

Audit Committee

11 September 2025

Internal Audit Plan (Q3-Q4) 2025-26

Report from: Phil Watts, Chief Operating Officer

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Summary

This report presents for approval the Internal Audit Plan (Q3-Q4) 2025-26.

1. Recommendations

- 1.1. The Committee is recommended to approve the Internal Audit Plan (Q3-Q4) 2025-26 presented at 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 (Standards) require that “the chief audit executive must create an internal audit plan that supports the achievement of the organisations objectives”.
- 3.2. Since 1 March 2016, the council’s internal audit activity has been delivered by the Audit & Counter Fraud Shared Service with Gravesham Borough Council.
- 3.3. Internal Audit Planning is undertaken on a six-monthly basis to ensure that the audit resource is focused on the highest areas of risk to the organisation’s objectives. On 20 March 2025, the Audit Committee approved the Q1-Q2 internal audit plan for 2025-26.

4. Internal Audit Plan (Q3-Q4) 2025-26

- 4.1. A provisional plan for 2025-26 was prepared in line with the requirements of the Standards and was based on a risk assessment of all auditable areas within the council that was undertaken in January 2025. Members approved a plan for Q1-Q2 based on that risk assessment, with a commitment that the risk assessment would be updated in July 2025 and the provisional plan refreshed to take account of any changes in the risk landscape to produce a plan for Q3-Q4.
- 4.2. The projected resource budget has been refreshed to consider impacts on the

level of resource that was originally predicted for 2025-26 and the risk assessment has been updated to take into account any changes in the audit risk landscape.

- 4.3. These updated assessments have been used to produce the plan for Q3-Q4 2025-26, which is presented at Appendix 1.

5. Risk management

- 5.1. The Global Internal Audit Standards require that: the chief audit executive must base the internal audit plan on a documented assessment of the organisation's strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the chief audit executive's understanding of the organisation's governance, risk management, and control processes.
- 5.2. The Internal Audit Plan is intended to ensure that the work of the team is effectively directed and is in line with the organisation's goals. Member approval of the plan ensures the status of the plan is maintained.

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 & 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. Gravesham Borough Council has delegated this responsibility to the Section 151 Officer of Medway Council to deliver internal audit services through the Shared Service to both authorities.

Lead officer contact

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Appendices

Appendix 1 – Internal Audit Plan (Q3-Q4) 2025-26

Background papers

None