

By: Jonathan Idle – Head of Internal Audit

To: Governance and Audit Committee – 3 July 2025

Subject: **ROLLING INTERNAL AUDIT PLAN 2025/26**

Classification: Unrestricted

Summary: This report details the proposed Rolling Internal Audit Plan for 2025/26.

Recommendation: FOR DECISION

Introduction

- The Global Internal Audit Standards (GIAS) and UK Application Note require the Internal Audit service to produce a risk-based audit plan. This paper sets out the proposed 2025/26 Internal Audit Plan (Plan), including a summary of the available resources.
- The 2025/26 Plan will be a rolling 6-month plan, to allow more flexibility to incorporate changing and emerging risks into the Plan, replacing the previous fixed annualised audit planning approach.
- This paper sets out the following:
 - The current priority audits. These audits have been prioritised using our risk-based assessment and evaluation methodology, following the criteria detailed below. Delivery will focus against priority audits identified and ensure sufficient coverage against 8 themes of Corporate Health, Corporate Risks and those linked to Securing Kent's Future. The audits contained in the plan will be risk assessed throughout the current year.
 - A reserve list of audits has also been included and will be considered should the risk landscape change for the priority audits. . The significance and priority of all potential audits identified within the audit planning process, will be continually risk assessed throughout the year.

2025-26 Internal Audit Plan

- The Global Internal Audit Standards (GIAS) and UK Application Note stipulates the need for the development of an Audit Plan.
- To enable the Internal Audit service to be more flexible and adaptive to changing priorities and emerging risks, the Plan for 2025/26 will be a 6-month rolling Plan. This dynamic approach will ensure optimum value to the Council and stakeholders and more effective deployment of audit resources.
- The Plan will be reviewed every 3 months by completing an assessment of all potential audits identified against the following criteria:

Significance How important is the activity to the Council in achieving its objectives, key plans and managing its risks?

Sensitivity How much interest would there be if things went wrong and what would be the reputational impact?

Time When is the best time for the audit to be completed?

- The quarterly review will also consider an evaluation of relevant business intelligence to identify new priorities / emerging risks and potential audit areas.
- Another key consideration when reviewing and updating the Plan throughout the year, will be to ensure there continues to be sufficient coverage of the 8 themes of Corporate Health, which are utilised to ensure there is sufficient coverage for the Head of Internal Audit's Annual Opinion in July 2026.
- Any amendments to the Plan will be reported to the Governance and Audit Committee.
- The Plan for 2025/26 is attached at **Appendix A**. This includes 96 audits (of which 45 are priority audits), which are spread across the Directorates as follows:

Directorate	Number of Priority Audits	Number of Reserve Audits
Cross-Directorate	9	3
Adult Social Care & Health	10	14
Chief Executives Department	5	14
Children, Young People and Education	7	6
Deputy Chief Executives Department	9	14
Growth, Environment & Transport	5	5
Total Audits	45	56

- The Plan has been developed through a risk-based planning process, including the following elements:
 - A review of the corporate and divisional risk registers and discussion with the Corporate Risk Manager.
 - Discussions with Corporate Directors, Directors and Heads of Service.
 - Attendance at Directorate Management Team meetings.
 - Horizon scanning to identify emerging risks and issues.

- Organisational Priorities linking to Securing Kent's Future.
 - A review of audits deferred from the 2024/25 Plan.
 - Undertaking an assessment to determine the required coverage needed for the Head of Internal Audit's Annual Opinion for 2025/26.
 - A review of the Council's Annual Governance Statement.
 - A review of previous cyclical / core audit work.
 - Identification of audit reviews to be followed up.
 - Consideration of other sources of assurance.
- The Plan includes some audits with specific scope areas where this has already been identified and some audits where the scope is still to be determined.
 - The Plan does not detail the number of days to be assigned to the individual audits, but it does illustrate the total days / resources available.
 - **Appendix A** sets out how the audits listed on the Plan map to the Reasonable Assurance – 8 Themes of Corporate Health.
 - **Appendix A** sets out how the audits listed on the Plan mapped to KCC's Corporate Risks.
 - **Appendix A** sets out how the audits listed on the Plan mapped to Securing Kent's Future.
 - In addition to the projects listed on the Plan, we also have **30** days set aside for grant certification work.
 - The outcomes from the 2025/26 Plan will provide the following:
 - Overall opinion and assurance to support the 2025/26 Annual Governance Statement.
 - Assurance against the mitigation of key corporate risks.
 - Assurance over the critical systems of the Council.
 - On-going advice and information to management on risks and controls.
 - Opportunities to provide management with value for money support and advice.
 - Excluded from Appendix A are detailed plans for:
 - Internal Audit coverage of the Global Commercial Services Group
 - Income generating and shared service work with Tonbridge and Malling Borough Council, Canterbury Cathedral, Kent and Medway Fire and Rescue Service, Parish Councils and audits of selected grants.

Resources

- Based on the current Team resources, the total days available for 2025/26 is **2509** days.
- The number of audit days available for the KCC 2025/26 Audit Plan is estimated to be **1,250**.
- A summary of the overall Audit Plan is illustrated below:

2025/26 KCC Audit Plan		Days
KCC		1250
Sub-Total		1250
External Clients		819
Grants		30
Sub-Total		849
Total		2099

- Based on the current staffing levels and assumptions, there is sufficient resource to deliver the 2025/26 Audit Plan.

Conclusions

- The Plan provides sufficient coverage of the Council's current and emerging risks and priorities, with sufficient flexibility to add further reviews onto the plan as needed. There will be sufficient resources to deliver the proposed Plan.

Recommendations

- Members are asked to:
 - Agree the proposed Rolling Internal Audit Plan for 2025/26 subject to emerging issues and assurance requirements.

Appendices:

Appendix A – 2025/26 Rolling Internal Audit Plan

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