

INTERNAL AUDIT PLAN 2025-26



Review Name	Outline Objective
Finance	
Accounts Payable	To review the processes and key controls within MySurrey relating to the accounts payable system, including those in place for ensuring the accuracy of vendor details, the processing of invoices, goods receipting and promptness of payments.
Accounts Receivable	To review the processes and key controls within MySurrey relating to the accounts receivable system, including those in place for ensuring the accuracy of customer details, completeness, accuracy and timeliness of invoicing, recording and matching payments to invoices, and debt recovery.
Capital Programme	A review of the Council's capital programme including arrangements for management of budgets and other key controls.
Financial Assessments & Income Collection	To review the key controls for both the financial assessment process, including the collation and analysis of information from care recipients to ensure correct calculation of contributions occurs in a timely fashion, and the benefit calculation process to ensure correct payments are made.
General Ledger	To review the key controls within MySurrey relating to the maintenance and operation of the general ledger, including suspense accounts, reconciliations, journals and year end procedures.
Payroll	To review controls within MySurrey in relation to the staff payment system, including those relating to starters, leavers, temporary and permanent payments, variations of pay, and pre-employment checks.
Revenue Budgetary Control	A review of the Council's revenue budget management arrangements, to include an assessment of the extent to which planned savings are being delivered.
Treasury Management	A review to assess the adequacy of key controls and procedures across the Council's treasury M management arrangements, including cash flow forecasting, segregation of duties, financial investments and use of treasury advisers.

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Review Name	Outline Objective
Local Government Pension Scheme (the 'Pension Fund')	<p>Pension Fund Administration: To review the key controls over specific aspects of pension administration as detailed in the Surrey Pension Fund Audit Plan 2025/26. This review provides assurance over the Local Government Pension Scheme (LGPS).</p> <p>Pension Fund Investments: A review to assess the adequacy of Pension Fund management and governance arrangements. Also, to examine arrangements for obtaining assurance over the adequacy of the control environment of pension fund investment managers and the custodian.</p> <p>iConnect Process: Following the onboarding of the majority of employers to the iConnect system, this audit aims to review the processes surrounding the system to ensure updates are processed correctly, efficiently, and in a compliant manner</p> <p>Pension Fund Governance Arrangements: A review to assess the effectiveness of the overall governance arrangements in place for the LGPS Pension Fund. This audit was carried forward from the 2024/25 plan.</p> <p>Pension Customer Services: A review to review the arrangements in place around the new customer-centric operating model, ensuring appropriate controls are in place, including those around management of complaint data, resolution of delays in responding to complaints, and reporting to the Ombudsman.</p> <p>Online Retirements Process: A review of controls within the new process being introduced whereby deferred members can retire online.</p>
Grant Certification	
Bus Subsidy Operators Grant	To check and certify the grant in accordance with the requirements of the Department for Transport.
Bus Services Improvement Plan	To check and certify the grant in accordance with the requirements of the Department for Transport.
Growth Hub Funding Grant	To check and certify the grant in accordance with the requirements of Central Government for funding previously managed through Local Enterprise Partnerships.

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Greener Homes Grants	To check and certify the grant in accordance with the requirements of the accountable body for this grant, the Greater South-East Net Zero Hub.
Local Transport Capital Block Funding	To check and certify various capital grants for road maintenance and pothole repair, in accordance with the requirements of the Department for Transport.
HS2 Capital Funding Grant	To check and certify eligible capital grants in accordance with the requirements of the funding department.
Multiply Grant	To provide assurance over the accounting arrangements for disbursement of this grant money, and to review the governance arrangements in place to ensure providers we fund for this scheme (improving numeracy in adults) are compliant with eligibility criteria per the requirements of the DfE.
Childcare Expansion Capital Grant	To check and certify capital grant to support the provision of new early years entitlement and wraparound places, funded by the Department for Education.
Supporting Families Programme	Final certification of this grant claim on behalf the Ministry of Housing, Communities and Local Government (MHCLG) before the certification requirement ceases in 2025.
IT and Information Governance Audits	
MySurrey Support and Governance Arrangements	This audit will review the system support function for the Unit 4 ERP system ('MySurrey') post go-live. As part of the review we will consider the Council's arrangements for incident response, system monitoring, software updates and data backups. This audit was deferred from 2024/25.
Add Your Own Device	Councils are encouraging officers to use their personal devices to support their work, particularly mobile phones, in order to support the Council's savings targets. This audit will review the arrangements in place to ensure that risks from this approach, which could include an increase in data breaches, customers and clients contacting officers who have left the Council and the hygiene factors associated with officers being contactable at all times are appropriately managed.
Artificial Intelligence Tools	In order to maximise efficient ways of working, the Council is exploring Artificial Intelligence and other similar tools, including Co-Pilot. This audit will ensure that controls are in place to manage the risks

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	associated with the use of these tools, including that key decisions could be made based on information that is incorrect or inaccurate.
Online Safety Act 2023 – Compliance	The Online Safety Act 2023 is a new set of laws that protects children and adults online. It puts a range of new duties on social media companies and search services, making them more responsible for their users' safety on their platforms. Whilst the act primarily targets online platforms and services, it also has implications for local government in the UK. This audit will ensure controls are in place to ensure the Council complies with the relevant element of the Act.
GDPR Compliance (Covert Recording)	With mobile devices more readily available, the Council is seeing an increase in the use of 'covert recording' of conversations which contain personal or sensitive information. This could be intentional, where an officer records a conversation without others knowing, or unintentional, for example with smart speakers and other AI assistants. The audit will review the controls in place to manage the risks of data breaches and ensure that officers clearly understand their responsibilities with regard to covert recordings.
Microsoft Tools Data Governance	The Council use a number of powerful tools to manage, manipulate and report on data from systems, with these tools also used to support the transfer of data from one system to another. This audit will review the arrangements in place to ensure that risks associated with data protection and accuracy are appropriately mitigated.
IT Training	With councils more reliant on information technology and data than ever before, it is important that the workforce understands the risks associated with these. This audit will consider the IT training available to staff to ensure it is fit for purpose for a modern workforce, focusing particularly on the suitability of training to raise awareness of cyber and information governance related risks.
Shadow IT (Governance Arrangements)	Shadow IT services cover all computer systems and applications used by the Council which are outside the direct control of IT & Digital (IT&D). Where these services and applications are hosted outside of the Council's network infrastructure, and where IT&D provide limited or no technical support, the risks to the security and availability of the data held is greatly increased.

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Review Name	Outline Objective
	This audit will evaluate the effectiveness of the internal control framework to ensure that key risks, including access control, data management (retention and deletion), system ownership, updates and business continuity arrangements are considered at the point of procurement.
Support for Strategic Projects and Programmes	
Local Government Reorganisation / Devolution	To provide support, advice and assurance to the Council on matters of risk, governance and control as the changing local government landscape under Local Government Reorganisation and Devolution starts to become clearer.
Surrey County Council Companies and Commercial Activities	A review to review the robustness and appropriateness of the governance arrangements in place around Council-owned Local Authority Trading Companies, and other commercial trading activities.
MySurrey Support	In order to further support the work of the MySurrey Stabilisation Board, as the programme transitions into a more business-as-usual state, Internal Audit will provide appropriate advice and assurance activity as new issues and risks emerge throughout the year.
Implementation of Procurement Regulations (2024)	Changes to procurement regulations will bring more stringent transparency requirements to the Council. These will need to be reflected in the Council's own regulations, including Procurement and Contract Standing Orders. We will provide support and advice in relation to the updating of these, and their implementation.
Contract Management	Previous Internal Audit reviews have identified weaknesses in contract management arrangements across a variety of directorates. The purpose of this review is to undertake a Council-wide deep-dive into this area of control weakness in order to identify improvements and help strengthen arrangements.
Risk Management	Our review will continue to support and provide assurance around the Council's Risk Framework, building upon audit work completed in 2023/24.
Corporate Governance	To provide advice and support around the Council's corporate governance arrangements in support of the work of the Governance Panel, thus providing input into the Council's Annual Governance Statement.
Follow-up audits	

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Social Value In Procurement	<p>To follow-up previous audit work completed in 2024/25 where the final opinion given was of Partial or Minimal Assurance. The work will ensure that agreed actions have been implemented as expected for each of the identified follow-up audits in order that the control environment is strengthened within the area under review.</p>
Corporate Efficiency Savings	
Effectiveness Of Corporate Induction Arrangements	
Youth Offer Cultural Compliance	
SFRS Safe & Well Visits	
Alternative Provision Commissioning for Children (NMI)	
LIFT / Single View Of A Child	
Tree Management	
Joint Fire Control – IT Arrangements	
Other Focus Areas	
Home To School Transport Assistance (H2STA) – Consistency of Assessments	<p>As a result of the application of updated policies there has been a reduction in cost of c.£815k in post 16 and c.£250k for under 5s in 2024/25. However, since January 2024 there have been over 1200 appeals, 409 of which were around post-16 travel.</p> <p>Our review will seek to provide assurance around the robustness and consistency of decision-making within this space, with particular focus on:</p> <ul style="list-style-type: none"> • Post-16 travel; • Under-5 travel; and • Assessment appeals.
Customer Complaints Process	<p>The new Local Government and Social Care Ombudsman (LGSO) Complaint Handling Code came into effect in February 2024 and is factored into the wider customer services transformation, specifically the design of the 'Customer Hub'. This review will provide assurance that the design of processes and controls are robust and effective.</p>
Local Enterprise Partnership (LEP) Fund Management	<p>LEPs manage funds for their local areas by working with the government and other partners. They secure funding for projects, help businesses access</p>

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	resources, and advise the government on how to manage funds. With the transition of LEP activities into the Council, our review will provide assurance over the control environment in which this function operates.
Place Project Management	Our review will provide assurance over the adequacy of these project management arrangements within Place, looking at governance arrangements and the overall control environment.
Organisational Management in MySurrey	Organisational redesign to drive efficiencies is put at risk through inaccurate data being reflected in the Council's organisation chart within MySurrey. Our review will review the processes around management and maintenance of this data, and also provide assurance over compliance with these processes to ensure accuracy and completeness of information.
Surrey Fire & Rescue Service (SFRS) Inspection Readiness Review	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services are scheduled to reinspect SFRS circa August/early autumn 2025, with a focus on leadership. As we have in previous years, Internal Audit will review aspects of the current Improvement Plan ahead of the reinspection to ensure a robust evidence base supporting improvement is demonstrable.
Deprivation of Liberty Standards (DoLS)	DoLS ensures people who cannot consent to their care arrangements in a care home or hospital are protected if those arrangements deprive them of their liberty. Our review will provide assurance over the control environment to ensure arrangements are robust, and cases are assessed against safeguards to check they are necessary and in the person's best interests.
Hospital Discharges	Discharge to Assess refers to the process whereby people who no longer need to remain in hospital, but who may require ongoing care, are provided with short-term, funded support to enable them to be discharged to their own home or another community setting. Our review will assess the control environment around the Discharge to Assess process, including seeking assurance that there is a suitable, cost-effective strategy in place to deal with hospital discharges.
SEND Transformation	The Council is some years into a long-term programme of SEND transformation, designed to improve current processes and embed positive change. There have been recent external inspections that have been critical of the performance of the service, therefore, in this context, our audit will provide advice and assurance

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	around the governance arrangements and reporting mechanisms in place to oversee positive change within this service. This audit is a carry forward from the 24/25 plan.
Children's Homes	With the opening of two new children's homes in Surrey to add capacity to existing residential capacity, our audit will seek to provide assurance over the in-house provision through a review of the internal governance arrangements. This audit is a carry forward from the 24/25 plan.
Safety Valve	This review will examine the governance arrangements in place around delivery of planned work within the Safety Value Agreement the Council has agreed with Central Government to manage the budget around high-needs children in special education.
PULSE	This review will provide assurance over the governance arrangements in place around the Council's new performance management process (PULSE).
Contingencies	
Anti-Fraud and Anti-Corruption	To deliver the 2023/24 Fraud Response Plan for SCC, which includes work on fraud awareness, data analytics, cyber fraud, conflicts of interest, excessive personal use of Council IT equipment and ad hoc investigations.
Emerging Risks	A contingency budget to allow work to be undertaken on new risks and issues identified by Internal Audit and/or referred by management during the year.
General Contingency	A contingency budget to allow for effective management of the annual programme of work as the year progresses.
Service Management & Delivery	
Action Tracking	Ongoing tracking and reporting of agreed high risk actions.
Internal Audit & Fraud Management	Overall management of all audit and counter fraud activity, including work allocation, work scheduling and Audit Management meetings.
Audit Committee Reporting, Attendance, and Other Member Support	Production of periodic reports to management and Audit Committee covering results of all audit and counter-fraud activity.
Client Service Liaison	Liaison with clients and departmental management teams throughout the year.

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Client Support and Advice	Ad hoc advice, guidance and support on risk, internal control and governance matters provided to clients and services throughout the year.
Impact of Local Government Reorganisation on Internal Audit	Capacity for the service to consider and manage the potential implications of Local Government Reorganisation on internal audit and counter fraud services, in order to ensure these remain effective and fit for purpose.
Internal Audit Developments	Internal Audit and counter fraud service developments, including quality improvement and ensuring compliance with Global Internal Audit Standards.
Organisational Management Support	Attendance and ongoing support to organisational management meetings, e.g. Governance Panel, etc.
System Development & Administration	Development and administration of audit and counter-fraud management systems.

Other Potential Auditable Areas	
Freedom Of Travel	<p>These are potential audits that could be drawn into the 2024/25 annual programme of work on a risk-basis should other audits be postponed or deferred, or should available contingency time allow for it. In the event that any of these reviews are not completed in 2025/26, they will be considered for inclusion in future year's audit plans.</p>
Warmer Homes Contract	
Building Security	
ODC Operating System Upgrade	
Cyber (LGCAF Compliance/Preparation)	
Mobile Device Management (Laptops)	
SharePoint Governance	
Telephony	
Cultural Compliance Reviews	

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