



Appendix B

Newark and Sherwood District Council

Indicative Audit Strategy 2025/28 and Annual Plan 2025/26

April 2025

Draft



Executive Summary

Introduction

The Audit Plan for 2025/26 has been informed by a risk assessment carried out across our clients in the sector and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks. This coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

Key Risk Considerations

We have identified a number of key areas which require consideration when planning internal audit coverage.

Macroeconomic and Financial Environment: The UK economy continues to be impacted by a sequence of significant events including high interest rates, and ongoing global conflict. Increased costs provide a challenging financial situation and a weakening financial position for many Councils. Seven Local Authorities since 2020 have declared themselves effectively bankrupt, with around one in four Councils warning they may have to do the same. The Council closely monitors financial positions and covenant compliance.

Devolution: In December 2024 the Government published a white paper on devolution, setting out proposals for greater local decision-making and opportunities for council reorganisation. Colchester continues to engage with partners across Essex to assess the proposals.

2025 Local Elections: The 2025 Local Elections are due to be held on 1st May 2025, some 2,240 councillors across 1,968 wards to be elected in 32 Councils, including 21 County Councils, 10 Unitary Authorities and 1 Metropolitan Borough. At least 14 of the 21 County Councils are poised to delay the ballots to explore options set out in the devolution white paper.

Cyber Security: This continues to be one of the highest ranked risks for Councils and shows no sign of going away. The velocity and volume of cyberattacks climbed sharply over the past few years. Remote and hybrid working and increased online service delivery increases vulnerability for Registered Providers.

New Tech and AI: The speed of AI growth has been rapid recently. The rapid integration of AI into services offered by major technology companies means the safe adoption of all AI into the Council operations will be a key issue for Councils.

Net Zero Strategies: Climate Change and Global warming can lead to physical, operational, financial and reputational risks. Decarbonisation of existing stock / offices and developing net zero properties will become a focus for the Council's asset management programmes. Sustainability is now a high agenda item with Councils further developing their sustainability goals.

People and Culture: The continuing fallout from the COVID-19 pandemic remains a major challenge for the shifting expectations of work. Workers in all age groups are continuing to seek a better work life balance, access to learning and development, a greater focus on employee well-being and for the organisations in which they worked to demonstrate strong social values.

Gap in Funding for Core Services: There is a risk that inflationary pressures and adverse financial circumstances might lead to a gap in funding to local councils and on key service pressures such as on the provision of social care, children's services, and homelessness. The rise in annual council tax indicator shows the majority of councils preparing to make the maximum rise in 2025-26 of 3%, and some looking to exceed the standard maximum.

Housing: Local authorities are struggling to build affordable housing that is needed. The extent of damp and leaks is on course to more than double in the two years since a child died after living in a rented flat with chronic mould. And complaints handling related to maintenance is a continuing concern.

Contract & Project Management: Contract and project management continues to pose a significant risk to Councils, as poor management and controls uncover continuing deficits. As well as adding to financial pressures, project failure can impact services or residents' lives and result in significant reputational damage.

Audit Strategy Methodology

In producing this audit strategy and annual plan, we have sought to build on our understanding of Council’s operating environment and risk profile through a review of key documentation and discussions with key staff. We have taken into account:

- Council’s business strategy and corporate objectives
- The regulatory and legislative framework
- Council’s risk register
- External Audit recommendations
- Previous Internal Audit coverage

We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately prioritised and focused. Links to specific strategic risks are also contained in the Internal Audit Strategy.

Our approach complies with the International Standards for the Professional Practice of Internal Auditing which have been developed by the Institute of Internal Auditors (IIA) and the Public Sector Internal Audit Standards (PSIAS).

Internal Audit Strategy and Plan

The Audit Strategy at Appendix A incorporates the proposed annual plans for 2025/26, 2026/27 and 2027/28.

The Annual Plan at Appendix B sets out the assignments that will be carried out in 2025/26, the planned times and the high-level scopes for each of these assignments.

The Annual Plan will be subject to ongoing review and could change as the risks change for the Council; this will be formally reviewed with senior management and the Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of each assignment within the Annual Plan includes research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and Newark Council. Where Newark Council agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Chief Finance Officer and will be clearly set out in the terms of reference for the additional review(s).

Adequacy of the planned audit coverage

The reviews identified in the audit plan support the Head of Internal Audit’s annual opinion on the overall adequacy and effectiveness of Example Council’s framework of governance, risk management and control as required by TIAA’s charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

Disclaimer

This document has been prepared solely for management’s use and must not be recited or referred to in whole or in part to third parties without our prior written consent.

No responsibility to any third party is accepted as the document has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this document and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our document.

Release of Report

The table below sets out the history of this plan.

Draft Strategy and Plan:	2025
Final Strategy and Plan:	

Appendix A: Rolling Strategic Plan

Review Area	Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27	2027/28
Governance							
Performance Management		SR306 Corporate Governance	Assurance	✓			
Community Engagement		SR308 Environment	Assurance			✓	
Joint Working Arrangements		SR306 Corporate Governance	Assurance		✓		
Companies – Contract Management and Governance		SR306 Corporate Governance	Assurance				✓
Complaints management		SR306 Corporate Governance	Assurance				✓
Members Allowances		SR306 Corporate Governance	Assurance				
Performance Management (including staff training)		SR306 Corporate Governance	Assurance				
Corporate Governance (including Staff Training and Succession planning)		SR306 Corporate Governance	Assurance		✓		
Climate Sustainability Maturity Assessment		SR306 Corporate Governance	Assurance		✓		✓
Devolution Impact		SR306 Corporate Governance	Assurance				✓
Risk							
Risk Management Framework	Core	SR306 Corporate Governance	Assurance	✓			

Review Area	Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27	2027/28
Business Continuity		SR306 Corporate Governance	Assurance	✓		✓	
ICT							
Cyber Security Maturity Assessment		SR307 Data Management Security	Assurance	✓	✓	✓	
ICT – Mobile Device Management		SR301 Financial Sustainability-General Fund	Assurance				✓
ICT - Social Media Use		SR306 Corporate Governance	Assurance		✓		
ICT - Network Resilience		SR301 Financial Sustainability-General Fund	Assurance				
Finance							
Financial Resilience	Core	SR301 Financial Sustainability-General Fund	Assurance	✓	✓	✓	✓
Key Financial Controls	Core	SR301 Financial Sustainability-General Fund	Assurance		✓	✓	✓
Procurement		SR305 Workforce	Assurance	✓			
Budgetary Control (Key Control Audit)		SR301 Financial Sustainability-General Fund	Assurance	✓			
Gilstrap Financials (also Governance in 25/26)		SR301 Financial Sustainability-General Fund	Assurance	✓	✓	✓	✓

Review Area	Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27	2027/28
Mansfield Crematorium		SR304 Contract/Supply Failure	Assurance	✓	✓	✓	✓
Accounts Receivable (Debtors) – Incl Bailiffs		SR301 Financial Sustainability- General Fund	Assurance				✓
Credit Card Usage		SR304 Contract/Supply Failure	Assurance				✓
Insurance		SR301 Financial Sustainability- General Fund	Assurance				✓
Capital Programme		Financial Sustainability- General Fund	Assurance		✓		
Operational Performance and Infrastructure							
Grants Fund – Towns Fund / Levelling Up 2		SR301 Financial Sustainability- General Fund	Assurance			✓	
Waste Management		SR306 Corporate Governance SR304 Contract/Supply Failure	Assurance		✓		
Grounds Maintenance and Cleansing Services		SR306 Corporate Governance SR304 Contract/Supply Failure	Assurance	✓			

Review Area	Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27	2027/28
Workforce							
Absence Management		SR305 Workforce	Assurance		✓		
Staff wellbeing and Sickness absence		SR305 Workforce	Assurance				✓
Health Alliance Arrangements & Benefits		SR305 Workforce	Assurance				✓
Workforce and Culture		SR305 Workforce	Assurance				
Apprenticeships and Talent Spotting		SR305 Workforce	Assurance	✓			
Agile Working		SR305 Workforce	Assurance	✓			
Grievance Reporting and Management		SR305 Workforce	Assurance			✓	
Parks and Open Spaces		SR305 Workforce	Assurance				✓
Leisure Services		SR305 Workforce	Assurance				✓
Right to Buy		SR305 Workforce	Assurance				✓
Contingency					✓		
Follow Up			Follow Up		✓	✓	
Added Value Audit Areas							
Housing Regulatory Compliance and Building Safety	Added Value Benchmarking	SR309 Statutory Compliance Management SR302 Financial Sustainability- HRA	Assurance	✓			
HRA H&S Mould	Added Value Benchmarking	SR309 Statutory Compliance Management SR302 Financial Sustainability- HRA	Assurance		✓		

Review Area	Review Area	BAF/Risk Ref	Type	2024/25	2025/26	2026/27	2027/28
Equality, Diversity, and Inclusivity (Staff)	Added Value Benchmarking	SR305 Workforce	Assurance	✓			
Antifraud and Corruption (LCFS)	Added Value Benchmarking						✓
Management and Planning							
Annual Planning			Management	✓	✓	✓	✓
Annual Report			Management	✓	✓	✓	✓
Audit Management			Management	✓	✓	✓	✓
Total Days				245	245	245	245

List of Advisory Reviews not included in the audit plan

Below is a list of reviews which are undertaken by our Specialists Staff and are available in addition to the plan.

Review	Indicative High Level Scope
Website Penetration Test	Web application penetration testing is the practice of simulating attacks on a system in an attempt to gain access to sensitive data, with the purpose of determining whether a system is secure. This is done in a safe and secure way with a report identifying weaknesses and remedial action.
Health and Safety Reviews	To provide assurance on a range of Health and Safety related topics to provide assurance and advice on compliance with statutory requirement and regulations.
Governance Effectiveness Reviews	The review will consider the Senior Managements effectiveness - including whether it has the structure, processes, people and performance to deliver. The review will also consider how they interact with stakeholders, and whether respective roles are clear.
Sustainability and Climate Change	Deep Dive into selected aspects of sustainability and climate change using a qualified subject matter expert.

Appendix B: Annual Plan – 2025/26

Quarter	Review	Type	Days	High-level Scope	Prog Ref	Review Type
Core Reviews to support the Head of Internal Audit Opinion						
4	Corporate Governance (including Staff Training and Succession planning)	Assurance	12	The objective of the audit is to review the systems and controls in place within Corporate Governance, to help confirm that these are operating adequately, effectively and efficiently. The audit will provide focus on the structures in place, training and succession planning for key posts.		IA
3	Climate Sustainability Assessment	Assurance	20	Using TIAA's Eco Smart tool, to assess the Council's climate sustainability strategy, impacts such as devolution and financial constraints along with their current position, to assess the pathway to meeting objectives.		IA
4	ICT - Social Media Use	Assurance	10	There are various aspects of social media use that are factored. The Council's corporate use of social media, effective use to market the Council's services and reach the community. There is also staff and members use of social media and how personal accounts and media posting can impact on the reputation of the Council.		IA
1	Joint Working Arrangements	Assurance	20	Newark and Sherwood District Council owns Arkwood Developments , a company established to manage housing development projects within the district. For instance, Arkwood Developments has been involved in plans to build 142 homes on land off Lowfield Lane in Balderton. This review will consider Governance, disclosure and assurance pertaining to these important service providers.		IA
1	Financial Resilience	Assurance	15	Confirm the realism and likely delivery success of identified saving within the current financial year and the Medium-Term Financial Plan.		IA

Quarter	Review	Type	Days	High-level Scope	Prog Ref	Review Type
3	Key Financial Controls - Budgetary Control	Assurance	16	<p>Budgetary Control is a fundamental financial process. Key control objectives that will be considered as part of this audit include:</p> <ul style="list-style-type: none"> Formally approved budgets are set each year, considering all relevant income and expenditure. The financial management system accurately reflects the agreed budgets. Budgets are allocated to individuals at an appropriate level, with monitoring responsibilities clearly outlined. All budget adjustments (including virements) are authorised. Budgets are adequately monitored and regularly reported, with reasonable variance levels being set which trigger action and explanation. Appropriate financial reserves are maintained in line with assessed risks. 		IA
3	Capital Programme	Assurance	15	<p>The overall objective of this audit is to provide assurance over the adequacy and effectiveness of current controls over the Capital Programme and provide guidance on how to improve the current controls going forward. In summary, the scope would seek to cover the following areas: Policies and Procedures, Governance Arrangements, Allocation of Capital Programme Budget, Project Initiation, Monitoring, End of Project Evaluation and Tracking Realisation of Proposed Benefits.</p>		IA
3	Waste Management	Assurance	15	<p>Management of Waste Contracts and related financial controls. Consideration of adherence to agreed requirements for example Safety Sheets, Weights controls and HR requirements. Adherence to safety remedy requirements.</p>		IA
3	Absence Management	Assurance	10	<p>Evaluation on absence management practices within the Council, focusing on efficiency, compliance, and strategies for minimizing staff absences and promoting wellbeing. This includes assessing policies, monitoring mechanisms, and return-to-work processes with the goal being to optimise workforce productivity, ensure compliance and foster a healthy and supportive work environment.</p>		IA
Suggested other Topics						
2	Cyber Security Maturity Assessment	Assurance	17	<p>A review of the controls and processes in place to ensure cyber safety and prevent cyber fraud and attacks.</p>		ICT
2	Gilstrap Financials	Assurance	8	<p>Independent Examination of the Gilstrap accounts in accordance with S145 of the Charities Act 2011.</p>		IA

Quarter	Review	Type	Days	High-level Scope	Prog Ref	Review Type
2	HRA H&S Mould	Assurance	17	Following the Coroner's November 2022 report into the death of Awaab Ishak in Rochdale, the Regulator of Social Housing (RSH) and the Department for Levelling up, Housing & communities asked to be provided with details on the grip the Council had on damp and mould across both the provision of social housing. Awaab's law will become law from October 2025. The purpose of this audit is to assess the design and test the effectiveness of controls around Health and Safety procedures in relation to damp and mould including reviewing the process for monitoring performance. The review covers: Policies and procedures; roles and responsibilities; performance monitoring; risk management; business continuity; service level agreements and data protection.		IA
2	Mansfield Crematorium	Assurance	8	Completion of the audit of the Mansfield Crematorium Accounts.		IA
4	Contingency	TBC	8			
1 – 4	Follow-up	Follow up	16	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Housing Association are implementing recommendations, and providing reports to the Audit Committee.		
1	Annual Planning	Management	4	Assessing the Local Government's annual audit needs.		
4	Annual Report	Management	3	Reporting on the overall conclusions and opinion based on the year's audits and other information and providing input to the Annual Governance Statement.		
4	Training	Management	2	Supporting Training of Audit Committee		
1 – 4	Audit Management	Management	29	This time includes meeting client management, overseeing the audit plan, reporting and supporting the Audit Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).		
Total days			245			

Internal Audit Charter

Purpose

The purpose of internal audit is to strengthen Newark Council's ability to create, protect, and sustain value by providing the Council/committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal audit enhances Newark Council's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

The internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with the IIA's Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Council.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global internal Audit Standards

TIAA will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. TIAA will report periodically to the Council and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

Authority

Newark Council's Council/committee grants the internal audit function the mandate to provide the Council/committee and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the Council/committee. Such authority allows for unrestricted access to the Council/committee.

The Council authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of Newark Council and other specialised services from within or outside Newark Council to complete internal audit services.

Independence and Reporting Relationships

TIAA will confirm to Newark Council's Council/committee, at least annually, the independence of the internal audit function. TIAA will disclose to the Council/committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfil its mandate.

Council/Committee Oversight

To establish, maintain, and ensure that TIAA internal audit provision has sufficient authority to fulfil its duties, the Council/committee will:

- Discuss with TIAA and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure TIAA has unrestricted access to and communicates and interacts directly with the Council/committee, including in private meetings without senior management present.
- Discuss with TIAA and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with TIAA and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve TIAA's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter periodically with TIAA to consider changes affecting the Council, such as changes in the type, severity, and interdependencies of risks to the Council; and approve the internal audit charter periodically. (typically, annually).
- Approve the risk-based internal audit plan.
- Review TIAA's performance.
- Receive communications from TIAA about the internal audit function including its performance relative to its plan.

- Ensure TIAA has established a quality assurance and improvement program, and this is reported on annually.
- Make appropriate inquiries of senior management and TIAA to determine whether scope or resource limitations are inappropriate.

TIAA Role

TIAA will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the Council and be able to recognise conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the Council.
- Report Council behavior that is inconsistent with the Council's ethical expectations, as described in applicable policies and procedures.

Objectivity

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

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or

engage in other activities that may impair their judgment, including:

- Performing operational duties for Newark Council or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Newark Council employee that is not employed by TIAA, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as TIAA management, Newark Council's Council/committee and management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to Newark Council's governing body (being the body with overall responsibility for the Council) on the adequacy and effectiveness of the risk management, control and governance processes.

TIAA's Responsibility

TIAA has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the Council/committee and senior management.
- Discuss the plan with the Council/committee and senior management and submit the plan to the Council/committee for review and approval.
- Review and adjust the internal audit plan, as necessary, in response to changes in Newark Council's business, risks, operations, programs, systems, and controls.
- Communicate with the Council/committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Council/committee and senior management [periodically] and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfil the internal audit mandate.
- Identify and consider trends and emerging issues that could impact Newark Council's and communicate to the Council and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to TIAA's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be

resolved or documented and communicated to the Council and senior management.

- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If TIAA cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Council.

Communication with the Council/Committee and Senior Management

TIAA will report periodically to the Council and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Significant revisions to the internal audit plan.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Council.
- Results of assurance and advisory services.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond Newark Council's risk appetite.

Quality Assurance and Improvement Programme

TIAA will develop, implement, and maintain a quality assurance and improvement program that covers all aspects

of the internal audit function. The program will include external and internal assessments of TIAA's conformance with the Global Internal Audit Standards, as well as performance measurement to assess TIAA's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement. Annually, TIAA will communicate with the Council and senior management about the quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside of TIAA.

Scope

The scope of internal audit services covers the entire breadth of the Council, including all Newark Council's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Council/committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Newark Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of Newark Council's strategic objectives are appropriately identified and managed.

- The actions of Newark Council's officers, directors, management, employees, and contractors or other relevant parties comply with Newark Council's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and 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 Newark Council.
- The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.
- Work will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

Assurance Assessment Gradings

We use four levels of assurance assessments as set out below.

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Data Protection

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role

effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2022.

Disclaimer

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and

specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Performance Standards

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Management responses received by TIAA within 10 working days of draft report issue.	100%
Final report issued within 10 working days of receipt of responses.	100%
Compliance with TIAA's audit charter and IIA GIAS/PSIAS	100%

Approved by the Governance and Audit Committee at its meeting on date