



**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

Internal Audit Progress Report
Epsom & Ewell Borough Council – February 2026

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1. Internal Audit Mandate

The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

'5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—

(a) make available such documents and records; and

(b) supply such information and explanations

as are considered necessary by those conducting the internal audit.'

The role of internal audit is best summarised through its definition within the Standards, as an:

'An independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.'

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

2. Internal Audit Standards

With effect from 1 April 2025, the 'Standards' against which internal audit within the public sector must conform are those laid down in the Global Internal Audit Standards, Application Note: Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector.

3. Purpose of Report

In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to Senior Management and the Audit and Scrutiny Committee, summarising:

- The monitoring of 'live' internal audit reports
- an update on progress against the annual audit plan and any subsequent revisions
- acknowledgement of any actual or perceived impairments to internal audit independence
- internal audit performance, planning and resourcing issues
- results of audit assignments and insights.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of controls in place focusing on those designed to mitigate risks to the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

4. Resourcing

As Chief Internal Auditor I maintain responsibility for ensuring that there is a sufficient level of resource available, supported by an appropriate range of knowledge, skills, qualifications and experience to deliver the internal audit plan (2025-26) and in the fulfilment of the audit mandate and delivery of the internal audit strategy.

- **Human Resource** - the Southern Internal Audit Partnership has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and risk-based audit plan.
- **Financial Resource** - the Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit mandate and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.
- **Technological Resource** - the internal audit function has the technology to support the internal audit process and regularly evaluates technological resources in pursuit of opportunities to improve effectiveness and efficiency.

5. Independence

As your chief internal auditor, I retain no roles or responsibilities that have the potential to impair my independence, either in fact or appearance. Internal auditors engaged in the delivery of the 2025-26 internal audit plan have had no direct operational responsibility or authority over any of the activities reviewed. I can confirm there has been no interference encountered relating to the scope, performance, or communication of internal audit work during the year to date in the delivery of the internal audit plan or the fulfilment of the internal audit mandate.

6. Impairments

There have been no impairments to internal audit activity during the year. The internal audit function has remained free from all conditions that threaten our ability to carry out responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The internal audit team have maintained an unbiased mental attitude allowing them to perform engagements objectively enabling them to believe in their work product, with no compromise to quality, and no subordination to their judgment on audit matters, either in fact or appearance.

7. Rolling Work Programme

The internal audit plan for 2025-26 (quarter 1 & 2) was originally presented to Senior Management and approved by the Audit and Scrutiny Committee in March 2025, with the plan for quarter 3 & 4 presented accordingly in September 2025. The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Progress against the plan is detailed below.

Audit Review	Sponsor	Scoping Held	ToR Issued	Fieldwork Start	Draft Report	Final Report	Assurance Opinion	Comment
2024/25 Reviews								
Playground Maintenance	HofOS	15.08.24	10.09.24	09.10.24	28.05.25	27.08.25	Limited	
EEPIC Governance Arrangements	HofP&R	10.10.24	20.11.24	20.11.24	03.07.25	06.11.25	Reasonable	
Payroll	HofP&OD	15.01.25	11.02.25	14.03.25	29.10.25	13.11.25	Reasonable	
Asset Management	HofP&R	16.01.25	04.04.25	09.05.25	09.10.25			Further revised draft report issued 06.02.26
HR Use of Volunteers	HofP&OD	27.02.25	20.03.25	12.05.25	28.08.25	06.11.25	Limited	
2025/26 Reviews								
Tree Preservation Orders	DCE	08.11.24	17.01.25	27.05.25	31.07.25	09.09.25	Reasonable	
Car Parking	HofH&C	15.05.25	13.06.25	30.06.25	15.09.25	15.10.25	Reasonable	
Environmental Health – Houses in Multiple Occupation	HofH&C	13.05.25	12.06.25	09.07.25	27.10.25	11.02.26	Reasonable	
Development Management	HofPD	08.05.25	04.06.25	13.06.25	01.08.25	16.09.25	Reasonable	
Climate Change Strategy	HofPD	01.09.25	17.09.25	03.11.25	14.01.26	12.02.26	Reasonable	
Procurement	ADCS	18.07.25	30.07.25	27.08.25	11.11.25	18.11.25	Substantial	
Council Tax	DofCS	09.07.25	31.07.25	05.08.25	21.10.25	18.11.25	Reasonable	
National Non-Domestic Rates	DofCS	23.07.25	01.08.25	19.08.25	22.10.25	18.11.25	Reasonable	
Fees and Charges	DofCS	22.10.25	28.11.25	15.12.25	18.02.25			
IT – Cyber Security (Patch Management)	HofICT	06.11.25	02.12.25	29.01.26				
Follow Up – Information Governance	ADCS	N/A	05.02.26	10.02.26				
Follow Up – IT Cyber Security (Training and Awareness)	HofICT	N/A	19.11.25	23.02.25				

Audit Review	Sponsor	Scoping Held	ToR Issued	Fieldwork Start	Draft Report	Final Report	Assurance Opinion	Comment
HR – Organisational Capacity/Resilience	HofP&OD	20.01.26	10.02.26					

Audit Sponsor			
DofCS	Director of Corporate Services (S151)	DCE	Deputy Chief Executive & Director of Environment, Housing & Regeneration
ADCS	Assistant Director, Corporate Services	HofH&C	Head of Housing & Community
HofPD	Head of Place Development	HofOS	Head of Operational Services
HofP&OD	Head of People and Organisational Development	HofP&R	Head of Property & Regeneration
HofICT	Head of ICT		

8. Adjustment to the Internal Audit Plan 2025-26

Internal Audit focus continues to be proportionate and appropriately aligned. The plan remains fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, Senior Management, and Audit and Scrutiny Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Council.

Such amendments to the 2025-26 internal audit plan are detailed below with explanations for the proposed amendments.

Additions	Audit Review	Reason for inclusion in the plan
	None	
Withdrawals	Audit Review	Reason for removal from the plan
	None	

9. Acceptance of Risk

Internal audit reporting protocols are in place to ensure that the scope of work and findings for all assignments are reported appropriately and that agreed management actions are approved by senior management.

Every effort will be made to resolve disagreements that may arise during the audit process. However, if, unresolved issues are considered by internal audit to fall outside of the Council's risk tolerance, these will be escalated to Senior Management and Audit and Scrutiny Committee as deemed necessary.

There are no such instances to report from our delivery of the 2025–26 internal audit plan to date.

10. Executive Summaries of reports published concluding a 'Limited' or 'No' assurance opinion

Title: HR Use of Volunteers		
Audit Sponsor	Assurance opinion	Management Actions
Head of People and Organisational Development	 Limited	 0 High  11 Medium  4 Low
<p>Summary of key observations:</p> <p>There are various models of volunteering utilised by a number of services throughout the Council, ranging from informal and ad hoc volunteering models through to more formal role-based methods. The purpose of this audit was to review the arrangements to manage the use of formal role-based volunteers covering the three service areas that utilise this method - Countryside Team, The Community Centre and the Playhouse.</p> <p>Whilst positively at a corporate level we were able to confirm that to comply with Health and Safety protocols and to ensure lessons are learnt, incidents and accidents are reported, recorded and shared at the quarterly Health and Safety briefings for all volunteers with the Council. We were also able to confirm that to provide protection against liability, volunteers for the Council are covered by the Council's insurance.</p>		

Within the Countryside Team we were able to positively confirm that to reduce the likelihood of accidents and incidents, equipment used and tasks carried out are subject to risk assessments. Additionally, an overarching risk assessment is completed for the organising and running of volunteer tasks. Also, to reduce the likelihood of accidents and incidents and to ensure volunteers are informed of the correct procedures, a Health and Safety talk is carried out by a paid member of staff from the Countryside Team that accompanies the Thursday volunteers. We also confirmed that volunteers are issued with Personal Protection Equipment. To ensure each task is adequately resourced in terms of equipment and volunteers required, the Countryside Officer creates a task programme for the volunteers that attend on a Thursday.

For the Playhouse we were able to positively confirm that prior to each performance, the Stewards have a meeting with the House Manager in the auditorium to review the fire evacuation procedure and test headsets.

For the Community Centre we were able to positively confirm that to ensure effective communication, the Manager at the Community Centre will relay any messages to volunteers that are pertinent to their role.

We also confirmed across all three areas that information relating to volunteers is held securely.

However, we identified that there is no overall policy in place for the use of volunteers, and this has led to inconsistencies in approach. Additionally, across all three areas we identified incomplete recruitment processes and training records.

There is a lack of formal and documented rotas/supervision records across the Playhouse and Community Centre, resulting in an absence of records showing which paid staff and volunteers are present on any given day. Additionally, across these two areas we also found that health and safety risks assessments were incomplete.

Within the Countryside Team no records were maintained of the issue of tick removal equipment and for the cattle checkers a log of the issue and return of keys.

Management actions have been identified that, once implemented, will assist in mitigating the risks/issues identified.

11. Analysis of 'Live Audit Reviews' (January 2026)

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions												
				Agreed			Pending			Complete			Overdue			
				L	M	H	L	M	H	L	M	H	L	M	H	
2021/22 Reviews																
Information Security	30.05.2022	HofICT	Reasonable	2	2	1				1	2	1	1			
Affordable Housing Delivery	03.01.2023	HofH&C	Limited		7	7					6	7		1		
2024/25 Reviews																
Housing Allocations Policy	12.05.2025	HofH&C	Reasonable	5			1			2			2			
Playground Maintenance	27.08.2025	HoPD	Limited		3	3					1	2		2	1	
HR Use of Volunteers	06.11.2025	HofP&OD	Limited	4	11		1	6			2		3	3		
Payroll	13.11.2025	HofP&OD	Reasonable	2	2			1		2	1					
Safeguarding	27.03.2025	HofH&C	Reasonable		5			1			4					
2025/26 Reviews																
Tree Preservation Orders	09.09.2025	HofDM&E	Reasonable		3	1					2	1		1		
Council Tax	18.11.2025	DofCS	Reasonable	2	8			3		2	5					
National Non Domestic Rates	18.11.2025	DofCS	Reasonable	1	4		1	1			3					
Environmental Health – Houses in Multiple Occupation	11.02.2026	HofH&C	Reasonable	3	1	1	3		1		1					
Climate Change Strategy	12.02.2026	HofP&OD	Reasonable	3	4	3	3	4	3							
Exempt/Restricted Items				3	18	6				3	12	6		6		
Total				25	68	22	9	16	4	10	39	17	6	13	1	

Overdue 'High Priority' Management Action

Playground Maintenance – Limited Assurance

Observation:

Whilst our review has found that there is an established process in place regarding inspections and maintenance, there is no agreed policy to confirm the current approach. There are also no documented procedures for staff to follow and therefore the current process is reliant on the team's knowledge and awareness and if anything did change there is a risk that these standards are not retained.

We were advised that the risk rating of repair works is mirrored to the criteria provided within the RoSPA training and whilst this appears reasonable, without this being documented there is no evidence to confirm this aligns with the Council's overall risk tolerance. By documenting this process and clearly expressing within policy and procedure documentation this could help to ensure consistency.

In addition, no documented strategy is in place to set the overall direction and objectives of the service.

Risk:

Provision and/or availability of playground equipment does not align with need or with current safety or accessibility standards. If roles and responsibilities are not defined, staff may be unaware of the tasks to be undertaken and inconsistencies could occur.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Develop an overall strategy to set the direction and objectives of the service.	30.09.2025	31.03.2026	On hold as advised by Deputy Chief Executive due to LGR.

Overdue 'Low & Medium Priority' Management Actions

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
			Low	Medium		
IT Information Security			Low		31.12.2022	30.05.2024 01.09.2024 31.12.2024 28.02.2025 28.03.2025 31.08.2025 31.10.2025 TBC
Affordable Housing Delivery *	03/01/2023	Limited		Medium	31.12.2024	31.12.2025 30.04.2026
Housing Allocations Policy	12/05/2025	Reasonable	Low		30.09.2025	31.10.2025 31.03.2026
			Low		30.09.2025	28.10.2025 31.03.2026
Use of Volunteers	06/11/2025	Limited	Low		31.12.2025	28.02.2026
			Low		31.12.2025	28.02.2026
			Low		31/12/2025	28.02.2026
				Medium	31.01.2026	28.02.2026
				Medium	31.01.2026	28.02.2026
Playground Maintenance	27/08/2025	Limited		Medium	31.10.2025	31.03.2026
				Medium	31.10.2025	31.03.2026
Tree Preservation Orders	09/09/2025	Reasonable		Medium	31.10.2025	30.04.2026
Total			6	7		

* The likelihood is that this outstanding management action will not be implemented as it can only be considered once the local plan has been adopted and therefore timing may be prohibitive in light of LGR.

Southern Internal Audit Partnership - Performance Measures

Performance Measure	Regularity	Target	Actual 25/26	Status	Direction of Travel
1. Percentage of the agreed audit plan completed (issue of draft / final report)	Ongoing	90%	61% *		
2. Audits delivered within agreed timescales (% year to date)					
o To issue of draft report	Ongoing	80%	25% *		
o To issue of final report	Ongoing	80%	16% *		
3. Conformance with the Global Internal Audit Standards in the UK Public Sector	Annual	Generally conforms	Generally conforms		
4. Audits conducted optimising the effect use of data analytics (% year to date)	Ongoing	60%	60% *		n/a
5. Stakeholder satisfaction (annual survey)					
o Audit Committee	Annual	90%	99%		
o Senior Management		90%	99%		
o Key Contacts		90%	97%		
6. Internal audit effectively communicates with key stakeholders					
o Audit Committee	Annual	90%	99%		n/a
o Senior Management		90%	99%		n/a
o Key Contacts		90%	97%		n/a
7. Sufficiency of input to and discussion of the internal audit plan					
o Audit Committee	Annual	90%	97%		n/a
o Senior Management		90%	98%		n/a
8. Appropriate focus on key risks					
o Audit Committee	Annual	90%	97%		n/a
o Senior Management		90%	100%		n/a
o Key Contacts		90%	97%		n/a

* Cumulative through the year