



Newark and Sherwood District Council

Internal Audit Annual Report

Draft

June 2026

# Executive Summary

## Introduction

This is the 2025/26 Annual Report by TIAA on the internal control environment at Newark and Sherwood District Council. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control.

As a provider of internal audit services, TIAA has consistently ensured that our audit methodology conforms to the applicable Standards. Our most recent External Quality Assessment (EQA), undertaken in 2022, confirmed our conformance.

Following the introduction of the new Global Internal Audit Standards, we have reviewed and updated our working practices, where required, to ensure continued alignment with the revised requirements. Key updates include a refreshed audit Charter and enhancements to our Quality and Improvement Programme.

TIAA remains committed to maintaining conformance with applicable Standards and will continue to undergo an independent EQA every five years, with our next assessment scheduled for 2027. Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001:2015 standards.

### HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

**TIAA is satisfied that, for the areas reviewed during the year, Newark and Sherwood District Council has reasonable and effective risk management, control and governance processes in place.**

**This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by Newark and Sherwood District Council from its various sources of assurance.**

## Internal Audit Planned Coverage and Output

The 2025/26 Annual Audit Plan approved by the Audit Committee was for 245 days of internal audit coverage in the year.

During the year there were two changes to the Audit Plan (inclusion of Health and Safety (H&S) Mould Follow-up and the use of contingency days to support a Procurement review) and these changes were approved by the Audit Committee.

The planned work that has been carried out against the plan and the status of work not completed is set out at Annex A.

No extra work was carried out which was in addition to that set out in the Annual Audit Plan.

## Assurance

TIAA carried out 10 reviews, eight of which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Newark and Sherwood District Council’s objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	5	4
Reasonable Assurance	1	2
Limited Assurance	2	2
No Assurance	0	0
Advisory	2	3

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2025/26. The numbers in brackets relate to 2024/25 recommendations.

Urgent	Important	Routine
1 (2)	10 (21)	11 (23)

### Audit Summary

**Control weaknesses:** There were two areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' or 'no assurance.' Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted.

**Recommendations Made:** We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Governance Framework	0 (1)	2 (13)	5 (6)
Risk Mitigation	0 (0)	1 (1)	0 (3)
Compliance	1 (1)	6 (5)	5 (7)
Performance Monitoring	0 (0)	1 (2)	0 (6)
Sustainability	0 (0)	0 (0)	0 (0)
Resilience	0 (0)	0 (0)	1 (1)

**Operational Effectiveness Opportunities:** One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
8 (6)

### Independence and Objectivity of Internal Audit

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

### Performance and Quality Assurance

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	77%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	89%
Compliance with IIA Internal Audit Standards	100%	100%

### Release of Report

The table below sets out the history of this Annual Report.

Date Draft Report issued:	8 <sup>th</sup> June 2026
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## Actual against planned Internal Audit Work 2025/26

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Financial Resilience	Assurance	15	15	Substantial	Final Report Issued
HRA H&S Mould	Assurance	17	8	Limited	Reduced days to eight as not all were used, these days will be used to support the HRA H&S Mould in August 2026
Key Financial Controls - Budgetary Control	Assurance	16	16	Substantial	Final Report Issued
Capital Programme	Assurance	15	15	Substantial	Final Report Issued
Gilstrap Financials	Assurance	8	8	N/A	Final Report Issued
Mansfield Crematorium	Assurance	8	8	N/A	Final Report Issued
Absence Management	Assurance	10	10	Limited	Final Report Issued
Climate Sustainability Assessment	Assurance	20	20	Substantial	Final Report Issued
Waste Management	Assurance	15	15	Reasonable	Final Report Issued
Corporate Governance	Assurance	12	12	Substantial	Final Report Issued
Procurement	Assurance	0	8	Draft report issued	Contingency days used for this review.
ICT Systems Controls (previously Cyber Security Maturity Assessment)	Assurance	17	17	Draft report issued	
Joint Working Arrangements	Assurance	20	20	Fieldwork in progress	
ICT Social Media	Assurance	10	10	To be commenced	Planned June 2026
H&S Mould Follow-up	Follow Up	0	9	To be commenced	Planned August 2026, using days left from HRA H&S Mould review
Contingency	N/A	8	0	N/A	
Follow-up	N/A	16	16	N/A	
Annual Planning	N/A	4	4	N/A	

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Annual Report	N/A	3	3	N/A	
Training	N/A	2	2	N/A	
Audit Management	N/A	29	29	N/A	
	<b>Total Days</b>	<b>245</b>	<b>245</b>		