- 3.1. The Committee is asked to consider any changes it wishes to make to the previously agreed workplan.

# Report

## 4. Risk Assessment and Opportunities Appraisal

- 4.1. By identifying the key topics to be considered at the Audit and Governance Committee meetings and receiving appropriate learning and development sessions in respect of their roles and responsibilities, Members can undertake their duties effectively and deliver them to a high standard, thereby adding to:
- the robustness of the risk management framework;
  - the adequacy of the internal control environment and
  - the integrity of the financial reporting and annual governance of the Council.
- 4.2. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998. There are no direct environmental, equalities or climate change requirements or consequences of this proposal.

## 5. Financial Implications

- 5.1. There are no financial implications arising directly from this report.

## 6. Climate Change Appraisal

- 6.1. There are no climate change issues arising directly from this report.

## 7. Background

- 7.1. The Audit and Governance Committee workplan was presented to and approved by the Committee in February 2026. The work plan demonstrates how reports to the Audit and Governance Committee contribute to the delivery of the Committee's Terms of Reference and what assurances they provide. This forms the core work of the Committee, however, throughout the year additional reports may be requested e.g. management updates on limited or unsatisfactory assurance areas. These requests will be considered as part of the action log review at the end of each meeting.
- 7.2. Given the change in the Committee's membership at the Council meeting in May 2026 the opportunity has been taken to revisit the workplan to ensure it includes all of the assurance areas the Committee requires alongside the requirements of the terms of reference for the Committee.
- 7.3. A report from the Chief Executive on delivery of the improvement plan was scheduled to be reported to each committee meeting, however this is now being reported to Cabinet and has therefore been removed.
- 7.4. The Chief Audit Executive update on the quality assurance and improvement programme has been moved from June 2026 to February 2027 as an external inspection is due to take place late 2026.

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

Audit and Governance Committee Workplan approved in February 2026  
Previous training session records  
CIPFA's Audit Committees Practical Guidance for Local Authorities and Police 2022 Edition  
Accounts and Audit Regulations 2015

**Local Member:** N/A

**Appendices**

**Appendix A** – Audit and Governance Committee Work Plan 2026/27

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
<b>Core business 25 June 2026</b>		
Chief Executive: Improvement Plan Update	<p>To provide assurance on the progress made delivering the Council's Improvement Plan.</p> <p>Ensure there is a robust plan in place that is subject to scrutiny and challenge.</p> <p>Ensure that clear performance measures are in place and are reported on regularly.</p> <p>Ensure that appropriate mechanisms are in place to identify, manage or mitigate risks associated with delivery of the Improvement Plan.</p>	The Committee can require relevant officers, members and agencies to attend at any meeting where such attendance would be expedient to the work of the Committee.
Internal Audit: Performance Report and Revised Annual Audit Plan	<p>Understand the level of assurances being given based on audit work and the impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p> <p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets.</p>	<p>To consider reports from the Chief Audit Executive on Internal Audit's performance during the year. These will include updates on the work of Internal Audit including key findings, issues of concern and action in hand as a result of Internal Audit work.</p> <p>To consider summaries of specific internal audit reports as requested.</p> <p>To receive reports outlining the action taken where the Chief Audit Executive has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Understand any resourcing issues because of changes to the plan.</p>	<p>concerns about progress with the implementation of agreed actions.</p> <p>To approve significant interim changes to the risk based internal audit plan and resource requirements, including approval of significant additional consulting services as advised by the Chief Audit Executive and agreed by the Section 151 Officer.</p> <p>To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.</p> <p>To monitor progress in addressing risk-related issues reported to the committee; Seek assurances that action is taken by management in risk related issues identified by auditors and inspectors; Resolve any outstanding differences between internal and external auditors and management when action or major recommendations have not been agreed.</p>
<p>Internal Audit: Annual Opinion Report.</p>	<p>Chief Audit Executive's overall opinion on the Council's internal control environment.</p> <p>Performance against the revised internal audit plan.</p>	<p>To consider the Chief Audit Executive's annual report, specifically:</p> <p>a) The statement of the level of conformance with the Global Internal Audit Standards and Local</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Provides a review of the effectiveness of the systems of internal control.</p>	<p>Government Application Note and the results of the Quality Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of Internal Audit.                      b) The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the committee in reviewing the Annual Governance Statement.</p>
<p>Internal Audit: Annual Assurance Report of the Audit and Governance Committee to Council.</p>	<p>Provide assurance that the Committee has adequately discharged its terms of reference and has positively contributed to how well the Council is run.</p> <p>Provides Council with an independent assurance report that the Council has in place adequate and effective risk management and internal control systems that can be relied upon and which contribute to the high corporate governance standards that this Council expects and has consistently maintained.</p>	<p>To publish an annual report on the work of the Committee by reporting annually to Full Council on the Committee's findings, conclusions and recommendations; providing its opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements.</p> <p>To report to Council where the Audit and Governance Committee wish to raise concerns within their remit, have added value, improved or promoted the control environment and performance in relation to the Terms of Reference and the effectiveness of the Committee in meeting its purpose and functions.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
Service Director Enabling: Annual Whistleblowing Report.	Provide assurance that the Council's whistleblowing arrangements are effective, trusted and compliant and that concerns about wrongdoing are being handled appropriately.	To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.
Section 151 Officer: Annual Treasury Report.	<p>Provide assurance on the treasury activities for the Council, including the investment performance of the team.</p> <p>Provides assurance on adherence to the CIPFA Treasury Management Code of Practice, a framework that sets out how public bodies should manage their borrowing, investments, and cash flows, ensuring effective risk control, transparency, and good governance in all treasury activities.</p>	<p>To receive regular reports on activities, issues and trends to support the Committee's understanding of treasury management activities. The Committee is not responsible for the regular monitoring of treasury management activity.</p> <p>To review the treasury risk profile and adequacy of treasury risk management procedures and assurances on treasury management in accordance with best practice.</p> <p>To consider, review and, as necessary approve the mid-year Treasury Strategy Report and Annual Treasury Report before submission to Full Council.</p>
Internal Audit: Fraud, Special Investigations and RIPA update.	Provide assurances and an update on current fraud and investigations undertaken by Internal Audit and the impact these have on the internal control environment together with an update on activity under the Regulation of Investigatory Powers Act (RIPA).	<p>To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.</p> <p>To monitor the counter-fraud, bribery and corruption strategy, actions and resources.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		To consider and review reports on Internal Audit investigations including frauds and consideration of recommendations for strengthening internal controls.
Monitoring Officer: Contract Rules Exemptions Update	To provide assurance that any departure from the Council's Contract Procedure rules is lawful, justified and appropriately controlled in line with the delegations to Officers.	To consider the Council's arrangements for securing value for money, supporting standards and ethics and review assurances and assessments on the effectiveness of these arrangements.
External Audit: Shropshire Council Audit Plan 2025/26.	Evidence that the External Auditor understands the Council's business, risk, challenges and opportunities it is facing. Explanation of its audit approach and the scope of its plans.	To support the quality and effectiveness of the external audit process and to comment on the scope and depth of external audit work to ensure it gives value for money and complies with ethical standards.  To consider, review and, as appropriate, approve the External Auditor's work plan, including comments on the scope and depth of external audit work to ensure it gives value for money.
<b>Other assurance</b>		
External Audit: Pension Fund Audit Plan 2025/26	Evidence that the External Auditor understands the Pension Fund's business, risk, challenges and opportunities it is facing. Explanation of its audit	To consider specific reports as agreed with the External Auditor and other inspection agencies.

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	approach and the scope of its plans for the Pension Fund.	To consider, review and, as appropriate, approve the External Auditor's work plan, including comments on the scope and depth of external audit work to ensure it gives value for money.
<b>Core business 15 July 2026</b>		
Section 151 Officer: Financial Outturn report.	<p>Provides the financial outturn of the Council's revenue budget for the year and therefore considers the effect that any over/underspend has on the Council's balances.</p> <p>Provides details of the potential risks affecting the balances and financial health of the Council.</p> <p>Provides the financial outturn of the Council's capital budget for the year and therefore considers the impact that slippage within the programme will have on the financing of the capital programme in the future, including any future revenue implications.</p>	<p>To review and if necessary, approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.</p> <p>When required, to approve the Annual Statement of Accounts or before submission to Full Council for such approval.</p> <p>To consider the Council's arrangements for securing value for money and review assurances and assessments on the effectiveness of these arrangements.</p>
Section 151 Officer: 2025/26 Statement of Accounts.	Ensure that the narrative report to the accounts help the public understand the Council's financial management of public funds.	To review and if necessary, approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Where a meeting is held before the 31<sup>st</sup> July, to agree that the Executive Director (s151 Officer) be authorised to make any minor adjustments to the Statement of Accounts prior to the 31st July.</p>	<p>from the financial statements or from the audit that need to be brought to the attention of the Council.</p> <p>When required, to approve the Annual Statement of Accounts or before submission to Full Council for such approval.</p>
<p>Section 151 Officer: Annual Governance Statement (AGS) and Code of Corporate Governance.</p>	<p>Confirm that the final Annual Governance Statement accurately reflects the Committee's understanding of how the Council is run.</p> <p>Gain assurance that management have progressed the agreed actions associated with the significant issues / key risks identified in the Annual Governance Statement.</p> <p>That the Council has very strong compliance with the Code of Corporate Governance which is part of the overall internal control framework and contributes to the Council's strong governance arrangements.</p>	<p>To consider, review and, as appropriate, approve the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, considering Internal Audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control and assurances on how effectively the Seven Principles of Public Life are supported.</p> <p>To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.</p> <p>To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.</p>

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Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
		To consider and review a report on the adequacy of the Council's corporate governance arrangements.
Strategy and Scrutiny Manager: Risk Management Annual report	<p>To understand the current strategic risk exposure together with recent modifications and planned changes to strategic risk management within the Council.</p> <p>Gain assurance that the Council is effectively managing its key risks – has good risk management systems / processes in place that enable decision makers to understand the level of risk being taken and the Council is prepared to accept.</p> <p>Gain assurance that both operational and project risks are managed in accordance with the corporate opportunity risk management strategy.</p>	<p>To monitor the effective development and operation of risk management in the Council.</p> <p>To consider, review and, as appropriate, approve a report on the strategic risks of the Council and a review of the adequacy of the Council's risk management arrangements.</p>
<b>Other assurance</b>		
None planned		
<b>Core business 25 September 2026</b>		
Chief Executive: Improvement Plan Update	<p>To provide assurance on the progress made delivering the Council's Improvement Plan.</p> <p>Ensure there is a robust plan in place that is subject to scrutiny and challenge.</p>	The Committee can require relevant officers, members and agencies to attend at any meeting where such attendance would be expedient to the work of the Committee.

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Ensure that clear performance measures are in place and are reported on regularly.</p> <p>Ensure that appropriate mechanisms are in place to identify, manage or mitigate risks associated with delivery of the Improvement Plan.</p>	
<p>Strategy and Scrutiny Manager: Strategic Risks Update.</p>	<p>Assurances that the management of strategic risks which is a key process that underpins the successful achievement of the Council's priorities and outcomes is robust. Strategic risks are a key aspect of the Annual Governance Statement.</p> <p>Provide information to confirm to the Audit and Governance Committee that they are receiving assurances on the key risk areas within the Council and how these are being managed through the internal controls and governance processes.</p>	<p>To monitor the effective development and operation of risk management in the Council.</p> <p>To consider, review and, as appropriate, approve a report on the strategic risks of the Council and a review of the adequacy of the Council's risk management arrangements.</p>
<p>Internal Audit: Performance report and revised Annual Audit Plan.</p>	<p>Understand the level of assurances being given based on audit work and the impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p>	<p>To consider reports from the Chief Audit Executive on Internal Audit's performance during the year. These will include updates on the work of Internal Audit including key findings, issues of concern and action in hand as a result of Internal Audit work.</p> <p>To consider summaries of specific internal audit reports as requested.</p>

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets.</p> <p>Understand any resourcing issues because of changes to the plan.</p>	<p>To receive reports outlining the action taken where the Chief Audit Executive has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.</p> <p>To approve significant interim changes to the risk based internal audit plan and resource requirements, including approval of significant additional consulting services as advised by the Chief Audit Executive and agreed by the Section 151 Officer.</p> <p>To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.</p> <p>To monitor progress in addressing risk-related issues reported to the committee; Seek assurances that action is taken by management in risk related issues identified by auditors and inspectors; Resolve any outstanding differences between internal and external auditors and management when action or major recommendations have not been agreed.</p>

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
Internal Audit: Annual Review of Audit and Governance Committee Terms of Reference.	Ensures the Audit and Governance Committee continues to benefit the Council by providing an effective service assessed against current best practice.	<p>To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.</p> <p>An annual review of the Terms of Reference for the Audit and Governance Committee, making any recommendations for significant changes in them to Full Council.</p>
Internal Audit: Annual review of Internal Audit Charter and Mandate.	Assurance that effective corporate governance arrangements are maintained in the Council, part of which is evidenced by a current Internal Audit Charter. The Council complies with the Global Internal Audit Standards and CIPFA application note for the UK public sector.	<p>To approve the Internal Audit Charter and Mandate incorporating the mission, code of ethics, definition and core principles of Internal Audit.</p> <p>To consider, review and, as appropriate, approve proposals for any revision of the Internal Audit Charter and Mandate.</p>
Internal Audit: Fraud, Special Investigations and RIPA update.	Provide assurances and an update on current fraud and special investigations undertaken by Internal Audit and the impact these have on the internal control environment together with an update on current Regulation of Investigatory Powers Act (RIPA) activity.	<p>To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.</p> <p>To monitor the counter-fraud, bribery and corruption strategy, actions and resources.</p> <p>To consider and review reports on Internal Audit investigations including frauds and consideration of</p>

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Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
		recommendations for strengthening internal controls.
Monitoring Officer: Contract Rules Exemptions Update	To provide assurance that any departure from the Council's Contract Procedure rules is lawful, justified and appropriately controlled in line with the delegations to Officers.	To consider the Council's arrangements for securing value for money, supporting standards and ethics and review assurances and assessments on the effectiveness of these arrangements.
External Audit: Audit progress report and sector update.	<p>Seek assurance over progress and delivery of the external audit plan and that any risks to successful production of the financial statements and audit are being managed.</p> <p>The paper also includes:</p> <ul style="list-style-type: none"> <li>• a summary of emerging national issues and developments that may be relevant to the Council; and</li> <li>• challenge questions in respect of these emerging issues which the Committee may wish to consider.</li> </ul>	<p>To consider specific reports as agreed with the External Auditor and other inspection agencies.</p> <p>To support the quality and effectiveness of the external audit process and to comment on the scope and depth of external audit work to ensure it gives value for money and complies with ethical standards</p> <p>To consider, review and, as appropriate approve The External Auditor's Progress and Findings; and Annual Reports following completion of the annual audit of the Accounts.</p>
<b>Other assurance</b>		
External Audit: Shropshire County Pension Fund Interim	Seek assurance over the adequacy of the External Audit opinion on the financial statements and the Council's value for money arrangements.	To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
Audit Findings Report 2025/26	Ensure any issues / risks identified are being effectively managed.	To consider, review and, as appropriate approve The External Auditor's Progress and Findings; and Annual Reports following completion of the annual audit of the Accounts.
<b>Core business 26 November 2026</b>		
Chief Executive: Improvement Plan Update	<p>To provide assurance on the progress made delivering the Council's Improvement Plan.</p> <p>Ensure there is a robust plan in place that is subject to scrutiny and challenge.</p> <p>Ensure that clear performance measures are in place and are reported on regularly.</p> <p>Ensure that appropriate mechanisms are in place to identify, manage or mitigate risks associated with delivery of the Improvement Plan.</p>	The Committee can require relevant officers, members and agencies to attend at any meeting where such attendance would be expedient to the work of the Committee.
Section 151 Officer Final Approval of Statement of Accounts	<p>Approve the final audited outturn position for the financial year and details of any amendments made to the Draft Statement of Accounts during the audit process.</p> <p>Consider the outcome of the External Audit and the appropriateness of management responses.</p>	To review and if necessary, approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Seek assurance that the Council has appropriate accounting policies in place to ensure that items are treated correctly in the accounts.</p> <p>Agree that the Executive Director (s151 Officer) and the Chairman of the Audit and Governance Committee sign the letter of representation in relation to the financial statements on behalf of the Council and send to the External Auditor.</p>	<p>When required, to approve the Annual Statement of Accounts or before submission to Full Council for such approval.</p>
<p>Internal Audit: Annual review of Counter Fraud, Bribery and Anti-Corruption Strategy and activities.</p>	<p>Confirm that the Council's counter fraud activity is targeted and effective.</p> <p>Ensure that appropriate progress is being made on the delivery of the Counter Fraud plan.</p> <p>Ensure that lessons have been learnt – understand fraud risks facing the Council and actions being taken to reduce the risk</p> <p>Provides confirmation that the Counter Fraud, Bribery and Anti-Corruption Strategy has been reviewed in line with best practice and continues to underpin the Council's commitment to prevent all forms of fraud, bribery and corruption whether it be attempted on, or from within, the Council, thus demonstrating the</p>	<p>To monitor the counter-fraud, bribery and corruption strategy, actions and resources.</p> <p>To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.</p> <p>To consider, review and, as appropriate approve the annual review and re-affirmation of the Council's Counter Fraud, Bribery and Anti-Corruption Strategy to ensure on-going training and awareness of all staff regarding Counter Fraud and Anti-Corruption measures.</p>

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>strategy's continuing and important role in the corporate governance and internal control framework.</p> <p>Provides an update and assurances on the outcomes of the National Fraud Initiative.</p>	
<p>Internal Audit: Performance Report and revised Annual Audit Plan.</p>	<p>Understand the level of assurances being given based on audit work and the impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p> <p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets.</p> <p>Understand any resourcing issues because of changes to the plan.</p>	<p>To consider reports from the Chief Audit Executive on Internal Audit's performance during the year. These will include updates on the work of Internal Audit including key findings, issues of concern and action in hand as a result of Internal Audit work.</p> <p>To consider summaries of specific internal audit reports as requested.</p> <p>To receive reports outlining the action taken where the Chief Audit Executive has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.</p> <p>To approve significant interim changes to the risk based internal audit plan and resource requirements, including approval of significant additional consulting services as advised by the</p>

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		<p>Chief Audit Executive and agreed by the Section 151 Officer.</p> <p>To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.</p> <p>To monitor progress in addressing risk-related issues reported to the committee; Seek assurances that action is taken by management in risk related issues identified by auditors and inspectors; Resolve any outstanding differences between internal and external auditors and management when action or major recommendations have not been agreed.</p>
<p>Section 151 Officer: Treasury Strategy Mid-Year report.</p>	<p>Provide assurance on the treasury activities for Shropshire Council, including the investment performance of the internal Treasury team.</p> <p>Provides assurance on adherence to the CIPFA Treasury Management Code of Practice, a framework that sets out how public bodies should manage their borrowing, investments, and cash flows, ensuring effective risk control, transparency, and good governance in all treasury activities.</p>	<p>To receive regular reports on activities, issues and trends to support the Committee's understanding of treasury management activities. The Committee is not responsible for the regular monitoring of treasury management activity.</p> <p>To review the treasury risk profile and adequacy of treasury risk management procedures and assurances on treasury management in accordance with best practice.</p>

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Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
		To consider, review and, as appropriate, approve the mid-year Treasury Strategy Report and Annual Treasury Report before submission to Full Council.
Section 151 Officer: Annual Audit and Governance Committee Self-Assessment.	<p>Confirmation that the Audit and Governance Committee is working effectively and where any further improvements are identified to improve its overall effectiveness, there are plans to implement these.</p> <p>CIPFA's guidance on the audit committee knowledge and skills framework emphasises that members should collectively possess appropriate governance, financial, risk, audit and ethical competencies, with regular evaluation and targeted training to ensure the committee remains effective and well-skilled.</p>	<p>To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.</p> <p>All Members of the Audit and Governance Committee should have, or acquire as soon as possible after appointment: -</p> <ul style="list-style-type: none"> <li>• An understanding of the objectives and current significant issues facing the Council.</li> <li>• An understanding of the Council's structure including key relationships with external partner organisations.</li> <li>• An understanding of any relevant legislation or other rules governing the operation of the Council.</li> <li>• A broad understanding of the local government environment, its accountability structures and current, major initiatives.</li> </ul> <p>CIPFA recommends that the Audit Committee should corporately possess an appropriate level of knowledge/skills/experience in: -</p>

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		<ul style="list-style-type: none"> <li>• The Council's governance and regulatory frameworks.</li> <li>• Understanding of the wider governance environment in which the Council operates and the accountability structures within that environment.</li> <li>• Financial management and accounting including accounting concepts and standards.</li> <li>• Risk management.</li> <li>• Audit.</li> <li>• Counter fraud.</li> <li>• Treasury management.</li> </ul> <p>The Committee should receive appropriate levels of training.</p>
<p>Internal Audit: Fraud, Special Investigations and RIPA update.</p>	<p>Provide assurances and an update on current fraud and special investigations undertaken by Internal Audit and the impact these have on the internal control environment together with an update on current Regulation of Investigatory Powers Act (RIPA) activity.</p>	<p>To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.</p> <p>To monitor the counter-fraud, bribery and corruption strategy, actions and resources.</p> <p>To consider and review reports on Internal Audit investigations including frauds and consideration of</p>

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<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		recommendations for strengthening internal controls.
Monitoring Officer: Exemptions Update	To provide assurance that any departure from the Council's Contract Procedure rules is lawful, justified and appropriately controlled in line with the delegations to Officers.	To consider the Council's arrangements for securing value for money, supporting standards and ethics and review assurances and assessments on the effectiveness of these arrangements.
External Audit: Shropshire Council Audit Findings Report 2025/26	Seek assurance over the adequacy of the External Audit opinion on the financial statements and the Council's value for money arrangements.  Ensure any issues / risks identified are being effectively managed.	To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.  To consider, review and, as appropriate approve The External Auditor's Progress and Findings; and Annual Reports following completion of the annual audit of the Accounts.
External Audit: Auditors Annual Report 2025/26 (VFM)	To provide assurance on the adequacy of the arrangements the Council has in place for securing value for money.  Under the Local Audit and Accountability Act 2014 External Audit are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of	To consider the External Auditor's annual letter, relevant reports, and the report to those charged with governance.  To consider the Council's arrangements for securing value for money, supporting standards and ethics and review assurances and assessments on the effectiveness of these arrangements.

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
	Audit Practice requires External Audit to assess arrangements for: <ul style="list-style-type: none"> <li>- financial sustainability</li> <li>- governance</li> <li>- improving economy, efficiency and effectiveness.</li> </ul>	To consider, review and, as appropriate approve The External Auditor's Progress and Findings; and Annual Reports following completion of the annual audit of the Accounts.
<b>Other assurance</b>		
None planned.		
<b>Core business 4 February 2027</b>		
Chief Executive: Improvement Plan Update	To provide assurance on the progress made delivering the Council's Improvement Plan.  Ensure there is a robust plan in place that is subject to scrutiny and challenge.  Ensure that clear performance measures are in place and are reported on regularly.  Ensure that appropriate mechanisms are in place to identify, manage or mitigate risks associated with delivery of the Improvement Plan.	The Committee can require relevant officers, members and agencies to attend at any meeting where such attendance would be expedient to the work of the Committee.
Strategy and Scrutiny Manager: Strategic Risks Update.	Assurances that the management of strategic risks which is a key process that underpins the successful achievement of the Council's priorities and outcomes is	To monitor the effective development and operation of risk management in the Council.

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>robust. Strategic risks are a key aspect of the Annual Governance Statement. Provide information to confirm to the Audit and Governance Committee that they are receiving assurances on the key risk areas within the Council and how these are being managed through the internal controls and governance processes.</p>	<p>To consider, review and, as appropriate, approve a report on the strategic risks of the Council and a review of the adequacy of the Council's risk management arrangements.</p>
<p>Section 151 Officer: Annual review of Internal Audit: Quality Assurance and Improvement Programme (QAIP).</p>	<p>That Internal Audit complies with the Global Internal Audit Standards and UK Local Government Application Note and is effective in doing so. That there is an improvement programme in place to ensure that any identified gaps are addressed.</p>	<p>To consider reports from the Chief Audit Executive on Internal Audit's performance during the year, these will include reports on:</p> <ul style="list-style-type: none"> <li>• the results of the Quality Assurance and Improvement Programme; and</li> <li>• instances where the Internal Audit function does not conform to the Global Internal Audit Standards and Local Government Application Note, considering whether the non-conformance should be included in the Annual Governance Statement.</li> </ul> <p>To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of Internal Audit that takes place at least once every five years.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		<p>To consider and review a report on the Internal Audit system and ongoing Quality Assurance and Improvement Programme.</p> <p>To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of Internal Auditing of the Chief Audit Executive. To approve and periodically review safeguards to limit such impairments.</p>
<p>Section 151 Officer: Treasury Strategy.</p>	<p>Provides assurances that the Council's Treasury Management practice complies with CIPFA's Code of Practice on Treasury Management, the Council's Treasury Policy Statement, Treasury Management Practices and the Prudential Code for Capital Finance and together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and reduce any potential for financial loss.</p> <p>Provides assurance on adherence to the CIPFA Treasury Management Code of Practice, a framework that sets out how public bodies should manage their borrowing, investments, and cash flows, ensuring effective risk control, transparency, and good governance in all treasury activities.</p>	<p>To consider the robustness of the Council's treasury management strategy, policies and procedures before their submission to Cabinet and Full Council, ensuring that controls are satisfactory.</p> <p>To consider, review and, as appropriate, approve the Treasury Strategy Reports including the Annual Investment Strategy and Minimum Revenue Provision Policy before submission to Full Council.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
Internal Audit: Report of the Audit Review of Risk Management.	Provides independent assurance on the overall control environment for Risk Management system that the Council is effectively managing its key risks – has good risk management systems / processes in place that enable decision makers to understand the level of risk being taken and the Council is prepared to accept.	<p>To monitor the effective development and operation of risk management in the Council.</p> <p>To consider, review and, as appropriate, approve a report on the strategic risks of the Council and a review of the adequacy of the Council's risk management arrangements.</p>
Internal Audit: Performance report and revised Annual Audit Plan.	<p>Understand the level of assurances being given based on audit work and the impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p> <p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets.</p> <p>Understand any resourcing issues because of changes to the plan.</p>	<p>To consider reports from the Chief Audit Executive on Internal Audit's performance during the year. These will include updates on the work of Internal Audit including key findings, issues of concern and action in hand as a result of Internal Audit work.</p> <p>To consider summaries of specific internal audit reports as requested.</p> <p>To receive reports outlining the action taken where the Chief Audit Executive has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.</p> <p>To approve significant interim changes to the risk based internal audit plan and resource requirements, including approval of significant</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		<p>additional consulting services as advised by the Chief Audit Executive and agreed by the Section 151 Officer.</p> <p>To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.</p> <p>To monitor progress in addressing risk-related issues reported to the committee; Seek assurances that action is taken by management in risk related issues identified by auditors and inspectors; Resolve any outstanding differences between internal and external auditors and management when action or major recommendations have not been agreed.</p>
<p>Internal Audit: Draft Annual Internal Audit risk-based plan 2027/28.</p>	<p>That the Internal Audit Plan focuses on the key risks facing the Council and is adequate to support the Chief Audit Executive's opinion.</p> <p>Confirm that the plan achieves a balance between setting out the planned work for the year and retaining flexibility to changing risks and priorities during the year.</p>	<p>To approve, but not direct, the risk-based internal audit plan, including internal audit resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.</p> <p>To make appropriate enquiries of both management and the Chief Audit Executive to determine if there are any inappropriate scope or resource limitations.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
	<p>Ensure that the Internal Audit Resource has sufficient capacity and capability to deliver the plan.</p> <p>Seek an understanding of what assurances Internal Audit will be providing the Committee to help it discharge its terms of reference.</p> <p>Gain assurance that the Council has effective arrangements in place to fight fraud locally and that counter fraud resources are targeted to the Council's key fraud risks.</p>	<p>To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.</p>
<p>Internal Audit: Draft Audit and Governance Committee annual work plan and future training requirements 2027/28.</p>	<p>Assurance that the agreed plan of work for the year ahead will deliver against the terms of reference of the Audit and Governance Committee and that Members will receive appropriate learning and development to deliver their responsibilities effectively.</p> <p>Gain assurance that the Committee is complying With CIPFA's guidance for Audit Committees and ensuring Members regularly evaluate their knowledge and skills linked to identify training needs.</p>	<p>To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.</p> <p>In carrying out the core functions the Audit and Governance Committee will approve an annual work plan.</p>
<p>Internal Audit: Fraud, Special Investigations and RIPA update.</p>	<p>Provide assurances and an update on current fraud and special investigations undertaken by Internal Audit and the impact these have on the internal control environment together with an update on current Regulation of Investigatory Powers Act (RIPA) activity.</p>	<p>To review the assessment of fraud risks and potential harm to the Council from fraud, bribery and corruption.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

<b>Report</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
		<p>To monitor the counter-fraud, bribery and corruption strategy, actions and resources.</p> <p>To consider and review reports on Internal Audit investigations including frauds and consideration of recommendations for strengthening internal controls.</p>
<p>Monitoring Officer: Exemptions Update</p>	<p>To provide assurance that any departure from the Council's Contract Procedure rules is lawful, justified and appropriately controlled in line with the delegations to Officers.</p>	<p>To consider the Council's arrangements for securing value for money, supporting standards and ethics and review assurances and assessments on the effectiveness of these arrangements.</p>
<p>External Audit: Audit progress report and sector update.</p>	<p>Seek assurance over progress and delivery of the external audit plan and that any risks to successful production of the financial statements and audit are being managed.</p> <p>The paper also includes:</p> <ul style="list-style-type: none"> <li>• a summary of emerging national issues and developments that may be relevant to the Council; and</li> <li>• several challenge questions in respect of these emerging issues which the Committee may wish to consider.</li> </ul>	<p>To consider specific reports as agreed with the External Auditor and other inspection agencies.</p> <p>To support the quality and effectiveness of the external audit process and to comment on the scope and depth of external audit work to ensure it gives value for money and complies with ethical standards.</p> <p>To consider, review and, as appropriate approve The External Auditor's Progress and Findings; and Annual Reports following completion of the annual audit of the Accounts.</p>

**Appendix A: Audit and Governance Committee Work Plan – 2026/27**

Report	Assurances Required / Being Sought	Relevancy – Terms of Reference
<b>Other assurance</b>		
None planned		

**APPENDIX A**

**Audit and Governance Committee Work Plan 2026/27 Summary**

<b>Audit and Governance Committee Work Plan 2026/27</b>	<b>14 May 2026</b>	<b>11 June 2026</b>	<b>25 June 2026</b>	<b>15 July 2026</b>	<b>11 Sept 2026</b>	<b>25 Sept 2026</b>	<b>26 Nov 2026</b>	<b>21 Jan 2027</b>	<b>4 Feb 2027</b>	<b>Report originator</b>
<b>Training Sessions</b>		✓			✓			✓		
<b>Regular Committees</b>			✓	✓		✓	✓		✓	
Election of Chair and Vice Chair	✓									Part of Council meeting
Improvement Plan Update			✓			✓	✓		✓	Chief Executive
Performance Report and Revised Annual Audit Plan			✓			✓	✓		✓	Internal Audit
Annual Opinion Report			✓							Internal Audit
Annual review of Internal Audit: Quality Assurance and Improvement Programme (QAIP)			✓						✓	Section 151 Officer
Annual Assurance Report of the Audit and Governance Committee to Council			✓							Internal Audit
Annual Whistleblowing report			✓							Service Director Enabling
Annual Treasury Report			✓							Section 151 Officer
Fraud, Special Investigations and RIPA Update.			✓			✓	✓		✓	Internal Audit
Contract Rules Exemptions Update			✓			✓	✓		✓	Monitoring Officer
Shropshire Council Audit Plan 2025/26			✓							External Audit
Pension Fund Audit Plan 2025/26			✓							External Audit
Financial Outturn Report				✓						Section 151 Officer

<b>Audit and Governance Committee Work Plan 2026/27</b>	<b>14 May 2026</b>	<b>11 June 2026</b>	<b>25 June 2026</b>	<b>15 July 2026</b>	<b>11 Sept 2026</b>	<b>25 Sept 2026</b>	<b>26 Nov 2026</b>	<b>21 Jan 2027</b>	<b>4 Feb 2027</b>	<b>Report originator</b>
2025/26 Statement of Accounts – preparation of draft and sign off (Statutory deadline 31 May 2026 <sup>1</sup> )				✓						Section 151 Officer
Annual Governance Statement (AGS) and Code of Corporate Governance				✓						Section 151 Officer
Risk Management Annual Report				✓						Strategy and Scrutiny Manager
Strategic Risks Update						✓			✓	Strategy and Scrutiny Manager
Annual review of Audit and Governance Committee Terms of Reference						✓				Internal Audit
Annual review of Internal Audit Charter and Mandate						✓				Internal Audit
Shropshire County Pension Fund Interim Audit Findings Report 2025/26						✓				External Audit
Audit progress report and sector update.						✓			✓	External Audit
Final Approval of Statement of Accounts							✓			Section 151 Officer
Annual review of Counter Fraud, Bribery and Anti-Corruption Strategy and activities							✓			Internal Audit
Treasury Strategy Mid-Year Report							✓			Section 151 Officer

<sup>1</sup> This is the deadline for the draft accounts to be published and sent to External Audit

<b>Audit and Governance Committee Work Plan 2026/27</b>	<b>14 May 2026</b>	<b>11 June 2026</b>	<b>25 June 2026</b>	<b>15 July 2026</b>	<b>11 Sept 2026</b>	<b>25 Sept 2026</b>	<b>26 Nov 2026</b>	<b>21 Jan 2027</b>	<b>4 Feb 2027</b>	<b>Report originator</b>
Annual Audit and Governance Committee Self-Assessment							✓			Section 151 Officer
Shropshire Council Audit Findings Report 2025/26							✓			External Audit
Auditors Annual Report 2025/26 (VFM)							✓			External Audit
Treasury Strategy									✓	Section 151 Officer
Report of the Audit Review of Risk Management									✓	Internal Audit
Draft Annual Internal Audit Risk Based Plan 2027/28									✓	Internal Audit
Draft Audit and Governance Committee annual work plan and future training requirements 2027/28									✓	Internal Audit

**Key to table**

Committee dates - fixed
Training dates

