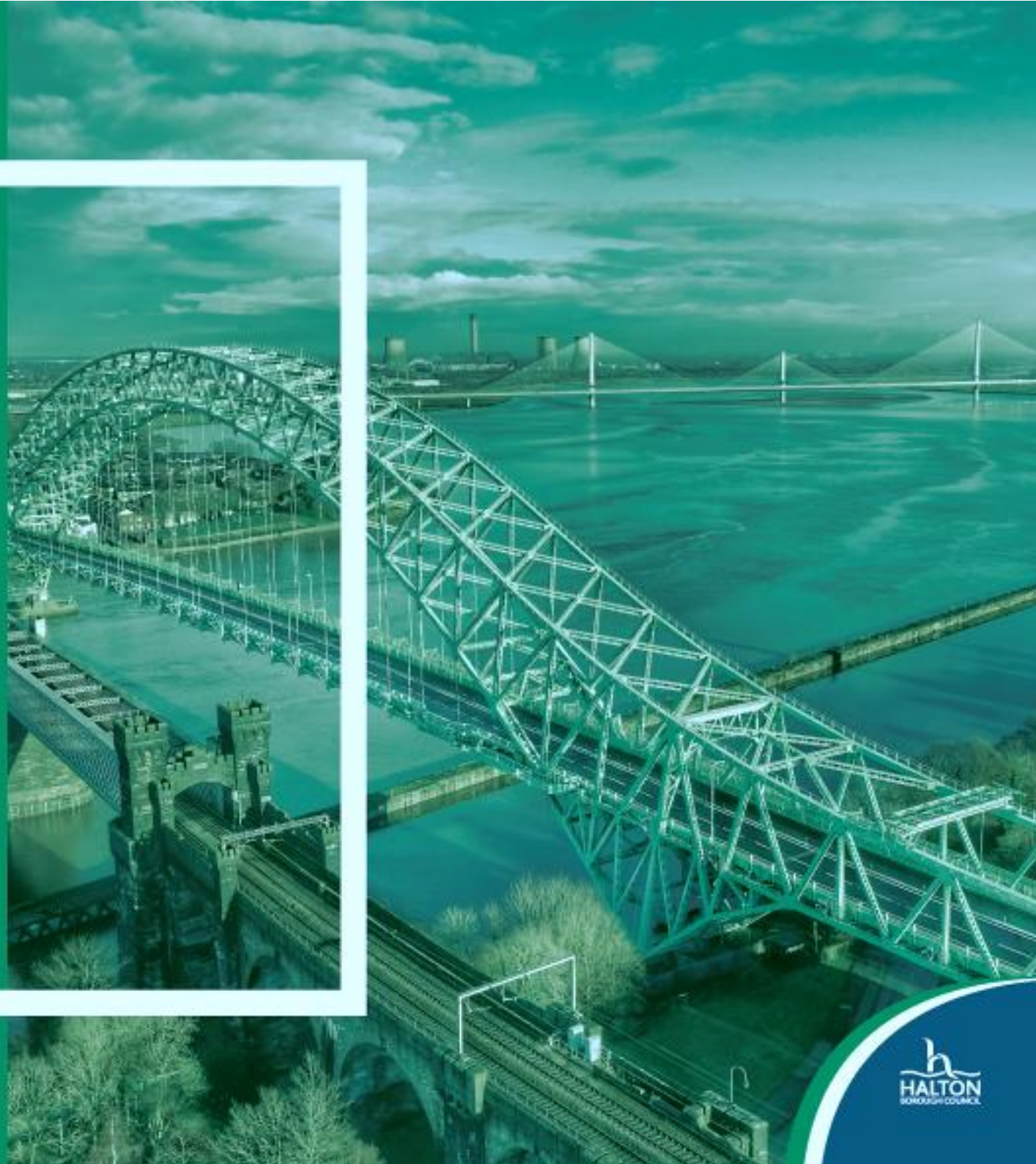
Internal Audit Plan 2026/27



1 INTRODUCTION

1.1 This document summarises the outcome of Internal Audit's annual planning process. It sets out the key elements that underpin the delivery of the Council's internal audit service, including:

- Responsibilities of internal audit, management and the Audit and Governance Board
- Scope, resourcing and delivery of the Council's internal audit service
- Arrangements for reporting internal audit work
- Planning methodology
- Proposed programme of work for 2026/27 (the Audit Plan)

1.2 The Internal Audit Plan for 2026/27 has been prepared with reference to the Global Internal Audit Standards (GIAS). The GIAS represent mandatory professional practice for internal audit functions and set the benchmark for the delivery of high-quality, independent assurance across the public sector.

1.3 The Council has adopted the GIAS definition of internal auditing:

> *'Internal auditing is an independent, objective assurance and consulting activity 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 risk management, control, and governance processes.'*

1.4 Internal audit work plays a vital role in supporting the Council's ambition to be a resilient, continuously improving organisation. Through the provision of independent assurance and advice, internal audit helps ensure that the Council's services are delivered efficiently, effectively, and in the public interest. In doing so, the function contributes directly to the achievement of the Council's wider corporate aims, objectives, and statutory responsibilities.

1.5 The GIAS require that the internal audit service is delivered and developed in accordance with the Internal Audit Charter. The principles and responsibilities set out within the Charter are also embedded in section 6.2 of the Council's Finance Standing Orders, ensuring a clear and robust governance framework for internal audit activity.

3 INTERNAL AUDIT – SCOPE, RESOURCING & DELIVERY

2.1 Responsibilities of internal audit

The internal audit function is responsible for:

- Supporting effective governance by providing independent, objective assurance and advice that enhances organisational success
- Promoting appropriate ethics and values by setting expectations for integrity, objectivity, and ethical behaviour within the internal audit activity
- Strengthening performance management and accountability by improving decision-making and supporting the organisation's ability to serve the public interest
- Coordinating effectively with the Audit and Governance Board, external audit, and management to support an integrated approach to assurance
- Evaluating the effectiveness of the Council's risk management processes and contributing to their ongoing improvement
- Providing independent assurance over the Council's control environment through the delivery of engagements that assess the adequacy and effectiveness of governance, risk management, and control

2.2 Responsibilities of management

Management is responsible for:

- Establishing, operating, and maintaining effective internal control systems, including supporting the internal audit function and ensuring that identified control weaknesses are addressed in a timely manner.
- Implementing and maintaining effective controls to manage risk within their service areas. While Internal Audit may recommend improvements to strengthen the control environment and reduce risk, responsibility for implementation rests with management, and Internal Audit cannot eliminate risk entirely.

2.3 Responsibilities of the Audit and Governance Board

In regard to internal audit, the Audit and Governance Board is responsible for:

- Approving the internal audit charter
- Reviewing proposals made in relation to the provision of internal audit services and to make recommendations
- Approving the risk-based internal audit plan, including internal audit's resource requirement, the approach to using other sources of assurance, and any work required to place reliance upon those other sources

- Approving significant interim changes to the risk-based internal audit plan and resource requirements
- Making appropriate enquiries of both management and the Head of Internal Audit to determine if there are any inappropriate scope or resource limitations
- Considering any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of Internal Audit, and approving and periodically reviewing safeguards to limit such impairments
- Considering reports from the Head of Internal Audit on internal audit's performance, including the performance of external providers of internal audit services if applicable
- Considering the Head of Internal Audit's annual report
- Considering summaries of specific internal audit reports
- Receiving reports outlining the action taken where the Head of Internal Audit has concluded that management has accepted a level of risk that may be unacceptable to the Council, or there are concerns about progress with the implementation of agreed actions
- Contributing to the external assessment of internal audit that takes place at least once every five years
- Supporting the development of effective communication with the Head of Internal Audit, including providing free and unfettered access to the Chair of the Audit and Governance Board

2.4 Responsibilities for fraud prevention and detection

The primary responsibility for preventing and detecting fraud lies with management. This includes establishing a culture of integrity, identifying fraud risks, and implementing appropriate anti-fraud controls.

Internal Audit may assess the adequacy and effectiveness of fraud risk management within the areas audited, but it does not own or operate the organisation's fraud controls.

The Council has a dedicated Investigations Team that works alongside Internal Audit, handling all fraud-related and HR investigatory work. These activities are not included in the audit plan, and their outcomes are reported separately to the Audit and Governance Board.

3 INTERNAL AUDIT – SCOPE, RESOURCING & DELIVERY

3.1 Scope of internal audit activities

The scope of internal audit work includes:

- The Council's entire control environment, covering both financial and non-financial systems.
- Reviewing the adequacy and effectiveness of controls that safeguard the Council's interests in its partnerships and other collaborative arrangements.

Internal Audit may also provide assurance services to external bodies where approved by the Audit and Governance Board. This includes longstanding assurance work for the Manchester Port Health Authority (MPHA), delivered under a service level agreement, and assurance work for the Connect2Halton joint venture, established in 2024 in partnership with Commercial Services Group Limited.

3.2 Resource requirements

The level of resource required to deliver an effective internal audit service has been assessed with reference to the need to provide sufficient audit coverage of the Council's:

- Business critical systems
- Risk management and governance arrangements
- Grant certification work
- Front line services
- Support services
- Procurement and contract management activity
- Information management and technology governance
- Fraud risks
- Schools

In assessing resource requirements, account has also been taken of the need to provide capacity for:

- Unplanned work which may arise during the year
- Follow up work to provide assurance that previously agreed actions are implemented
- Provision of advice and consultancy

The Council's challenging financial position inevitably influences the resources available for internal audit. While the audit plan has been structured to ensure that priority risk areas receive appropriate coverage, it is not feasible nor necessary to review all high-risk areas every year. As a result, the audit plan focuses on those areas where further independent assurance is judged to be most valuable, while ensuring that the internal audit service remains adaptable and able to respond to emerging risks within the constraints of available resources.

3 INTERNAL AUDIT – SCOPE, RESOURCING & DELIVERY

3.3 Delivery of the internal audit service

The 2026/27 audit plan will be delivered by an experienced and suitably qualified in-house team of 5.2 FTE auditors. This level of resourcing is considered sufficient to support the delivery of a robust annual internal audit opinion to the Board.

Where necessary, additional specialist support may be commissioned to supplement the in-house team and ensure that planned audit work can be delivered to the required standard. The Internal Audit team will also, where appropriate, collaborate with audit colleagues from other local authorities, enabling access to wider expertise and strengthening the delivery of specific assignments.

This approach ensures that the internal audit function has the capacity, competence, and flexibility to meet its responsibilities, respond to emerging risks, and maintain the quality and effectiveness of its work throughout the year.

3.4 Mitigation of any potential impairment to independence and objectivity

The Internal Audit team is managed by the Head of Audit & Operational Finance, who also has management responsibility for the following functions:

- Purchase to pay
- Income control (collection and reconciliation of income)
- Insurance
- Corporate appointeeships and deputyships
- Direct payments
- Financial assessments (Adult social care)
- Social care provider payments
- Income recovery

The arrangements previously approved by the Board to mitigate any potential impairment to independence and objectivity in auditing these areas remain in place (see following link Safeguarding Internal Audit Independence).

3.5 Approach to placing reliance on other sources of assurance

When planning specific audit assignments, other sources of assurance may be considered to optimise the use of audit resources. Any necessary work to place reliance on these sources will be determined on a case-by-case basis and referenced in the resulting audit report.

4 INTERNAL AUDIT – REPORTING

4.1 Distribution of internal audit reports

At the conclusion of each audit assignment, a draft report is issued to the manager responsible for the area which has been audited. A final report containing management responses to any issues identified is subsequently distributed as follows:

- Chief Executive
- Director – Finance (s151 officer)
- Head of Revenues & Financial Management
- Executive Director, Director, and Head of Service responsible for the area reviewed
- External Audit
- Portfolio Holder – Corporate Services

4.2 Overall assurance opinion

Each audit report includes an overall assurance rating for the audited area. This rating is based on the information gathered during the audit and reflects an assessment of the effectiveness of the risk management, control, and governance processes in place.

The range of assurance ratings in internal audit reports is set out as follows:

Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management, and control to effectively manage risks to the achievement of objectives in the area audited.
Adequate	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

4 INTERNAL AUDIT – REPORTING

4.3 Grading of recommendations

Recommendations made in individual internal audit assignments are categorised according to the following priorities:

High	The audit finding is essential to the management of risk within the area under review
Medium	The audit finding is important to the management of risk within the area under review
Low	The audit finding relates to an issue of good practice that the auditor considers would deliver better outcomes

4.4 Reporting to elected members

Throughout the year regular internal audit progress reports are presented to the Audit and Governance Board summarising the outcomes of internal audit work and any significant matters identified. Such matters may include risk exposures, governance weaknesses, performance improvement opportunities, and value for money issues.

4.5 Annual audit opinion

An annual report is presented to the Audit and Governance Board, providing the Head of Internal Audit's overall opinion on the adequacy and effectiveness of the Council's risk management, control, and governance arrangements. This opinion is a key component of the Council's assurance framework and directly informs the Annual Governance Statement. It is based on a balanced evaluation of all internal audit work undertaken during the year, including the outcomes of planned audit engagements, follow-up work, any advisory activity, and the extent to which management has implemented agreed actions.

5 INTERNAL AUDIT – PLANNING METHODOLOGY

5.1 Requirements of the Global Sector Internal Audit Standards

The GIAS state that the 'chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.'

5.2 Development of the Audit Plan

In developing the audit plan, account has been taken of:

- Planned work deferred from the 2025/26 audit plan that is still considered important
- Senior management's views on risk in their areas of responsibility
- The results of previous internal audit work
- The Council's assurance framework, including the work of external audit
- Work being undertaken as part of the reimagine Halton Transformation Programme
- Known changes to the Council's business, operations, systems, and controls
- Issues identified in the Corporate Risk Register
- The requirement to ensure sufficient and wide ranging coverage in order to provide a robust annual audit opinion

5.3 Links to the Council's Corporate Priorities

Achieving the Council's corporate priorities depends on the efficient and effective use of resources, supported by strong, transparent, and accountable governance arrangements. The delivery of the audit plan therefore contributes to all Council priorities by promoting probity, integrity, accountability, value for money, and the effective stewardship of public funds.

The plan sets out a series of risk-based assignments designed to provide assurance over the adequacy and effectiveness of measures in place to mitigate risks that may affect the Council's ability to deliver its priorities. Each assignment is informed by an assessment of organisational risk, and, where relevant, is directly aligned to risks captured within the Council's Corporate Risk Register. A summary of the Corporate Risk Register is provided at Section 8 for reference.

5.4 Budgeted time allocations

The resource requirements for each audit assignment are determined using a combination of professional judgement, the level of assurance required, and the complexity of the area under review. While indicative time budgets are set during the planning stage, the final scope of each assignment is agreed with management at the outset of the review. This scoping process ensures that the audit work remains proportionate, risk-focused, and targeted to the areas where independent assurance will provide the greatest value.

5 INTERNAL AUDIT – PLANNING METHODOLOGY

As the year progresses, it is normal for the Council's risk profile, operational priorities, and assurance needs to evolve. In response, internal audit resources may need to be reallocated to ensure that assurance remains aligned to the most significant risks and emerging issues.

Adjustments to time budgets may therefore be made to reflect changes in:

- The urgency or sensitivity of specific risks
- The complexity or depth of work required to form an opinion
- New or emerging issues requiring assurance
- The need to respond to unplanned work or management requests
- The extent of follow-up activity required where weaknesses have been identified

5.5 Timing and prioritisation of audit work

The intention is to complete all planned work within the year. However, the timing and prioritisation of individual assignments will take account of the following factors:

- The need to complete any outstanding work carried forward from the 2025/26 Audit Plan
- The prioritisation of any reviews deferred from the 2025/26 Audit Plan
- Input from management regarding the most appropriate timing for work within service areas
- Other operational or contextual factors that may influence the scheduling of specific assignments
- The need to respond to urgent or unplanned work that may arise during the year
- Any changes in the availability of internal audit resources

5.6 Significant interim changes to planned work

The audit plan will be kept under review during the year and it may be necessary to make revisions to planned work in order to respond to changes in priorities or changes in the level of internal audit resources. As in previous years, minor changes will be agreed with the Director – Finance. Any significant changes will be reported to the Audit and Governance Board.

6 SUMMARY INTERNAL AUDIT PLAN – 2026/27

A high-level summary of the planned allocation of internal audit resources for 2026/27 is shown in the following table:

Planned allocation of Internal Audit resources	Days
Adults Directorate	150
Chief Executive's Directorate	210
Children's Directorate	80
Environment & Regeneration Directorate	30
Public Health Directorate	30
Grants	175
Corporate support	75
Schools	120
Follow up audits	24
Contingency	60
External work	6
Total	**960**

The individual assignments to be completed are summarised in more detail in the following section.

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Adults Directorate	Debt Recovery – Adult Social Care clients	Adult Social Care client debt remains substantial, with total outstanding debt currently around £7 million. Aged debt is particularly difficult to recover and poses a significant risk to the Council's financial resilience, directly affecting cash flow and reducing the interest income generated on available balances. The scale and age profile of this debt also increases the risk of irrecoverable amounts, leading to potential budget pressures and the need for write-offs where recovery options have been exhausted. This audit was originally scheduled for 2025/26 but was deferred due to internal audit resource limitations, with the agreement of Adult Social Care management. Given the financial materiality of the debt, the increasing challenge of recovery, and the wider implications for the Council's financial sustainability, the area has now been prioritised for inclusion in the 2026/27 Audit Plan with the agreement of the Interim Director of Adult Social Care.	The review will provide independent assurance over the effectiveness of debt management arrangements, the robustness of recovery processes, and the adequacy of oversight and reporting.	Risks 2, 8B

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Adults Directorate	Care Homes	The Council's in-house care homes are forecasting an overspend of £0.385M, driven by unbudgeted agency staffing costs, along with a number of other operational pressures. Employee-related expenditure alone is projected to exceed budget by £0.152M by year-end. Although recent reductions in agency spending have been achieved through work to improve sickness absence, historic spending patterns over the past three years indicate that staffing pressures remain a significant financial risk. The reliance on agency staff due to ongoing recruitment challenges has the potential to impact both service quality and financial sustainability. This review was originally planned for 2025/26 but was deferred due to internal audit resource constraints, with the agreement of Interim Director of Adult Social Care. The scale and persistence of staffing cost pressures make this an important area for scrutiny during 2026/27.	The audit will examine the effectiveness of staffing arrangements within the Council's care homes, focusing on recruitment and retention practices, staffing levels, rota management, and the use of agency workers. It will also assess whether staffing deployment is efficient, well-controlled, and whether the use of agency staff is appropriately justified, monitored, and kept to the minimum necessary to maintain safe service delivery.	Risks 1A, 2, 8B

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Adults Directorate	Housing Solutions	The Housing Solutions team provides an emergency homelessness service and delivers statutory housing functions, including assessing entitlement for individuals who are homeless or at risk of homelessness. A significant rise in homelessness presentations is placing increased pressure on capacity, decision-making, and the Council's ability to meet its statutory duties. This demand heightens the risk of delays, inconsistent assessments, and financial pressures linked to temporary accommodation. This audit was originally scheduled for 2025/26 but was deferred due to resource constraints. Given the continuing increase in demand, the associated statutory, financial, and reputational risks, and the time elapsed since the area was last independently reviewed, it has been prioritised for inclusion in the 2026/27 Audit Plan with the agreement of Interim Director of Adult Social Care.	The audit will examine the Council's compliance with homelessness legislation in relation to assessment of entitlement to housing.	Risks 1A, 2, 8B, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Adults Directorate	Domiciliary Care Contract	The Council re-tendered its domiciliary care contract and transitioned from a single provider to four main providers from April 2025. Domiciliary care represents a material area of expenditure and delivers essential support to a large number of vulnerable residents. The shift to a multi-provider model introduces additional complexity, increasing the risks associated with provider performance, continuity of care, safeguarding, and financial management. Ensuring that contractual arrangements, quality monitoring processes, and governance controls are robust is considered critical as the new model embeds. This audit was originally scheduled for inclusion in the 2025/26 Audit Plan but was deferred, with the agreement of the Interim Director of Adult Social Care, due to internal audit resource limitations. Given the scale of the contract, the vulnerability of the service users involved, and the significant operational and financial risks associated with the new delivery model, the review has been prioritised for inclusion in the 2026/27 Audit Plan.	The audit will examine the contract management arrangements for the new contracts and the associated arrangements to reconcile payments due to the providers.	Risks 1A, 2, 8B, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Capital Programme	The Capital Programme represents one of the Council's most financially significant areas of activity, with major implications for long-term affordability, borrowing levels, and the Council's overall financial sustainability. The CIPFA External Assurance Review completed in December 2025 recommended that the Council specify an affordable limit for the Capital Programme to reduce reliance on borrowing and ensure projects are prioritised based on clear, evidence-based revenue benefits. This recommendation highlights the need for stronger oversight, more disciplined prioritisation, and improved assurance over the financial and strategic justification for capital investments. Given the scale of the programme and the increasing financial pressures facing the Council, there is an elevated risk that capital commitments may exceed the Council's capacity to fund them sustainably, or that projects may not deliver the expected financial returns or service benefits. Weaknesses in governance, appraisal processes, financial modelling, and programme management could result in cost increases, delays, and long-term budget pressures. In light of these risks, and the importance of responding to the findings of the external review, an audit of the Capital Programme has been included in the 2026/27 Audit Plan. This audit has been agreed with the Director of Finance and Head of Revenues & Financial Management.	The audit will assess the effectiveness of governance, financial oversight, and decision-making arrangements supporting the Council's Capital Programme. Coverage will include the processes for project appraisal and prioritisation, the robustness of business cases and financial modelling, and the arrangements in place for setting and monitoring programme affordability.	Risks 8A, 8B

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Council Tax	Council Tax represents one of the Council's most significant sources of income, playing a critical role in funding essential local services and supporting the Council's overall financial sustainability. Any weaknesses in Council Tax billing, collection, or recovery processes can therefore have a material impact on the Council's cashflow, budget delivery, and ability to manage financial pressures. The CIPFA External Assurance Review completed in December 2025 recommended that the Council review its Council Tax recovery policy and enforcement practices. This recommendation signals a need for independent assurance over the robustness of current arrangements, the adequacy of controls supporting collection and recovery, and the effectiveness of governance and oversight in mitigating the financial risks associated with non-payment. This audit has been agreed with the Director of Finance and Head of Revenues & Financial Management.	The audit will review the effectiveness of the Council's Council Tax billing, collection, and recovery arrangements, with a particular focus on the application and consistency of recovery policies and enforcement practices.	Risks 5, 8A, 8B

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Income control and reconciliation	During 2025/26, the Council implemented a replacement income management system, Heycentric, which is now used to reconcile the Council's bank account and to post income receipts. As a core financial system processing high-volume and high-value transactions, the accuracy and reliability of Heycentric are critical to safeguarding the Council's income and maintaining effective financial control. New systems introduce inherent risks relating to configuration, data migration, user access, reconciliations, and the operation of key controls. Any weaknesses in these areas could lead to misstatements, delays in income recognition, reconciliation errors, or failures in financial reporting. Given the system's central role in managing the Council's cashflow and financial integrity, and the fact that it has not yet undergone an independent post-implementation review, an audit of the system has been included in the 2026/27 Audit Plan. This audit has been agreed with the Director of Finance.	The review will focus on the adequacy of system configuration, the completeness and accuracy of income processing, the effectiveness of bank reconciliation controls, the robustness of user access and permissions, and whether appropriate arrangements were in place for data migration and system transition. The audit will also consider whether residual implementation risks have been identified and addressed, and whether the system provides reliable information to support the Council's financial management and reporting.	Risks 5, 6, 11

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Solar Farm project	The Council has approved plans for a new solar microgrid at the former St Michael's Golf Course, with the scheme expected to generate approximately four megawatts of electricity to power several Council buildings, including the newly constructed leisure centre. The project represents a major capital investment, with an estimated cost of around £10.8 million, and forms part of the Council's wider strategy to reduce energy costs and support environmental sustainability objectives. Large capital schemes of this nature carry inherent risks relating to project governance, procurement, contractor performance, cost control, timetable slippage, and the realisation of expected financial and environmental benefits. Given the scale and profile of the investment, any weaknesses in project oversight or delivery could have significant financial and reputational implications for the Council. This audit was initially included in the 2025/26 Audit Plan but was deferred because project timetable delays prevented meaningful assurance work from being carried out at that stage.	As the scheme enters key delivery phases during 2026/27, the audit will provide independent assurance over the overall effectiveness of project governance, financial oversight, and risk management arrangements supporting this major capital project. A current-contract audit approach will be adopted, examining the adequacy of arrangements for contract funding, contract management, risk identification and mitigation, and the authorisation and monitoring of interim payments.	Risks 8B, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Connect2Halton Joint Venture	During 2025/26, the Council established a joint venture company, Connect2Halton, in partnership with Commercial Services Group (a company wholly owned by Kent County Council). The joint venture specialises in temporary, fixed-term contract, and casual recruitment, and was created to help the Council bring greater control and oversight to its expenditure on temporary workers. Given the scale of agency staffing costs and the strategic importance of ensuring value for money, compliance, and effective workforce planning, the joint venture represents a material area of financial and operational risk. As a newly established entity operating in a sensitive and high-spend area, there are inherent risks relating to governance arrangements, contract management, performance monitoring, transparency, and the effectiveness of controls designed to ensure the joint venture delivers its intended benefits. This audit was originally scheduled for 2025/26 but was deferred due to internal audit resource limitations. With the joint venture now operational and the financial exposure associated with temporary staffing remaining significant, the review has been prioritised for inclusion in the 2026/27 Audit Plan.	The audit will assess the governance arrangements for the joint venture, ensuring that effective frameworks are in place for decision-making, conflict management, transparency, performance oversight, risk management, and overall alignment with the joint venture's objectives.	Risks 3B, 4B, 7B, 8B, 8C, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Risk Management	An audit of the Council's risk management arrangements has been included in recognition of repeated external recommendations for improvement. In March 2024, the Council's external auditor highlighted the need to strengthen the Council's approach to risk management. This message was reinforced in September 2024 by the LGA Corporate Peer Challenge team, which advised the Council to further develop the role and effectiveness of risk management. A further improvement recommendation issued by the external auditor in September 2025 again emphasised the need for significant enhancement in this area. Given the frequency and consistency of these external findings, an audit is included to provide independent assurance on the progress made and to assess whether current arrangements are sufficiently robust, embedded, and capable of supporting effective governance and decision-making. The audit was originally planned for 2025/26 but has been deferred due to slippage in implementing revised risk management arrangements.	The audit will review the progress made in developing the Council's risk management arrangements following recommendations made by the Council's external auditor and the LGA Corporate Peer Challenge.	All risks in the Corporate Risk Register

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Chief Executive's Directorate	Halton Data Platform	The Halton Data Platform is now a core, Council-owned system that brings together key information from across the organisation, such as finance, HR, social care, revenues, public health, and other operational services, and provides live, easy-to-use insight through Power BI dashboards available in Microsoft Teams. Because the platform is intended to play a central role in supporting day-to-day financial and operational decision-making, it also brings several important risks that need independent assurance. These include risks around data accuracy and consistency (ensuring everyone is working from the same reliable information), data privacy and security (making sure information is properly protected and only accessed by the right people), system resilience (continuing to provide essential information even if other systems are disrupted), and whether the platform is delivering the expected benefits (such as saving staff time, reducing costs, and improving the quality of decisions). This audit has been agreed with the Director of IT and Support Services in recognition of the platform's strategic importance and the need for assurance over its governance, operation, and continued development.	The audit will provide independent assurance that governance, security, data management, performance monitoring, and benefits-tracking arrangements relating to the project are robust, and that the platform reliably supports evidence-based decision-making.	Risks 6, 8C

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Children's Directorate	Emergency Duty Team	An audit of the Children's Emergency Duty Team (EDT) has been included at the request of the Director of Children's Social Care and Early Help, following concerns about the effectiveness and resilience of current out-of-hours safeguarding arrangements. The service has not been subject to a full review for several years, and recent feedback from partners has highlighted issues relating to response times and the overall capacity of the team to meet service needs across both local authorities supported by the EDT. Work already undertaken by management has highlighted increasing operational pressures, with analysis of call volumes, waiting times, escalation patterns, staffing levels, and case complexity indicating potential risks to the timely and safe delivery of emergency safeguarding interventions.	The audit will assess the effectiveness and resilience of the Children's Emergency Duty Team's out-of-hours safeguarding arrangements. It will review call volumes, waiting times, escalation activity, staffing levels, and the mix and complexity of cases handled, drawing on the data and analysis already collated by management. The audit will also examine governance and oversight arrangements, the adequacy of current contractual and costing information, and feedback from staff and stakeholders to evaluate whether the service is meeting expected standards and responding appropriately to demand.	Risk 3A, 7A

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Children's Directorate	Direct Payments	The number of children with disabilities receiving direct payments continues to increase significantly, with more than 320 children now being supported. While direct payments provide families with valuable flexibility and choice, this flexibility also introduces heightened risks relating to the appropriate use of funds, financial oversight, and compliance with agreed support plans. As volumes grow, so too does the potential exposure to misuse, error, or insufficient monitoring, and the effectiveness of current controls becomes increasingly critical. This audit was originally scheduled for 2025/26 but was deferred due to internal audit resource limitations, with the agreement of the Director of Children's Social Care and Early Help. Given the continued growth in demand, the financial and safeguarding implications associated with direct payments, and the length of time since the area was last reviewed, the audit has now been prioritised for inclusion in the 2026/27 Audit Plan.	The audit will assess the adequacy of the policy governing the use of direct payments and evaluate the effectiveness of the oversight arrangements to prevent misuse.	Risks 3A, 3B, 8B, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Environment and Regeneration Directorate	Property Services - Procurement arrangements	An audit of procurement arrangements within Property Services has been included due to the significant level of expenditure managed within this area and the associated financial and contractual risks. Property-related works, maintenance, and capital projects depend on effective and compliant procurement processes to ensure value for money, transparency, and strong contractor performance. Weaknesses in these arrangements could result in cost inefficiencies, contractual disputes, or challenges to the fairness and robustness of procurement decisions. The inclusion of this audit has been agreed with the Executive Director of Environment and Regeneration.	The review will provide targeted assurance over the adequacy of controls and oversight supporting procurement activity within Property Services.	Risks 8B, 11
Public Health Directorate	Food Health and Safety	The Council is statutorily required to ensure that food businesses comply with statutory hygiene and safety standards. Any weaknesses in oversight could lead to harm to the public, regulatory action, or loss of confidence in the Council's assurance arrangements. In addition, this area has not been subject to internal audit review since 2011/12, increasing the risk that changes in legislation, service delivery, or local risk profiles may not have been independently assessed for over a decade. The inclusion of this audit has been agreed with the Executive Director of Public Health.	The audit will examine how the Council discharges its statutory responsibilities in relation to food health and safety, including the inspection and monitoring of food businesses.	Risks 4A, 8B, 11

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Grants	Various grant claims and returns	A general provision has been included for grant claim work, covering those grants that require the Head of Internal Audit to certify that the amounts claimed are eligible and have been calculated in accordance with the relevant grant conditions.	Grant claim assurance and certification work	Risks 8B, 11, 12
Corporate Support	Annual Governance Statement	There is a statutory requirement for the Council to produce an Annual Governance Statement, and internal audit plays an important role in supporting its development. The Head of Internal Audit provides independent insight into the effectiveness of the Council's governance, risk management, and internal control arrangements, which are all key areas that must be evidenced within the AGS. A provision is therefore made within the audit plan to allow internal audit to contribute to the AGS process by sharing relevant audit findings, highlighting any significant governance issues identified during the year, and offering professional advice to ensure the Statement is complete, accurate, and reflects the Council's overall control environment.	Internal Audit will have input to the work of the Corporate Governance Group which develops the Annual Governance Statement.	All risks in the Corporate Risk Register
Corporate Support	Corporate Complaints - Stage 2	The Council has a formal corporate complaints procedure to enable individuals to express their dissatisfaction about Council services that they have received and for identified failings to be remedied. Internal Audit is responsible for undertaking Stage Two investigations of complaints that have not been resolved by the service manager at Stage One of the complaint procedure.	Stage Two complaint investigations will be undertaken as required. Internal Audit will undertake an independent internal review of unresolved Stage One complaint issues and of complaints that are of a more serious or complex nature.	No specific linkage to the Corporate Risk Register but effective management of complaints is a key part of the Council's governance arrangements.

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Corporate Support	Council Constitution	The Council Constitution is reviewed annually to ensure that it is updated to reflect changes to the Council's governance arrangements, legislative requirements, policies and procedures.	Internal Audit will contribute to a working party that meets each year to review and propose changes to the Council's Constitution.	No specific linkage to the Corporate Risk Register but contributes to the maintenance of the Council's governance arrangements.
Corporate Support	General advice / attendance at working groups etc.	Throughout the year the Internal Audit function receives regular requests from client departments for advice and support	Reactive advisory and consultancy work, and input to working groups as required	No specific link to the Corporate Risk Register; however, advice and guidance from Internal Audit contributes to maintenance of the Council's risk management, control and governance arrangements.
Corporate Support	Reporting to Audit and Governance Board	The Council Constitution requires Internal Audit to report to the Audit & Governance Board.	Attendance at, and preparation of reports for, the Audit & Governance Board on internal audit and governance related matters.	No specific linkage to the Corporate Risk Register but contributes to the maintenance of the Council's risk management, control and governance arrangements.
Schools	Six schools to be audited during 2026/27	A programme of school audits is undertaken each year. A risk-based approach is used to determine which schools are selected, taking into account factors such as previous audit outcomes, changes in leadership or governance, financial pressures, and other intelligence provided by the service. The proposed schools for 2026/27 have been agreed with the Director of Education, Inclusion and Provision.	An audit programme has been developed for school audits, which will be tailored to each school as required.	No specific link to Corporate Risk Register. However, the completion of school audits provides assurance over the risk management, control and governance processes in place across the Council's schools.

7 DETAILED INTERNAL AUDIT PLAN – 2026/27

Area	Assignment	Context	Internal Audit Focus	Reference to Corporate Risk Register
Follow up of audit recommendations	Various	Follow up work is completed to provide assurance that previously agreed internal audit recommendations are implemented.	Coverage to be determined on the audit recommendations falling due for implementation.	Follow up work provides assurance that recommendations made to improve the Council's risk management, control and governance processes are implemented. Links to the risk register will vary according to the follow up work completed.
Contingency	Not known at this stage	A general contingency is provided to allow Internal Audit to respond to requests for audit work that arise during the year.	Not known at this stage	Not known at this stage
External work	Manchester Port Health Authority	The Council undertakes annual fee earning assurance work as part of an SLA with Manchester Port Health Authority.	To be agreed with Manchester Port Health Authority.	Not applicable

8 HALTON BOROUGH COUNCIL – RISK REGISTER SUMMARY

Risk Reference	Risk Description
1A	Failure to deliver quality services to vulnerable adults could negatively affect their health and wellbeing
2	Failure to support and protect the safeguarding of adults could adversely impact on their health, safety and opportunity to reach their potential
3A	Children's Services – Safeguarding
3B	Children's Services – Finance
4A	Failure to respond to Public Health threats
4B	Public Health workforce pressures
4C	Abolition of Public Health England leading to increased demands on Public Health
5	Risk of adverse business impact as a result of the failure of key business systems brought about by cyber incidents
6	Data Protection: Risk of breach of data caused by mishandling of personal data
7A	Reduced capacity to sustain the delivery of services and respond to emergency situations in line with Council Priorities
7B	Reduced capacity to continue service provision across various services due to recruitment and / or retention difficulties
8A	The Council's funding available from Government grant and / or locally raised business rates / council tax, is not sufficient to meet increasing service demands
8B	Total council spending for the year exceeds available budget provision
8C	Transformation activity fails to deliver sustainable revenue savings
9	A failure to monitor and appropriately manage the risks created by global, national and local events
10	Changes to Government arrangements and other public sector organisations could potentially lead to a deterioration of local services
11	Failure to prevent and detect fraud and / or corruption

8 HALTON BOROUGH COUNCIL – RISK REGISTER SUMMARY

Risk Reference	Risk Description
12	Failure to maximise and identify funding opportunities in light of government cuts
13	Risk to electoral process by criminals / nation-state actors
14	Non Compliance with Transport Operator Licence