



Coventry City Council

# Public report

---

**Report to**

Audit and Procurement Committee

22<sup>nd</sup> June 2026

**Name of Cabinet Member:**

Cabinet Member for Policy and Leadership – Councillor G Duggins

**Director approving submission of the report:**

Director of Finance and Resources

**Ward(s) affected:**

City Wide

**Title:**

Internal Audit Plan 2026-27

---

**Is this a key decision?**

No

---

**Executive summary:**

The purpose of this report is to share the draft Internal Audit Plan for 2026-27 with the Audit and Procurement Committee to allow the Committee to express its views on the extent and nature of the planned coverage.

**Recommendations:**

Audit and Procurement Committee is recommended to consider and approve the draft Internal Audit Plan for 2026-27 (Appendix One to the report)

**List of Appendices included:**

Appendix 1 - Draft Internal Audit Plan 2026-27

**Background papers:**

None

**Has it or will it be considered by scrutiny?**

No other scrutiny consideration other than the Audit and Procurement Committee

**Has it, or will it be considered by any other council committee, advisory panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**

Draft Internal Audit Plan 2026-27

**1. Context (or background)**

1.1 The Audit and Procurement Committee, within its terms of reference, is required to:

'Consider the Head of Internal Audit's Annual Report and Opinion, and a summary of internal audit activities (actual and proposed) and the level of assurance given within the Annual Governance Statement incorporated in the Annual Accounts'.

1.2 In terms of proposed audit activities, the draft Internal Audit Plan attached at Appendix One documents the outcome of the audit planning process for 2026-27. This report provides the mechanism for allowing the Audit and Procurement Committee to discharge its responsibility as highlighted above but also enables the Committee to support delivery of the Internal Audit Charter by approving the Internal Audit plan.

**2. Options considered and recommended proposal**

2.1 **Background** – Internal Audit is an essential part of the Council's corporate governance arrangements. In considering the Global Internal Audit Standards in the UK Public Sector, Internal Audit is defined as:

"An independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes."

The priorities of internal audit activity are determined through the development of an annual risk-based Internal Audit Plan. This report documents the planning process and identifies the outcome of this process, namely the draft Internal Audit Plan for 2026-27.

In developing the Audit Plan, the Service aims to achieve the following objectives:

- To allow the Chief Internal Auditor to provide the Council with an annual conclusion on the effectiveness of the organisation's risk management, internal control and governance arrangements.
- To provide a quality Internal Audit Service in line with the Global Internal Audit Standards in the UK Public Sector, to assist the Council in achieving its aims and objectives.
- To provide the Service with a degree of flexibility to allow it to be able to respond to the changing needs of stakeholders during the year and provide relevant assurance.

- To provide a cost effective, targeted and value-added service to our customers. This requires the Service to achieve a balance between delivering standard audit reviews and responding to new / emerging risks faced by the Council, both at the operational and corporate level.
- Ensuring that the level and skills of audit resources available is appropriate to meet the audit needs of the Council.

2.2 **Draft Audit Plan 2026-27** – The results of the initial assessment of priorities are shown in Appendix One. Key points to note include:

- The draft plan is based on an allocation of priorities against the current level of audit resources available. For 2026-27, it has been assessed that the resources available are 590 days for audit and corporate fraud work. It should be noted that this is a draft assessment, given that the timetable for current recruitment activity cannot be stated with any certainty at this time. Updates on the resource position and any resulting change to the audit plan will be provided in future reports to the Committee.
- In focusing the available resources to develop a plan which meets the needs of the Council and adds value, the following approach has been taken:
  - An initial risk assessment has been undertaken, which considers the Council's corporate risk register, and any priorities identified from consultation with Directors, and other senior managers, alongside other priorities linked to areas of risk which have been highlighted by the Chief Internal Auditor.
  - Where appropriate to do so, the audits of key financial systems are undertaken on a bi-annual basis (e.g. where there is a history of the system being well controlled).
  - A cyclical programme of school audits with the strategy that all local authority maintained schools are audited every five years.
  - A flexible and responsive approach to issues highlighted by senior officers with dialogue to ensure resources are directed in accordance with their priorities.
  - A flexible approach to corporate fraud investigations, offering expert advice and support rather than undertaking the Investigating Officer role.
- Areas of planned work include:
  - Corporate Risks – the focus of audit coverage in 2026-27 in regards to the corporate risk register is aligned to those areas where it is clear Internal Audit can make a contribution to the management of these risks, including emerging issues linked to these activities. This includes reviews linked to health and safety risk, Children's Services safeguarding responsibilities, ICT & Digital risks and statutory engineering inspections.

- Regularity – this includes work to meet the assurance requirements of grant funding received by the Council, support for the development of the Annual Governance Statement and declarations of interest exercise. In respect of grant funding the required audit work represents less than 10% of the overall audit plan and consequently does not significantly impact on the Service’s ability to undertake its core assurance related work.
- Directorate risks – this audit area includes those issues highlighted through dialogue with Directors which could affect the achievement of operational objectives or reflect specific directorate risks.
- Contingency – The plan also includes an element of contingency to allow the Service to respond to emerging risks throughout the year.

As a result, it is believed that the draft Audit Plan for 2026-27 is sufficient for the work required to report on governance, the management of risks and internal controls in the year and to prepare our annual conclusion and report.

- 2.3 Options considered – in the event that an agreed plan of internal work is not undertaken, the Council will not meet its statutory obligations to provide an effective internal audit function.

### **3. Results of consultation undertaken**

- 3.1 There is an on-going process of consultation with Senior Officers across the Council to inform development of the Audit Plan and areas of specific focus throughout the year.

### **4. Timetable for implementing this decision**

- 4.1 The Internal Audit Plan is an annual plan and is based on a completion date of 31<sup>st</sup> March 2027. Progress is monitored by the Audit and Procurement Committee. In addition to the planned quarterly progress reports, the Internal Audit Service is required to produce an annual report. This report is due in June / July 2027 and will include the conclusion of the Chief Internal Auditor on the adequacy of the Council’s risk management, internal control and governance arrangements, highlighting issues relevant to the preparation of the Annual Governance Statement.

### **5. Comments from the Director of Finance and Resources and the Director of Law, Governance & Safer Communities**

#### **5.1 Financial Implications**

There are no specific financial implications associated with this report. Internal audit work has clear and direct effects, through the recommendations made, to help improve value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

## 5.2 Legal implications

The effective planning of audit activity across the organisation ensures that the Council meets its statutory obligations in respect of maintaining an internal audit function and represents good governance.

## 6. Other implications

### 6.1 How will this contribute to achievement of the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>)

Internal Auditing is defined in the Global Internal Audit Standards in the UK Public Sector as "an independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes." As such the work of Internal Audit is directly linked to the Council's key objectives / priorities with specific focus agreed on an annual basis and reflected in the annual Internal Audit Plan.

### 6.2 How is risk being managed?

In terms of risk management, there are two focuses:

- Internal Audit perspective - The main risks facing the Service are that the planned programme of audits is not completed, and that the quality of audit reviews fails to meet customer expectations. Both these risks are managed through defined processes (i.e. planning and quality assurance) within the Service, with the outcomes included in reports to the Audit and Procurement Committee. Delays in the delivery of individual audits could occur at the request of the customer, which could impact on the delivery of the plan. The risk is managed through on-going communication with customers to agree timing and identify issues at an early stage to allow for remedial action to be taken.
- Wider Council perspective - The key risk is that actions agreed in audit reports to improve the control environment and assist the Council in achieving its objectives are not implemented. To mitigate this risk, a defined process exists within the Service to gain assurance that all actions agreed have been implemented on a timely basis. Such assurance is reflected in reports to the Audit and Procurement Committee. Where progress has not been made, further action is agreed and overseen by the Audit and Procurement Committee to ensure action is taken.

### 6.3 What is the impact on the organisation?

None

### 6.4 Equalities / EIA

None

**6.5 Implications for (or impact on) climate change and the environment**

No impact

**6.6 Implications for partner organisations?**

None

**Report author:**

**Name and job title:**

Karen Tyler  
Chief Internal Auditor

**Service:**

Finance and Resources

**Tel and email contact**

Tel: 024 7697 2186  
Email: Karen.tyler@coventry.gov.uk

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Service Area</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Lara Knight	Governance Services Co-ordinator	Law, Governance & Safer Communities	5/6/2026	5/6/2026
Tina Pinks	Finance Manager Corporate Finance	Finance and Resources	5/6/2026	11/6/2026
Oluremi Aremu	Head of Legal & Procurement Services	Law, Governance & Safer Communities	5/6/2026	11/6/2026
<b>Names of approvers: (officers and members)</b>				
Barry Hastie	Director of Finance and Resources	-	5/6/2026	11/6/2026
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	5/6/2026	5/6/2026

This report is published on the council's website: [www.coventry.gov.uk/council-meetings](http://www.coventry.gov.uk/council-meetings)

## Appendix One – Internal Audit Plan 2026-27

KEY DRIVER	AUDIT AREA	PLANNED DAYS
<b>Corporate Risk</b>		
	Control over IT assets	15
	Children’s Services reform	15
	Statutory compliance (DPS)	15
	Lifting operations and equipment regs	7
	Children’s Services safeguarding (use of AI)	15
<b>Council / Audit Priorities</b>		
	Payment Recovery Audit	3
	CMH - compliance with the GGA	10
	EDI - inclusive recruitment panels	10
	CWRT Health check	3
	Governance of charities	5
	Flexitime policy	20
<b>Financial Systems</b>		
	Business Rates	15
	Proactive invoice checks	3
	Council Tax	15
	Corporate Income	20
	Housing Benefits / CTS	15
	Adult social care income and expenditure	30
<b>Regularity</b>		
	Grants	29
	Code of corporate governance	6
	Schools	77
<b>Directorate risks</b>		
	Working arrangements in Waste Services	10
	Crisis and Resilience Fund	15
	Waste recycling	10
	Fleet KPI's	10
	Highways asset implementation plan	10
	Children’s Services cash administration	5
	Direct payments monitoring	15
<b>Other</b>		
	Contingency	60
	Fraud	27
	Follow up	31
	2025/26 B/Fwd	69
	<b>Total Days Available</b>	<b>590</b>