Telford & Wrekin Co-operative Council

Protect, care and invest to create a better borough

Borough of Telford and Wrekin

Audit Committee

Wednesday 18 November 2026

Internal Audit Activity Report

Cabinet Member:	Cllr Zona Hannington - Cabinet Member: Finance and Resident Services
Lead Director:	Anthea Lowe - Director: Policy & Governance
Service Area:	Policy & Governance
Report Author:	Tracey Drummond - Principal Auditor Rob Montgomery - Head of Governance, Audit & Procurement
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Wards Affected:	All Wards
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	Audit Committee – 18 November 2026

1.0 Recommendations for decision/noting:

The Committee is asked to:-

1.1 Note the information contained in this report in respect to the Internal Audit planned work undertaken between 1 July 2026 and 30 October 2026 and unplanned work to date.

2.0 Purpose of Report

2.1 The purpose of this report is to update members on the progress made against the 2026/27 Internal Audit Plan and to provide information on the recent work of Internal Audit.

3.0 Background

3.1 This report provides information on the work of Internal Audit from 1 July 2026 to 30 October 2026 and provides an update on the progress of previous audit reports issued.

3.2 The key focus for the team during this period was the completion of audits on the annual audit plan and fulfilling commercial contracts.

3.3 The information included in this progress report will feed into and inform our overall opinion in our Internal Audit Annual Report. All audit reports issued during the year are given an overall audit opinion based on the following criteria:

Level of Assurance/Audit Opinion & Definition	
Good (Green) There is a sound system of control designed to address relevant risks with controls being consistently applied.	**Reasonable (Yellow)** There is a sound system of control but there is evidence of non-compliance with some of the controls.
Limited (Amber) Whilst there is a sound system of control, there are weaknesses in the system that leaves some risks not addressed and there is evidence of non-compliance with some key controls.	**Poor (Red)** The system of control is weak and there is evidence of non-compliance with the controls that do exist.

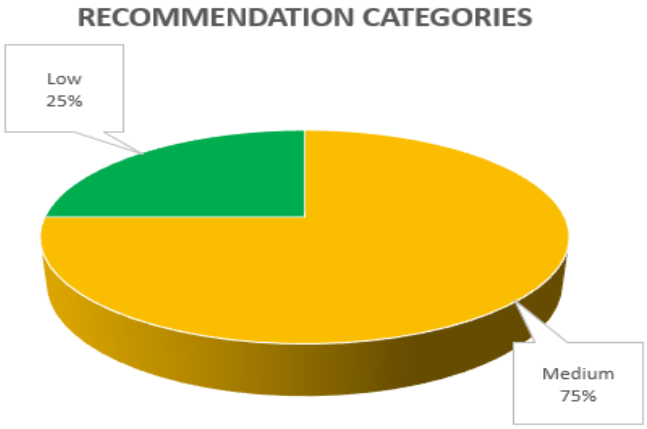
3.4 To determine the overall grading of the Internal Audit report each recommendation is risk rated (high, medium or low). The recommendation risk rating is based on the following criteria:

High risk = A fundamental weakness which presents material risk to the system objectives and requires immediate attention by management.

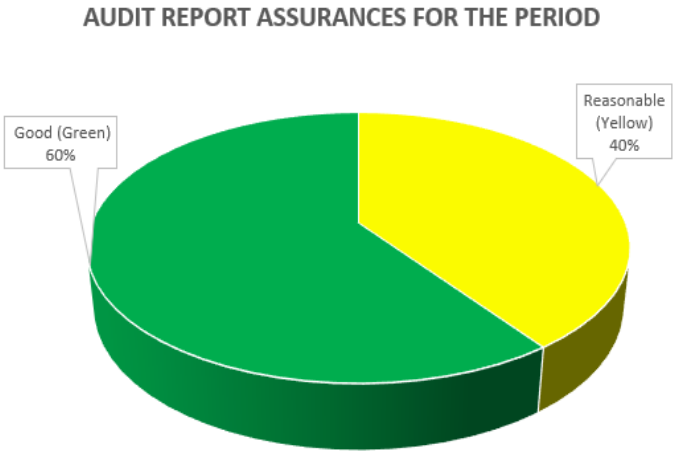
Medium risk = A recommendation to address a control weakness where there are some controls in place but there are issues with parts of the control that could have a significant impact.

Low risk = A recommendation aimed at improving the existing control environment or improving efficiency, these are normally best practice recommendations.

3.5 The chart below shows the percentage of high (red segment), medium (yellow segment) and low (green segment) risk recommendations made in the reports issued during this period.



3.6 The level of assurance (based on 3.3 above) for audit reports issued in this period is detailed below**.**



3.7 The information in the above pie charts is broken down in the summary table below.

Area	Date of Report	Level of risk on	Original Audit Grade	Follow up Due	Revised Grade
Connect to Work	15/07/2026	M	Reasonable	01/01/2027	
Holiday Activities and Food Programme 2025	20/07/2026	M	Reasonable	Next audit	
Section 106	06/08/2026	M	Reasonable	06/02/2027	
General Ledger	01/09/2026	M	Reasonable	Next audit	
Drug and Alcohol Treatment and Recovery Improvement Grant 2025-2026	15/07/2026	M	Good	N/a green report	
The Local Stop Smoking Services and Support Grant	24/07/2026	M	Good	N/a green report	
Family Hub Grant	31/07/2026	M	Good	N/a green report	
Bus Subsidy Grant	01/10/2026	M	Good	N/a green report	
Local Transport Capital Funding 2025/26	09/10/2026	M	Good	N/a green report	

3.8 Detailed below is the status of any reports previously issued and reported to Audit Committee. Members should note that once reports have reached a green status or recommendations outstanding are a low risk and have been reported to members, they are excluded from future Audit Committee reports.

PREVIOUSLY ISSUED REPORTS & CURRENT STATUS					
Area	**Date of Report**	**Original Audit Grade**	**Status previously reported to Audit Committee**	**Current Grade**	**Current status / Comments**
Donnington Wood CofE Junior School	06/02/26	Limited	1st follow up undertaken and changed to reasonable. 2nd follow up due September	Good	2nd follow up completed. Grading changed to green
Oakengates Leisure Centre	05/06/2026	Limited	Follow up due Sept 2026	Good	Follow up completed. Grading changed to green
Domestic Abuse	18/06/2026	Poor	Follow up due Sept 2026	Good	Follow up completed. Grading changed to green
Gypsy & Traveller	21/04/2026	Limited	Follow up due July 2026	n/a	Follow up in progress
Transition - leaving Care	08/05/2026	Limited	Follow up due Aug 2026	n/a	Follow up in progress
Anti-Virus	05/05/2026	Reasonable	Follow up due Nov 2026	n/a	Follow up due Nov 2026
Corporate Mileage Checks	28/05/2026	Reasonable	Follow up due Nov 2026	n/a	Follow up due Nov 2026
Southall School	30/6/2026	Reasonable	Follow up due Dec 2026	n/a	Follow up due Dec 2026

Internal Audit is confident and has been assured by management that controls have and will continue to improve in all areas where recommendations have been made. There are no other issues to bring to the attention of the Committee at this time.

4.0 Progress on completion of the 2026/27 Annual Audit Plan

4.1 Audit Committee members approved the 2026/27 Internal Audit Plan at the May 2026 committee meeting. ***Appendix A*** of this report shows the progress made against this plan. From a total of 47 audits included on that plan, 6 are in progress and 7 are complete.

5.0 Unplanned work

5.1 Work continues on the commercial contracts with Academies and Town Councils. We provide audit services to a total of 9 Multi Academy Trusts and 2 Town Councils. Internal Audit continue to look for opportunities to expand their commercial offering. This enables the team to positively support the financial position of the Council by attracting income which, in turn, contributes to the budgeted cost of the team.

6.0 Quality Assurance and Improvement Programme

6.1 Internal Audit maintains a Quality Assurance and Improvement Programme that complies with the Global Internal Audit Standards (GIAS) for the UK Public Sector alongside the normal quality review process undertaken for all audit assignments. The Head of Governance, Audit & Procurement undertakes an independent monthly check of randomly selected completed audit files to ensure they comply with:-

- Requirements of the GIAS
- Rules of the Code of Ethics
- Agreed Internal Audit process and procedures
- Approved Internal Audit Charter

Only minor Internal Audit procedural issues have been found from these checks and they have been fed back to the Internal Auditors during this time to aid continuous improvement in the service

7.0 Summary of main proposals

7.1 It is proposed that the Audit Committee note the information contained in this report.

8.0 Alternative Options

8.1 As this report is for noting, there are no alternative options. There is a legal requirement for the local authority to undertake internal audit activity and this report sets out how that has been done during the last reporting period.

9.0 Key Risks

9.1 The risks and opportunities in respect to this report will be appropriately identified and managed.

10.0 Council Priorities

10.1 A community-focussed, innovative council providing efficient, effective and quality services.

11.0 Financial Implications

11.1 The planned work undertaken by the Internal Audit Team as outlined in this report is funded through the Council's base budget and approved as part of the Medium Term Financial Strategy.

11.2 Income generated from commercial contracts is budgeted within the service and contributes towards the cost of the Internal Audit function, thereby reducing the overall call on the Council's base budget. This income is subject to market demand and is monitored through routine budget management to ensure that any variation does not adversely impact delivery of the approved Internal Audit Plan.

11.3 The level of commercial activity is managed to ensure that sufficient Internal Audit capacity is retained to deliver the Council's approved Internal Audit Plan and to meet statutory requirements.

11.4 The work of Internal Audit supports the Council's financial governance framework by providing assurance on the effectiveness of internal controls, risk management and value for money arrangements.

11.5 There are no immediate financial implications arising directly from noting this report. Any financial consequences arising from the implementation of audit recommendations will be managed within existing budgets or reported through the Council's financial monitoring processes.

12.0 Legal and HR Implications

12.1 The Accounts and Audit Regulations 2015/234 (by the Local Audit and Accountability Act 2014) at Section 5 require every "relevant authority" to undertake an effective internal audit function which supports the effective implementation of the Chief Financial Officer's responsibilities under the Local Government Act 1972, and demonstrates transparency and good governance. The contents of this report demonstrate compliance with that requirement.

13.0 Ward Implications

13.1 The work of the Audit team encompasses all the Council's activities across the Borough and therefore it operates within all Council Wards detailed in the Parish Charter.

14.0 Health, Social and Economic Implications

14.1 There are no health, social or economic implications directly arising from this report.

15.0 Equality and Diversity Implications

15.1 Transparency supports equalities and demonstrates the Council's commitment to being open and fair.

16.0 Climate Change, Biodiversity and Environmental Implications

16.1 There are no direct climate change and environmental implications arising from this report.

17.0 Background Papers

1 2026/27 Annual Audit Plan – Approved by Audit committee

18.0 Appendices

A 2026/27 Annual Audit Plan

19.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Director	03/11/2026	04/11/2026	DS
Legal	03/11/2026	09/11/2026	DTW
Finance	3010/2026	02/11/2026	KP