
Enquiries to Democratic Services
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Date: 20th March 2025

Our Ref: MM

Dear Sir/Madam,

A meeting of the **AUDIT & STANDARDS COMMITTEE** will be held in the Council Chamber, Town Hall, Nuneaton, on **Tuesday, 1st April 2025** at **6.00pm**

Yours faithfully,

TOM SHARDLOW

Chief Executive

To: All Members of the
Audit & Standards
Committee

Councillors J. Bonner (Chair), D. Brown
(Vice-Chair), T. Cooper, L. Cvetkovic,
B. Hancox, J. Hartshorn, W. Markham,
K. Price, B. Saru, C. Smith and M. Wright.

A G E N D A

PART I - PUBLIC BUSINESS

1. ANNOUNCEMENTS

To advise the meeting participants of the procedure that will be followed by the Members of the committee.

A fire drill is not expected, so if the alarm sounds please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside Lloyds Bank on the opposite side of the road.

Exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs.

If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please also make sure all your mobile phones are turned off or set to silent.

2. APOLOGIES - To receive apologies for absence from the meeting.

3. MINUTES – To confirm the minutes of the meeting of the Audit and Standards Committee held on 4th February 2025, attached (**Page 4**) and the Extraordinary meeting of the Audit and Standards Committee held on 25th February 2025, attached (**Page 8**).

4. DECLARATIONS OF INTEREST

To receive declarations of Disclosable Pecuniary and Other Interests, in accordance with the Members' Code of Conduct.

Declaring interests at meetings

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made for interests that are declared regularly by members to be appended to the agenda (**Page 12**). Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

There are, however, TWO EXCEPTIONS to the general rule:

1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.
2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring

Officer immediately prior to the meeting). The existence and nature of the dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.

Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit & Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.

Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.

5. PUBLIC CONSULTATION - Members of the Public will be given the opportunity to speak on specific agenda items, if notice has been received.

Members of the public will be given three minutes to speak on a particular item and this is strictly timed. The chair will inform all public speakers that: their comments must be limited to addressing issues raised in the agenda item under consideration: and that any departure from the item will not be tolerated.

The chair may interrupt the speaker if they start discussing other matters which are not related to the item, or the speaker uses threatening or inappropriate language towards Councillors or officers and if after a warning issued by the chair, the speaker persists, they will be asked to stop speaking by the chair.

The chair will advise the speaker that, having ignored the warning, the speaker's opportunity to speak to the current or other items on the agenda may not be allowed. In this eventuality, the chair has discretion to exclude the speaker from speaking further on the item under consideration or other items of the agenda.

6. INTERNAL AUDIT PLAN 2025-26 AND INTERNAL AUDIT CHARTER - a report of the Head of Audit Partnership, attached **(Page 14)**.

7. COMPLAINTS AGAINST MEMBERS - UPDATE – a report of the Monitoring Officer, attached **(Page 31)**.

8. ANY OTHER ITEMS - which in the opinion of the Chair should be discussed as a matter of urgency because of special circumstances (which must be specified).

NUNEATON AND BEDWORTH BOROUGH COUNCIL**AUDIT & STANDARDS COMMITTEE****4th February 2025**

A meeting of the Audit & Standards Committee was held on Tuesday, 4th February 2025 in the Council Chamber, Town Hall, Nuneaton.

Present

Councillor J. Bonner – Chair

Councillors: D. Brown (Vice-Chair), L. Cvetkovic, B. Hancox, W. Markham, K. Price, B. Saru, C. Smith, M. Wright and M. Bird (substitute for T. Cooper).

Apologies: Councillors T. Cooper and J. Hartshorn.

PART I – PUBLIC BUSINESSASC36 **Minutes**

RESOLVED that

- a) the minutes of the Audit and Standards Committee meeting held on 12th November 2024 be approved and signed by the Chair; and
- b) the minutes of the Extraordinary Audit and Standards Committee meeting held on 3rd December 2024 be approved and signed by the Chair.

ASC37 **Declarations of Interest**

Councillor W. Markham declared he is no longer the Governor at Ash Green School for SEND.

As a substitute Councillor for this meeting, the declarations of interests for Councillor M. Bird were not in the schedule attached to the agenda for this meeting. They are available to view on the Council website.

RESOLVED that the declarations of interest are as set out in the Schedule attached to these minutes, with the addition of the declaration for Councillor W. Markham that he is no longer the Governor at Ash Green School for SEND and the declarations of interest for Councillor M. Bird, who was a substitute Councillor for this meeting.

ASC38 **Treasury Management 2024/25 – Quarter 3 Review**

A Report of the Finance Manager – Treasury and the Assistant Director – Finance set out the Council's treasury position as of 31st December 2024.

RESOLVED that

- a) the report be noted; and
- b) IT BE RECOMMENDED TO COUNCIL that the Treasury Management Report for 2024/25 – Quarter 3 be noted.

ASC39 **Review of Treasury Management Practices (TMPS) 2025/26**

A Report of the Finance Manager – Treasury provided the Committee with the reviewed Treasury Management Practices (TMPs) for approval.

RESOLVED that

- a) the updated TMPs be noted;

- b) at section 5.4.4 the words ‘the Head of Legal Services’ be removed from the heading, which should now read ‘The Monitoring Officer’; and
- c) IT BE RECOMMENDED TO COUNCIL that the updated TMPs be approved.

ASC40 **Treasury Management Strategy Statement 2025/26**

A Report of the Finance Manager – Treasury and the Strategic Director – Corporate Resources gave the Audit and Standards Committee an opportunity to discuss the report and to recommend approval of the Treasury Management Strategy Statement to Council.

RESOLVED that

- a) the report be noted; and
- b) IT BE RECOMMENDED TO COUNCIL that the Treasury Management Strategy Statement be approved, including all Prudential indicators, the MRP policy and Annual Investment Strategy.

ASC41 **Contract Procedure Rules**

A report of the Assistant Director – Democracy and Governance gave Members an opportunity to review and note the proposed changes to the Contract Procedure Rules, and recommend approval to Council in order to change and update the Constitution.

RESOLVED that

- a) the proposed changes to the Contract Procedure Rules be noted; and
- b) IT BE RECOMMENDED TO COUNCIL that the changes to the Contract Procedure Rules be approved and the Constitution be amended accordingly.

ASC42 **Member Induction and Training Programme 2025 - 2027**

The Assistant Director – Democracy and Governance reported on the draft Elected Member Induction and Training programme for 2025-27, including the additional guidance, support and training being offered by third party organisations.

RESOLVED that

- a) the draft Elected Member Training programme 2025/2026 for the next municipal year be noted and approved;
- b) Delegated Authority be granted to the Assistant Director – Democracy and Governance to liaise with the Chair of the Audit and Standards Committee, to refine and make any necessary minor amendments so the programme can be finalised and implemented; and
- c) the draft Elected Member Induction and Training programme 2026/2027 be noted at this stage.

ASC43 **Any Other Items**

An extraordinary meeting of the Audit and Standards Committee will take place on Tuesday, 25 February 2025.

Chair _____

Audit and Standards – Schedule of Declarations of Interests – 2024/2025

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	General dispensations granted to all members under s.33 of the Localism Act 2011			Granted to all members of the Council in the areas of: <ul style="list-style-type: none"> - Housing matters - Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992 - An allowance, payment given to members - An indemnity given to members - Any ceremonial honour given to members - Setting council tax or a precept under the Local Government Finance Act 1992 - Planning and Licensing matters - Allotments - Local Enterprise Partnership
	J. Bonner	Employed by Etone College (Matrix Academy Trust) - Teacher	The Labour Party (sponsorship) Member of: - The Labour Party - National Education Union	
	D. Brown	Employed by H.M Land Registry	-Regional Coordinator, Ragdoll Rescue Charity. -Trustee of the Exhall Education Foundation Charity	
	T. Cooper			
	L. Cvetkovic	Head of Geography (Teacher), Sidney Stringer Academy, Coventry	Trustee of Bulkington Volunteers (Founder); Bulkington Sports and Social Club (Trustee) Member on the following Outside Bodies: - Building Control Partnership Steering Group	
	B. Hancox		The Labour Party (sponsorship) Member of: - The Labour Party - Unite the Union - British Gurkha Veterans Association (Adviser) Representative on the following Outside Bodies: - Nuneaton Festival of Arts - Bedworth Neighbourhood Watch Committee - Nicolas Chamberlaine's School Foundation	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	J. Hartshorn	Employed by Asda Nuneaton	Member of Nuneaton Conservatives	
	W. Markham		Governor at Ash Green School for SEND Member of the following bodies: - Unite Union - Free Speech Union - Exhall Multicultural Group	
	K. Price	Warwickshire County Council	The Labour Party Unite the Union BASW Social Work England Registration	
	B. Saru	- Director – Saru Embroidery Ltd - Co-founder and Owner – Fish Tale Ale Beer	- Labour Party (sponsorship) - Chair of the British Gurkha Veterans Association Representative on the following Outside Bodies: - Armed Forces Covenant	
	C. Smith	Software Engineer – Prophet PLC	- Member of Labour Party and Unite - Safeguarding – Manor Park RFC Representative on the following Outside Bodies: - Astley Charity	
	M. Wright			

NUNEATON AND BEDWORTH BOROUGH COUNCIL

AUDIT & STANDARDS COMMITTEE

25th February 2025

An extraordinary meeting of the Audit & Standards Committee was held on Tuesday, 25th February 2025 in the Council Chamber, Town Hall, Nuneaton.

Present

Councillor J. Bonner – Chair

Councillors: D. Brown (Vice-Chair), T. Cooper, L. Cvetkovic, B. Hancox, W. Markham, K. Price, B. Saru, C. Smith and M. Wright.

Apologies: Councillor J. Hartshorn.

PART I – PUBLIC BUSINESS

ASC44 **Declarations of Interest**

RESOLVED that the declarations of interest are as set out in the Schedule attached to these minutes.

ASC45 **Statement of Accounts 2023/24 Approval**

A Report of the Strategic Director – Corporate Resources, with a presentation from representatives of the External Auditors provided the Committee with the final version of the 2023/24 Statement of Accounts for approval.

RESOLVED that

- a) the Audit Opinion on the Statement of Accounts be noted;
- b) the Auditor's Completion Report be noted;
- c) delegated authority be given to the Strategic Director – Corporate Resources and Chair of Audit and Standards Committee to sign the Accounts; and
- d) delegated authority be given to the Strategic Director – Corporate Resources and Chair of Audit and Standards Committee to sign the Letter of Representation.

ASC46 **Exclusion of the Public and Press**

RESOLVED that under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item, it being likely that there would be disclosure of exempt information of the description specified in paragraph (7) of Part I and II of Schedule 12A to the Act.

PART II – EXEMPT ITEM/S

ASC47 **Auditor Completion Report Addendum**

A Report of the Strategic Director – Corporate Resources, with a presentation from representatives of the External Auditors allowed Members to view and ask questions on the action plan for ICT cyber security risks.

RESOLVED that the action plan for ICT cyber security risks be noted.

Chair _____

Audit and Standards – Schedule of Declarations of Interests – 2024/2025

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NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee – 1st April 2025

From: Head of Audit Partnership

Subject: Internal Audit Plan 2025-26 and Internal Audit Charter

1. Purpose of the Report

- 1.1 To consider and approve the proposed Internal Audit Plan for 2025/26 and to approve the Internal Audit Charter.

2. Recommendations

- 2.1 That the proposed Internal Audit Plan for 2025/26 (Attached at Appendix A) is considered and approved for implementation, subject to any changes agreed by the Committee.
- 2.2 That the Internal Audit Charter (Attached within Appendix A) is approved.

3. What the Committee is being asked to consider?

- 3.1 That the approach taken to develop the Audit Plan is sound.
- 3.2 That the breadth of the Plan is sufficient to allow the Audit Manager to give an opinion on the overall control environment.
- 3.3 To acknowledge that the current CMAP Internal Audit Charter will be in operation while a new Charter that conforms to the new Global Internal Audit Standards (GIAS) is being finalised. Advice from the Chartered Institute of Public Finance & Accountancy is that conformance with the GIAS will happen over time and does not need to be in place on 1st April, but that a plan to achieve conformance needs to be produced.

4. Internal Audit Plan

- 4.1 The Audit Plan has been drawn up by the Central Midlands Audit Partnership (CMAP) in consultation with the Council's Leadership Team. The Plan details where Internal Audit is proposing to allocate its resources over the financial year 2025/26.
- 4.2 The Audit Plan must incorporate sufficient work to enable the Chief Audit Executive (Audit Manager) to give an opinion for the 2025/26 financial year on the adequacy of the Council's overall governance, risk and control environment. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.

- 4.3 In accordance with the new Global Internal Audit Standards (GIAS) which come into force in the public sector on 1st April 2025, Internal Audit must develop a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals, for the coming financial year. The chief audit executive (Audit Manager) must review and adjust the plan, as necessary, in response to changes in the organisation's business, risks, operations, programmes, systems, and controls.
- 4.4 The audit planning process involves a risk assessment of the Council's key operations with reference to the Council's key risks and objectives which helps to inform how audit will allocate resources.

5. Internal Audit Charter

- 5.1 The Public Sector Internal Audit Standards required that the Chief Audit Executive presented the Internal Audit Charter to the Audit Committee for approval. The Global Internal Audit Standards have the same requirement. Standard 6.2 of the GIAS states that:

“The chief audit executive must develop and maintain an internal audit charter that specifies, at a minimum, the internal audit function's:

- Purpose of Internal Auditing.
- Commitment to adhering to the Global Internal Audit Standards.
- Mandate, including scope and types of services to be provided, and the board's responsibilities and expectations regarding management's support of the internal audit function. (See also Standard 6.1 Internal Audit Mandate.)
- Organizational position and reporting relationships. (See also Standard 7.1 Organizational Independence.)”

- 5.2 The Head of the Audit Partnership has revised the CMAP Internal Audit Charter in line with the requirements of the new GIAS. This still needs to be discussed with the CMAP Management Team and then with the CMAP Operational Group. The revised Charter will then be brought to the Audit and Standards Committee for approval. In the meantime, CMAP will continue to work to the Charter that drawn up for all partners for 2024/25.

RICHARD BONEHAM
HEAD OF AUDIT PARTNERSHIP

Nuneaton & Bedworth Borough Council – Internal Audit Plan 2025-26 & Audit Charter

Audit & Standards Committee: 1st April 2025



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Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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Introduction

Purpose of Report

The purpose of this report is for the Board to approve the Internal Audit Charter and Annual Internal Audit Plan for 2025-26.

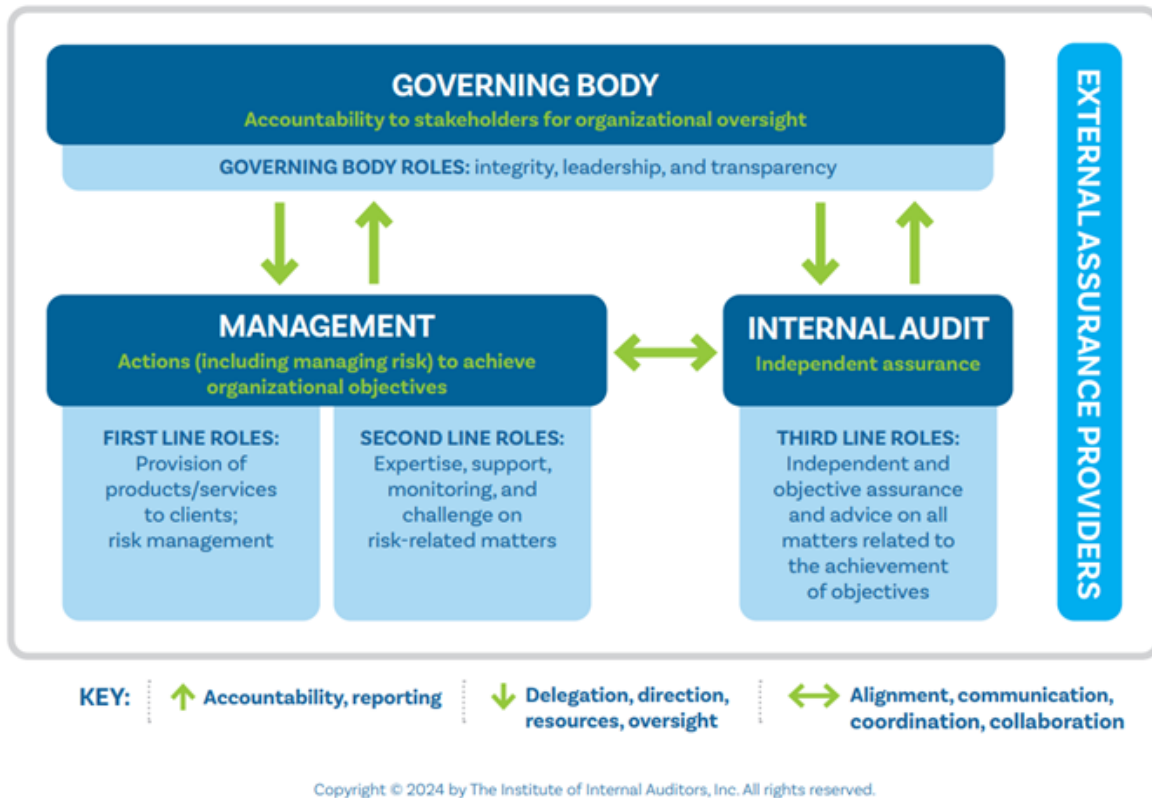
Role of Internal Audit

All local authorities must make proper provision for internal audit in line with the 1972 Local Government Act (S151) and the Accounts and Audit Regulations 2015.

The Council's Internal Audit service is provided by Central Midlands Audit Partnership (CMAP) The Partnership was formed as a Joint Board under section 101 of the Local Government Act 1972. It currently serves 7 public sector organisations and Derby City Council is the host authority. The current legal agreement between the Partners runs until 31st March 2025. From 1st April 2025 a Combined Authority and another Council will be joining the Partnership and the new partnership agreement will run until 31st March 2030.

Internal Audit provides the Audit & Standards Committee and senior management with objective assurance on the Council's overall control environment, comprising the systems of governance, risk management, and internal control and highlights control weaknesses together with recommendations for improvement. This helps senior management demonstrate that they are managing the Council effectively. Internal Audit's work significantly contributes to the Council's statutory Annual Governance Statement (AGS).

Internal Audit is part of the Council's governance framework which can be summarised in the three lines model shown below.



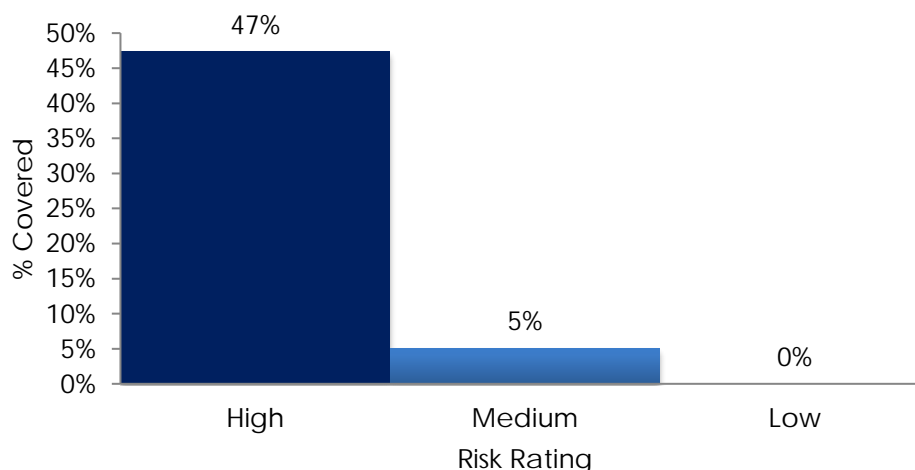
Internal Audit Plan

The Public Sector Internal Audit Standards (PSIAS) state that annually the Chief Audit Executive is responsible for developing a risk-based plan. In this instance, the Chief Audit Executive is Linda Downes, Audit Manager.

The annual Audit Plan sets out proposals on how this will be achieved in the year ahead. It is a flexible Plan that allows Internal Audit to respond to emerging and changing risks during the year.

The Audit Plan must incorporate sufficient work to enable the Chief Audit Executive to give an opinion on the adequacy of the Council's overall control environment. Equally Internal Audit must be adequately resourced with the necessary level of skilled and experienced staff to deliver the Audit Plan.

2025-26 Coverage of Auditable Areas by Risk Rating Category



Progress in completing the audit plan, will be submitted to the Audit & Standards Committee as part of regular Internal Audit Progress reports.

Internal Audit Charter

An Internal Audit Charter is a formal document that defines internal audit's purpose, authority, responsibility and position within an organisation. The Internal Audit Charter describes how internal audit will provide value to the Council, the nature of the services it will provide and the specific focus or emphasis required of internal audit to help the Council achieve its objectives.

Having an Internal Audit Charter also establishes the internal audit activity's position within the Council, including reporting lines, authorising access to records, personnel, and physical properties relevant to the performance of engagements; also defining the scope of internal audit activities. A copy of the current Internal Audit Charter is attached at [Appendix B](#). It is the role of the Audit & Standards Committee to review and approve the 'Internal Audit Charter' on an annual basis.

The International Professional Practices Framework (IPPF) has undergone a comprehensive restructure, resulting in new Global Internal Audit Standards. This has in turn recently resulted in the release of the New UK Application Note: Global Internal Audit Standards in the UK Public Sector which replaces UK PSIAS from 1st April 2025.

The Application Note: Global Internal Audit Standards in the UK Public Sector has been issued by the Relevant Internal Audit Standard Setters (RIASS), who between them have authority for determining standards to be applied in the various parts of the UK public sector. Taken together, the Global Internal Audit Standards and the Application Note will form the basis of UK public sector internal audit effective from 1st April 2025. The effective date aligns the new standards with requirements for annual opinions and other relevant aspects of UK public sector governance which align with the financial year. Until 1st April 2025, the existing PSIAS based on the old International Professional Practices Framework will continue to apply.

The implications of the new application note and new standards on our Internal Audit Charter are yet to be determined and actioned. An appropriately revised Audit Charter will be brought to Committee for approval later in the year.

Approach to Audit Planning

Internal Audit takes into account the Council’s risk management framework, including using risk appetite levels set by management for the different activities or parts of the Council. If a framework does not exist, Internal Audit must determine its own judgment of risks following a thorough consultation process. We endeavour to consult with relevant managers to further understand the risk areas where internal audit assurance will be appropriate.

A risk based audit plan has been compiled in consultation with the Council’s Management, using the Councils risk registers and CMAP's bespoke risk assessment model which considers the following 8 measures of risk

Impact	Materiality	Potentially, how much money could the Council lose if this area is not properly controlled?
	Criticality	How critical is this function to the effective running of the Council’s core activities?
	Sensitivity	How important is this area in the opinion of senior management and the Board?
	Strategic Effect	How does this function affect the Council’s long term aims and objectives?
Likelihood	Changes	What changes (staffing, procedural, IT, legislative) has this area been subject to?
	Complexity	How complex is the area under review?
	Review Process	How often is this area reviewed by audit and other agencies?
	Inherent Risks	How susceptible is this area to fraud and irregularity?

Once the scores for each of the 79 auditable areas identified have been input to the risk model, along with the date when the area was last audited, the risk model will automatically generate a plan of suggested audit coverage. Senior management are consulted on the proposed plan and their views are taken account of before producing the final, ranked list of areas to audit. This year's risk assessment identified 19 High risk areas, 59 Medium risk areas and 1 Low risk area.

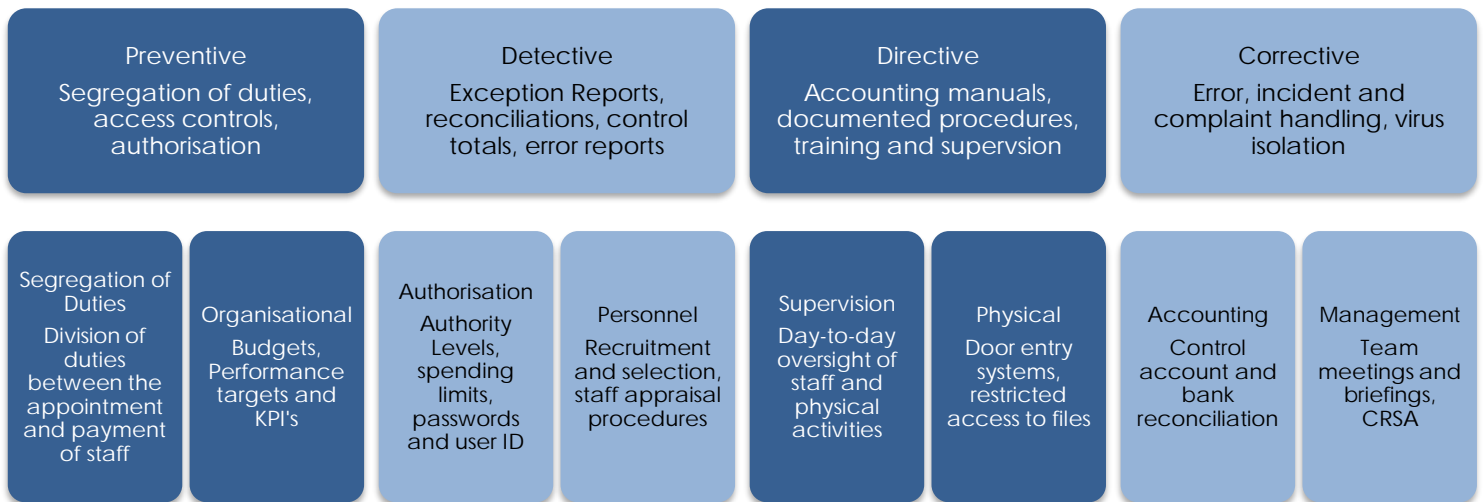
Types of Audit Work

Key Financial Systems Audit - Much of internal audit's assurance work comes from the review of the risks and controls associated with the Council's financial systems.

External Audit will also review the work on the key financial systems to assist them when determining their opinion on Council's annual accounts.

Systems / Risk Based Audits - The auditor's prime role is to review the internal control systems developed by management to mitigate operational risks and report upon the adequacy of those controls (see below for control examples). A Council's overall internal control system is the product of all of those systems and processes that the Council has created to deliver its business objectives, both financial and non-financial.

Control categories with examples



Source: Chartered Institute of Internal Auditors – Resources – Control

IT Audit – Typically our IT auditing coverage focuses on the following:

- **Infrastructure** - Infrastructure audits cover perimeter defences, authentication, management and monitoring, and devices. Infrastructure audits help provide assurance that the organisation's private network is protected from internet attacks, unauthorised or inappropriate access via local or remote attacks, and also ensure the Council has the necessary monitoring and incident analysis to maintain and analyse the Network.
- **Applications** - Application audits cover thin and fat client applications, and both internal (Intranet) or external (Web) applications. Applications audits typically focus on CIAA (Confidentiality, Integrity, Availability and Accountability risks) to ensure attackers cannot exploit vulnerabilities to gain unauthorised access to sensitive corporate data.

Governance/Ethics Reviews - The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled. Internal Audit reviews corporate systems such as Risk Management, Health & Safety, Data Quality, Anti -Fraud and should consider organisational ethics, values and culture.

Nuneaton & Bedworth Borough Council – Audit Plan 2025-26

Procurement/Contract Audit - Procurement involves the process of acquisition from third parties and spans the whole life cycle from the initial concept (determining the need), through buying and delivery, to the end of a service contract. The audit approach to procurement should primarily concern the Council's corporate procurement strategy and associated management structures and processes, including contract procedure rules and detailed procurement guidance.

Client Support/Consultancy Work

The scope of the consultancy service that CMAP can offer is constrained by our skills set. Accordingly, consultancy work is likely to be on areas where the control framework is in development or subject to changes. The advice offered by Internal Audit in its consultancy role may include advising on the design and implementation of new policies, processes, and systems; providing forensic/analytic services; providing training; and facilitating discussions about risks, controls and governance arrangements.

To support the Council, time has also been set aside in the Audit Plan for the following:

Audit Management – There are certain management tasks that are specific to each Partner organisation, such as, reporting to Audit Committee, Audit Risk Assessment & Planning etc. These require a contingency of time to be planned.

Advice & Emerging Issues - On an ad-hoc basis, Audit is called upon to provide risk and control advice on issues throughout the Council. This consultancy work is a very important service and requests for Audit input are considered to be a good measure of the quality of the Audit service and of the satisfaction of our clients.

Anti-Fraud/Probity/Investigations - Internal audit has an important role to play in ensuring that management has effective systems in place to detect and prevent corrupt practices within the Council. Internal audit's role includes promoting anti-fraud best practice, testing and monitoring systems through probity work and advising on change where it is needed. Internal Audit also may be involved, on a consultancy basis, in the investigation of suspected internal fraud, theft or major irregularity (where there is some form of alleged financial irregularity, which may have resulted in financial loss to the Council).

Follow-up Audits - Internal Audit is committed towards ensuring that control improvements are achieved and all agreed actions are acted upon. We have developed a recommendation tracking database, which allows us to monitor, follow-up and report upon the status of all management's actions in respect of agreed audit recommendations.

Brought Forward Jobs - A number of incomplete audits from the 2024-25 Audit Plan will need to be concluded in 2025-26.



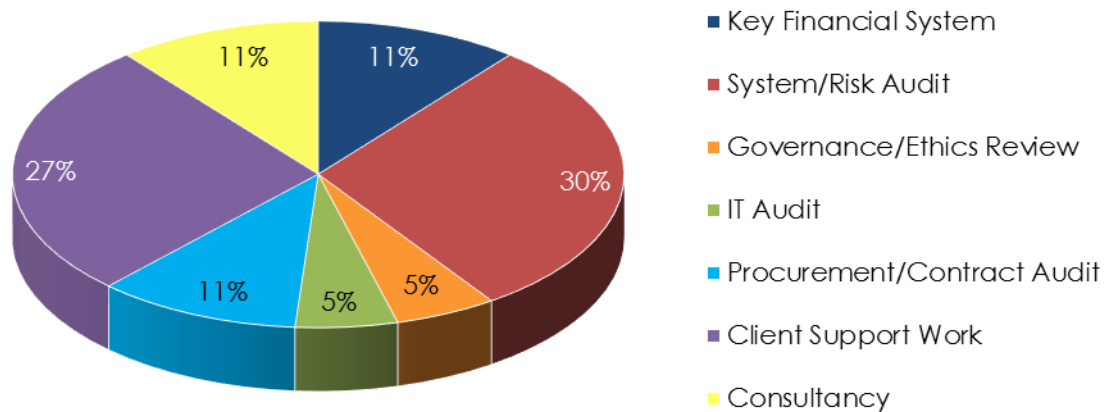
Appendix A - Audit Plan Detail

Our risk assessment of the Council's activities, in consultation with senior management, has concluded that the following audits will be undertaken in 2025-26:

Audit Plan Assignments	Risk Rating	Indicative Quarter
Key Financial Systems Reviews		
Insurance	High	
Housing Benefit & Council Tax Support	High	
Governance/Ethics Reviews		
Risk Management	High	
Procurement/Contract Reviews		
Procurement (Contracts Register)	High	
Capital Project Management	High	
System/Risk Reviews		
Business Change & Transformation	High	
Voids Management	High	
Markets & Street Trading	Medium	
Health & Safety	Medium	
Waste Management (Collection, Recycling)	High	
Parks & Open Spaces	Medium	
IT Audit Reviews		
IT Infrastructure/Applications	High	

The detailed scopes of each audit assignment will be agreed with the relevant managers nearer the commencement of the audit. The cost of the Internal Audit Service for 2025-26 is estimated to be £152,542.

Audit Plan 2025-26 per Type of Audit



Appendix B - Audit Charter

Purpose & Mission

The purpose of the Council's internal audit service is to provide independent, objective assurance and consulting services designed to add value and improve the Council's operations. The mission of internal audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The internal audit service helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Standards for the Professional Practice of Internal Auditing

The internal audit service will govern itself by adherence to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing. The Chief Audit Executive will report periodically to senior management¹ and the Board² regarding the internal audit service's conformance to the Code of Ethics and the Standards.

Authority

The Chief Audit Executive will report functionally to the Audit & Standards Committee and administratively (i.e. day-to-day operations) to the Strategic Director (Corporate Resources). To establish, maintain, and assure that the Council's internal audit service has sufficient authority to fulfil its duties, the Audit & Standards Committee will:

- Approve the internal audit service's charter.
- Approve the risk-based internal audit plan.
- Approve the internal audit service's budget and resource plan.
- Receive communications from the Chief Audit Executive on the internal audit service's performance relative to its plan and other matters.
- Make appropriate inquiries of management and the Chief Audit Executive to determine whether there is inappropriate scope or resource limitations.
- The Chief Audit Executive will have unrestricted access to, and communicate and interact directly with, the Audit & Standards Committee, including in private meetings without management present.

¹ The PSIAS defines senior management as "Those responsible for the leadership and direction of the Council" which in this instance is the Council's Senior Leadership Team.

² The Standards require that Internal Audit report to the Board. CIPFA have via the Public Sector Internal Audit Standards (PSIAS) Guidelines, determined that 'Board' may refer to an audit committee to which the governing body has delegated certain functions. In this instance this would be the Audit & Standards Committee.

The Audit & Standards Committee authorises the internal audit service to:

- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel of the Council, as well as other specialised services from within or outside the Council, in order to complete the engagement.

Independence & Objectivity

The Chief Audit Executive will ensure that the internal audit service remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the Chief Audit Executive determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the Council or its affiliates.
- Initiating or approving transactions external to the internal audit service.
- Directing the activities of any Council employee not employed by the internal audit service, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Where the Chief Audit Executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

Internal auditors will:

- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.

- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The Chief Audit Executive will confirm to the Audit & Standards Committee, at least annually, the organisational independence of the internal audit service.

The Chief Audit Executive will disclose to the Audit & Standards Committee any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

Scope of Internal Audit Activities

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit & Standards Committee, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for the Council. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of the Council's strategic objectives are appropriately identified and managed.
- The actions of the Council's officers, directors, employees, and contractors are in compliance with the Council's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations or programs are consistent with established goals and objectives.
- Operations or programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the Council.
- Information and the means used to identify, measure, analyse, classify, and report such information are reliable and have integrity.
- Resources and assets are acquired economically, used efficiently, and protected adequately.

The Chief Audit Executive will report periodically to senior management and the Audit & Standards Committee regarding:

- The internal audit service's purpose, authority, and responsibility.
- The internal audit service's plan and performance relative to its plan.
- The internal audit service's conformance with The IIA's Code of Ethics and Standards, and action plans to address any significant conformance issues.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the Audit & Standards Committee.
- Results of audit engagements or other activities.
- Resource requirements.
- Any response to risk by management that may be unacceptable to the Council.

The Chief Audit Executive also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and consulting service providers as needed. The internal audit service may perform advisory and related client service activities, the nature and scope of which will be agreed with the client, provided the internal audit service does not assume management responsibility.

Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

Responsibility

The Chief Audit Executive has the responsibility to:

- Submit, at least annually, to senior management and the Audit & Standards Committee a risk-based internal audit plan for review and approval.
- Communicate to senior management and the Audit & Standards Committee the impact of resource limitations on the internal audit plan.
- Review and adjust the internal audit plan, as necessary, in response to changes in the Council's business, risks, operations, programmes, systems, and controls.
- Communicate to senior management and the Audit & Standards Committee any significant interim changes to the internal audit plan.
- Ensure each engagement of the internal audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties.
- Follow up on engagement findings and corrective actions, and report periodically to senior management and the Audit & Standards Committee any corrective actions not effectively implemented.
- Ensure the principles of integrity, objectivity, confidentiality, and competency are applied and upheld.
- Ensure the internal audit service collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter.
- Ensure trends and emerging issues that could impact the Council are considered and communicated to senior management and the Audit & Standards Committee as appropriate.
- Ensure emerging trends and successful practices in internal auditing are considered.
- Establish and ensure adherence to policies and procedures designed to guide the internal audit service.
- Ensure adherence to the Council's relevant policies and procedures, unless such policies and procedures conflict with the internal audit charter. Any such



conflicts will be resolved or otherwise communicated to senior management and the Audit & Standards Committee.

- Ensure conformance of the internal audit service with the Standards, with the following qualifications:
 - If the internal audit service is prohibited by law or regulation from conformance with certain parts of the Standards, the Chief Audit Executive will ensure appropriate disclosures and will ensure conformance with all other parts of the Standards.
 - When the Standards are used in conjunction with requirements issued by CIPFA, the Chief Audit Executive will ensure that the internal audit service conforms with the Standards, even if the internal audit service also conforms with the more restrictive requirements of CIPFA.

Quality Assurance & Improvement Programme (QAIP)

The internal audit service will maintain a quality assurance and improvement programme that covers all aspects of the internal audit service. The program will include an evaluation of the internal audit service's conformance with the Standards and an evaluation of whether internal auditors apply The IIA's Code of Ethics. The program will also assess the efficiency and effectiveness of the internal audit service and identify opportunities for improvement.

The Chief Audit Executive will communicate to senior management and the Audit & Standards Committee on the internal audit service's quality assurance and improvement programme, including results of internal assessments (both on-going and periodic) and external assessments conducted at least once every five years by a qualified, independent assessor or assessment team from outside the Council.



Central Midlands
Audit Partnership

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee – 1st April 2025

From: Monitoring Officer

Subject: Complaints against Members - Update

1. Purpose of Report

- 1.1. To provide the Audit and Standards Committee with an update on the overview report presented in respect of complaints against members.
- 1.1 Members must note that the Committee should not discuss in open session a specific case. Specific matters are discussed in a sub-assessment committee in line with the process adopted by Council on 18th May 2022. Therefore, Officers and members of the Committee must refrain from discussing a specific matter related to an individual further to this report. This is because under the Local Government Act 1972, paragraph 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 (1. Information relating to any individual. 2. Information which is likely to reveal the identity of an individual.) is classified as exempt information.

2. Recommendation

- 2.1 It be noted that a total of zero (0) formal complaints against elected members have been received since the last report came before the Committee (10th September 2024).

3. Background

- 3.1 As part of the performance management arrangements, reports are submitted to the Audit and Standards Committee every six months. The last report received by Committee at its meeting on 10th September 2024 and before that 2nd July 2024. This report now addresses the complaints received since the last report came before Committee.
- 3.2 Part 5A of the Constitution contains the Member Code of Conduct Complaint Process and part A9.3 outlines the role and function of the Audit and Standards Committee

4. Complaints

- 4.1 A total of zero (0) formal complaints against elected members have been received since the last report came before the Committee (10th September 2024).
- 4.2 One (1) complaint remains outstanding which is currently being dealt with in line with the new process adopted by the Council on 18th May 2022, and the subject member has been approached with a view to seeking an informal resolution, subject to this being agreed by all parties. If there is no informal resolution the complaint will be referred to an Assessment Sub-Committee of this Committee for a decision on how to proceed with the complaint in accordance with the initial filtering stage of the process as referred to at Part 5A.1 of the Constitution.

MATTHEW WALLBANK