



Newark and Sherwood District Council

Indicative Audit Strategy 2026/29 and Annual Plan 2026/27

February 2026

Revised 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.

Financial Resilience:

Funding constraints and spiralling costs, along with macro-economic impacts on organisations require even tougher financial decisions, with dependencies on collaboration, innovation, spending cuts and service deterioration.

Devolution and Reorganisations:

Every process, policy, and assurance framework you rely on today could be dismantled or merged. Internal Audit will face a landscape where control environments are in flux, making previous assurances obsolete. Transition assurance is important.

Digital Transformation and Artificial Intelligence (AI):

The rapid integration, and disparities in maturity, of AI across the sector are multifaceted and require a comprehensive governance framework that ensures the safe and ethical adoption of AI technologies. AI can inadvertently expose sensitive data, privacy breaches, AI bias and regulatory oversight.

Cyber Security Governance:

This is a critical aspect of overall Board governance, especially given the sector being a high-value target for cyber-attacks, particularly ransomware and phishing. These threats are exacerbated by hybrid working and legacy IT systems.

Net Zero:

Whilst net zero ambitions are progressing, financial constraints and skills shortages in assessing requirements and delivering progress may hinder effective implementation.

People and Culture:

Poor culture is a significant risk to organisations, leading to poor motivation and inefficiencies. Setting a healthy, ethical and motivated culture from strategic management and being effective in embedding this throughout the organisation, will determine how well the culture is immersed.

Audit Strategy Methodology

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

- Newark and Sherwood District Council's business strategy and corporate objectives;
- The regulatory and legislative framework;
- Newark and Sherwood District Council's risk register;
- Discussion with the Board / Committee;
- External sources of assurance; and
- 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 IIA Global Internal Audit Standards.

Internal Audit Strategy and Plan

The Audit Strategy at Appendix A incorporates the proposed annual plan for 2026/27 and the indicative coverage for the following two years.

The Annual Plan at Appendix B sets out the assignments that will be carried out in 2026/27, 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 organisation; this will be formally reviewed with senior management and the Audit and Accounts 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 and Sherwood District Council. Where Newark and Sherwood District 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 for 2026/27 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of Newark and Sherwood District 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:	1 st December 2025
Revised Draft Strategy and Plan:	24 th February 2026
Final Strategy and Plan:	

Appendix A: Rolling Strategic Plan

Review Area	BAF/Risk Ref	Type	2025/26	2026/27	2027/28	2028/29
Governance						
Governance	SR306 Corporate Governance	Assurance		✓		
Risk Management Framework	SR306 Corporate Governance	Assurance		✓		
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, Grievances and Whistleblowing	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	SR306 Corporate Governance	Assurance				✓
Business Continuity	SR306 Corporate Governance	Assurance		✓		✓
Local Government Reorganisation (LGR) Readiness and Governance	SR306 Corporate Governance	Assurance		✓		
Information and Communication Technology (ICT)						
Cyber Security Maturity Assessment	SR307 Data Management Security	Assurance	✓	✓		

Review Area	BAF/Risk Ref	Type	2025/26	2026/27	2027/28	2028/29
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	N/A				
Finance						
Financial Resilience	SR301 Financial Sustainability - General Fund	Assurance	✓	✓	✓	✓
Key Financial Controls	SR301 Financial Sustainability - General Fund	Assurance	✓		✓	✓
Budgetary Control (Key Control Audit)	SR301 Financial Sustainability - General Fund	Assurance		✓		✓
Procurement	SR305 Workforce	Assurance				✓
Planning Enforcement	SR301 Financial Sustainability - General Fund	Assurance		✓		
Gilstrap Financials (also Governance in 2025/26)	SR301 Financial Sustainability - General Fund	Assurance	✓	✓	✓	✓
Mansfield Crematorium	SR304 Contract / Supply Failure	Assurance	✓	✓	✓	✓
Accounts Receivable (Debtors) – Including Bailiffs	SR301 Financial Sustainability - General Fund	Assurance			✓	
Credit Card Usage	SR304 Contract / Supply Failure	Assurance			✓	
Insurance	SR301 Financial Sustainability - General Fund	Assurance			✓	
Capital Programme	SR301 Financial Sustainability - General Fund	Assurance	✓			
Operational Performance and Infrastructure						
Grants Fund – Towns Fund / Levelling Up 2	SR301 Financial Sustainability - General Fund	Assurance		✓		

Review Area	BAF/Risk Ref	Type	2025/26	2026/27	2027/28	2028/29
Housing Rents	SR301 Financial Sustainability - General Fund	Assurance		✓		
Temporary Accommodation	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				✓
Workforce						
Absence Management	SR305 Workforce	Assurance	✓			
Staff wellbeing and Sickness Absence	SR305 Workforce	Assurance			✓	
Health Alliance Arrangements and 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	N/A	Assurance	✓			
Follow Up	N/A	Follow Up	✓	✓	✓	✓
Added Value Audit Areas						
Housing Regulatory Compliance and Building Safety	SR309 Statutory Compliance Management	Assurance				✓
HRA H&S Mould	SR302 Financial Sustainability - HRA	Assurance	✓			

Review Area	BAF/Risk Ref	Type	2025/26	2026/27	2027/28	2028/29
Equality, Diversity and Inclusivity (Staff)	SR309 Statutory Compliance Management	Assurance				✓
Antifraud and Corruption (LCFS)	N/A	Management			✓	
Management and Planning						
Annual Planning	N/A	Management	✓	✓	✓	✓
Annual Report	N/A	Management	✓	✓	✓	✓
Audit Management	N/A	Management	✓	✓	✓	✓
Total Days	N/A		245	245	245	245

Additional audit areas considered during the Audit Needs Assessment but not included in the three-year Rolling Strategic Plan

Governance – Strategic Control;	Treasury and Banking;	Procurement;
Strategic Planning and Stress Testing;	Anti-Social Behaviour; and	Data Protection (GDPR).

Additional services provided by TIAA

Compliance Audits for Homes England Funding Programmes

All providers delivering affordable homes are eligible for audit and have a contractual obligation to engage with the process if selected for audit. Homes England audits a selection of providers each financial year and notifies those selected via email.

TIAA will perform agreed performance tests as set out in the relevant procedural checklists, replicated by the Compliance Audit system and published on the Homes England website; and submit responses to enable the Compliance Audit system to produce a report based on identified procedural findings.

Investigatory Services

Our bespoke investigations practice forms part of our Anti-Crime and Investigations Team. We are able to provide focussed services in areas including:

- HR Disciplinary Investigations;
- Regulatory Breaches (such as Data Loss / DPA);
- Whistleblowing Matters;
- Cyber Risk Investigations;
- Criminal Investigations; and
- Fraud Investigations.

BRIXX Financial Modelling and Balance Sheet Stress Testing

We can help you develop and maintain robust and flexible financial models using BRIXX, the leading software for social housing. We can also help you conduct stress testing and scenario analysis to assess your financial resilience and risk appetite.

Appendix B: Annual Plan – 2026/27

Quarter	Review	Type	Days	High-level Scope
1	Business Continuity	Assurance	15	The audit will assess whether an effective continuous service process is in place to minimise the likelihood of service interruptions impacting upon key business functions and processes.
1	Planning Enforcement	Assurance	12	<ul style="list-style-type: none"> Review case files for timeliness, evidence, and consistency of enforcement decisions; Check statutory compliance with legal requirements for notices and procedures; Assess performance data for accuracy and use in service monitoring; Verify risk register entries and mitigation actions related to enforcement; and Test stakeholder communications for clarity, transparency, and public interest handling.
2	Grants Fund – Towns Fund / Levelling Up 2	Assurance	10	With an annual budget of over £4 million, the review will focus on the process for awarding grants and monitoring compliance with grant funding conditions.
	Community Engagement	Assurance	8	Review the council’s approach to community engagement, involvement, and experience. This includes an assessment of established procedures, cultural aspects and communication strategies supporting meaningful engagement within the community.
2	Cyber Security Maturity Assessment	Assurance	17	A review of the controls and processes in place to ensure cyber safety and prevent cyber fraud and attacks.
2	Complaints, Grievances and Whistleblowing - Internal	Assurance	12	The review considers the arrangements for the monitoring and management of complaints received and for ensuring that appropriate action is taken in a timely manner: <ul style="list-style-type: none"> Grievance Procedures – Review how staff grievances are logged, investigated, and resolved; Check internal complaints handling procedures, including how informal concerns are escalated and tracked; Whistleblowing Framework – Assess the accessibility and robustness of whistleblowing policies and protections; Analytics will be used to determine whether information is being recorded and to what extent policy is complied with; Policy Compliance – Confirm alignment with employment law and internal HR policies for a sample of six; and Monitoring and Reporting – Evaluate how cases are tracked, reported, and used to inform organisational learning.
3	Local Government Reorganisation (LGR) Readiness and Governance	Assurance	10	To assess the adequacy of governance, planning, risk management, and stakeholder engagement in relation to the proposed Local Government Reorganisation in. Focus on implementation readiness and transition risks.
3	Governance	Assurance	15	Gather data on board composition, committee attendance, conflict of interest declarations, and internal control metrics. Purpose: Ensure robust governance, risk management, and transparency. Audit Objectives: <ul style="list-style-type: none"> Assess board composition and committee effectiveness; and Review conflict of interest policies and controls.

Quarter	Review	Type	Days	High-level Scope
				Actions: <ul style="list-style-type: none"> • Audit Key Committee minutes and actions; • Review board member roles and compliance with guidance; and • Test conflict of interest declarations and enforcement.
3	Risk Management Framework	Assurance	10	<p>It is important to have effective risk management processes in place to support decision-making, to encourage innovation and growth, protect it from incidents that affect service delivery, and which harm its reputation and to minimise losses.</p> <p>The review considers the framework for risk management and the arrangements for identifying risks and controls and monitoring of these. Areas to be covered include:</p> <ul style="list-style-type: none"> • Risk management strategy, policies and supporting procedural documents; • Roles and responsibilities; • Arrangements for identifying and recording risks and their corresponding mitigating controls; and • Alignment of risks to strategy and projects.
3	Housing Rents	Assurance	10	<p>The objective of the audit is to review the systems and controls in place over Housing Rents to help confirm that these are operating adequately, effectively and efficiently. This audit is undertaken in collaboration Homes, to assess the annual rent charges, income, arrears, amendment to rent accounts and reconciliation with other key financial systems.</p>
3	Temporary Accommodation	Assurance	14	<p>Review budget forecasts and actual spend on Temporary Accommodation (TA) to assess financial pressure and cost controls:</p> <ul style="list-style-type: none"> • Sample placements to assess duration, suitability, and compliance with statutory guidance; • Review a sample of TA placements to verify compliance with statutory requirements (e.g. suitability assessments, decision letters, Section 202 review rights); • Test financial records for a selection of TA providers to confirm accuracy of payments, adherence to contract terms and value-for-money; • Inspect property records to ensure health and safety checks (e.g. gas, fire, electrical) are up to date and documented for all active TA units; • Evaluate performance data (e.g. average length of stay, occupancy rates) for completeness, accuracy and alignment with internal reporting; and • Check safeguarding protocols and inter-agency coordination for high-risk cases.
3	Budgetary Control (Key Control Audit)	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; and • Appropriate financial reserves are maintained in line with assessed risks.
3	Financial Resilience	Assurance	15	<p>Confirm the realism and likely delivery success of identified saving within the current financial year and the Medium-Term Financial Plan.</p>

Quarter	Review	Type	Days	High-level Scope
3	Grievance Reporting and Management	Assurance	10	The review considers the arrangements for the monitoring and management of complaints received and for ensuring that appropriate action is taken in a timely manner.
4	Gilstrap Financials (also Governance in 2025/26)	Assurance	8	Independent Examination of the Gilstrap accounts in accordance with S145 of the Charities Act 2011.
4	Mansfield Crematorium	Assurance	8	Completion of the audit of the Mansfield Crematorium Accounts.
1 – 4	Follow-up	Follow up	16	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Council are implementing recommendations, and providing reports to the Audit and Accounts Committee.
1	Annual Planning	Management	4	Assessing the Council’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 and Accounts Committee.
1 – 4	Audit Management	Management	30	This time includes: <ul style="list-style-type: none"> • Meeting client management; • Overseeing the audit plan; • Reporting and supporting the Audit and Accounts Committee; • Liaising with External Audit; and • Client briefings (including fraud alerts, fraud digests and committee briefings).
Total days			245	

Appendix C: Annual Plan – Newark and Sherwood District Council’ Key Strategic Risks (4*4)

Ref	Risk per BAF (as at August 2025)	Inherent	Target	Actual	Average per TIAA analysis (Borough / District usually 5*5)	Notes by TIAA on review of scoring
1	SR501 Financial Sustainability – General Fund	16	6	6	(16) 12	No concerns
2	SR502 Financial Sustainability - HRA	9	4	6	(16) 10	No concerns
3	SR503 Failure to deliver growth infrastructure	12	6	9	(20) 16	No concerns
4	SR504 Contract / Supply failure	12	4	6	(20) 14	No concerns
5	SR505 Workforce	16	6	6	(20) 12	No concerns
6	SR506 Corporate Governance	12	6	6	(20) 12	No concerns
7	SR507 Data Management and Security	16	6	9	(20) 16	No concerns
8	SR508 Environment	12	6	6	(20) 16	No concerns
9	SR509 Statutory Compliance Management	16	9	9	(20) 10	No concerns

Appendix D: Strategic risks frequently seen at Borough / District Councils – For Consideration / Potential Inclusion

Additional strategic risks articulated by other TIAA District / Borough Councils	Pre-mitigation	Post-mitigation
Inability to manage and deliver safe and good quality affordable homes	12	10
Failure to work with Strategic Partners	12	10
Reputational Damage / Loss of Public Confidence	16	10
Failure to Deliver Digital Transformation	20	12

Appendix E: Impact of the Global Internal Audit standards

Some key elements that are now required under the Standards. This list is not exhaustive:

- Requirement to understand the organisation's risks and internal and external providers of assurance services that cover those risks;
- The plan must support the strategic objectives and success of the organisation;
- The annual plan must be risk-based, prioritising engagements according to the organisation's risk profile;
- Communicate to the board and senior management why high-risk areas are excluded if applicable;
- The plan requires formal approval by the Board (or Audit Committee);
- The CAE must also discuss resources, budget, and capabilities needed to deliver the plan;
- The plan should integrate performance metrics and link to the internal audit strategy; and
- The plan must allow for adjustments during the year to respond to emerging risks or changes in organisational priorities.

Engagement / review impact:

- Include engagement level risk assessments and work programs for each planned audit;
- Evaluation of the significance of findings (considering likelihood and impact) and prioritisation of findings based on significance;
- Overall engagement conclusion; and
- Action owners and dates included in final communications.

Appendix F: Expected Plan Timeline

Time	Action
<i>December 2025</i>	Draft Plan presented to the Audit and Accounts Committee.
<i>End of December 2025</i>	Closing date for initial feedback from the Audit and Accounts Committee.
<i>Early January 2026</i>	Revised Draft Plan presented to the Executive for feedback.
<i>Late January 2026</i>	Closing date for feedback and submissions from Management.
<i>February 2026</i>	Second Revised Plan submitted to the Audit and Accounts Committee for approval.
<i>March 2026</i>	Issuance of the Final Plan.

Internal Audit Charter

Purpose

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

Internal audit enhances Newark and Sherwood District 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 board.
- 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 board 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 and Sherwood District Council's board/committee grants the internal audit function the mandate to provide the board/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 board/committee. Such authority allows for unrestricted access to the board/committee.

The board 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 and Sherwood District Council and other specialised services from within or outside Newark and Sherwood District Council to complete internal audit services.

Independence and Reporting Relationships

TIAA will confirm to Newark and Sherwood District Council's board/committee, at least annually, the independence of the internal audit function. TIAA will disclose to the board/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.

Board/Committee Oversight

To establish, maintain, and ensure that TIAA internal audit provision has sufficient authority to fulfil its duties, the board/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 board/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 organisation, such as changes in the type, severity, and interdependencies of risks to the organisation; 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 organisation and be able to recognise conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organisation.
- Report organisational behaviour that is inconsistent with the organisation'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 and Sherwood District Council or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Newark and Sherwood District 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 and Sherwood District Council's board/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 and Sherwood District Council's governing body (being the body with overall responsibility for the organisation) 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 board/committee and senior management.

- Discuss the plan with the board/committee and senior management and submit the plan to the board/committee for review and approval.
- Review and adjust the internal audit plan, as necessary, in response to changes in Newark and Sherwood District Council's business, risks, operations, programs, systems, and controls.
- Communicate with the board/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 board/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 and Sherwood District Council's and communicate to the board 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 board 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 board.

Communication with the Board/Committee and Senior Management

TIAA will report periodically to the board 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 board.
- 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 and Sherwood District 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 board 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 organisation, including all Newark and Sherwood District 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 board/committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Newark and Sherwood District 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 and Sherwood District Council's strategic objectives are appropriately identified and managed.

- The actions of Newark and Sherwood District Council's officers, directors, management, employees, and contractors or other relevant parties comply with Newark and Sherwood District 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 and Sherwood District 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.

purpose 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

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

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.

Quality Assurance

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

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	100%