

## **Audit Committee**

**11 September 2025**

### **Internal Audit Update Report**

Report from: Phil Watts, Business Support Directorate

Author: James Larkin, Head of Internal Audit & Counter Fraud Shared Service (Chief Audit Executive)

#### **Summary**

This report provides Members with an update on the work, outputs, and performance of the Internal Audit Team for the period 1 April to 31 July 2025.

#### **1. Recommendations**

- 1.1. The Committee is recommended to note the outputs and performance against the Internal Audit Plan Q1-Q2 for the period 1 April to 31 July 2025 as detailed at Appendix 1.
- 1.2. The Committee is recommended to agree the revisions to the Internal Audit Plan Q1-Q2 2025-26, as detailed in section 8 of appendix 1.

#### **2. Budget and policy framework**

- 2.1. Council delegates responsibility for the oversight and monitoring the effectiveness of the Internal Audit and Counter Fraud Shared Service to the Audit Committee.

#### **3. Background**

- 3.1. The Global Internal Audit Standards (the Standards) require the Chief Audit Executive to report to the Board (Audit Committee) and senior Management results of internal audit services, including conclusions, themes, assurance, advice, insights, and monitoring results.
- 3.2. As detailed in the Internal Audit Charter, progress updates covering these areas will be provided three times during the year.

#### **4. Internal Audit Update Report**

- 4.1. The report at Appendix 1 is the first of three updates to be produced during 2025-26; detailing the work undertaken by the Internal Audit Team between 1 April and 31 July and the progress made against the Q1-Q2 workplan.
- 4.2. While this update relates to progress against the agreed plan for Q1-Q2, the percentage outturns for plan delivery and plan underway, detailed in section 7, are based on the expected number of reviews to be undertaken during the full year with the projected resource available at the start of the year.

4.3. Section 8 of the report contains details of an amendment to the agreed Q1-Q2, which is submitted to Members for approval.

## 5. Risk management

5.1. This report, summarising the work of the Internal Audit Team, provides a key source of assurance for the council on the adequacy and effectiveness of its internal control arrangements.

## 6. Climate change implications

6.1. There are no climate change implications in this report.

## 7. Financial implications

7.1. An adequate and effective Internal Audit function provides the Council with assurance on the proper, economic, efficient, and effective use of council resources in delivery of services.

## 8. Legal implications

8.1. The Accounts and Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control, and governance processes, taking into account the Global Internal Audit Standards & guidance. The Section 151 Officer of a local authority is responsible for establishing the internal audit service.

## Lead officer contact

James Larkin, Head of Internal Audit and Counter Fraud Shared Service  
[james.larkin@medway.gov.uk](mailto:james.larkin@medway.gov.uk).

## Appendices

Appendix 1 – Internal Audit Update Report

## Background papers

None