

Summary of Internal Audit Service Work – 1 October 2025 to 28 February 2026

Appendix 1

Assurance Audits

<u>Department</u>	<u>Entity</u>	<u>Movement since previously reported (30/9/25)</u>	<u>Status at 28/2/26</u>	<u>Target for completion</u>	<u>Assurance rating</u>	<u>HI Rec'n</u>
Adults & Communities	Deprivation and Non-Declaration of Capital	Completed	Final Issued	-	Substantial	No
Adults & Communities	Safeguarding	Completed	Final Issued	-	Partial	Yes
Adults & Communities	Financial Assessment Team Processes	Completed	Final Issued	-	Substantial	No
Chief Executives	Developer Contributions (s106/s278)	Planning stage	Deferred	Continue in 26/27 with a revised scope	-	-
Chief Executives	CIVICA to Arcus Migration	Progressed	Final issued	-	Substantial	No
Children & Family Services	Commissioning Service – Quality Assurance Process	Progressed	Deferred	Agreed deferred to the 2026/27 Plan year.	-	-

Children & Family Services	Children's Social Care Placements & Payments	Completed	Final Issued	-	Partial	Yes
Children & Family Services	Fostering & Adoption	Progressed	Phase 1 – Review Stage.	13 March	TBC	TBC
Children & Family Services	Early Years Providers – Compliance Visits process	Completed	Final report issued	-	Substantial	No
Children & Family Services	Learning Disabilities Transitions from Children's Complex to Care Adults	Started	Due to corporate review being undertaken as part of 'Preparing for Adulthood' in this area, department requested that this audit be deferred	Agreed deferred to the 2026/27 Plan year.	-	-
Children & Family Services	Maintained Schools' – Themed Audit – Deficit Budgets	Fieldwork completed	Review stage	13 March	TBC	TBC
Children & Family Services	Fleckney CE Primary School	Completed	Final issued	-	Substantial	No

Children & Family Services	Little Bowden Primary School	Completed	Final issued	-	Substantial	No
Children & Family Services	St Mary's Church of England Primary School	Completed	Final Issued	-	Substantial	Yes
Children & Family Services	Safeguarding	Completed	Final Issued	-	Substantial	No
Children & Family Services	Replacement of Capita with Synergy	Progressed	Review Stage	31 March	TBC	TBC
Children & Family Services	SEN Payments	Started	Testing	30 April	TBC	TBC
Consolidated Risk	Responsible Payments – Review of Higher-Risk Clients	Started	Planning Stage	30 June	-	-
Consolidated Risk	Emerging Issues – MIS Data Quality - Thrive	Progressed	Draft Report Issued	31 March	Substantial	No
Consolidated Risk	Early Payment Scheme	Progressed	Year-end comparison testing prior to reporting	31 March	TBC	TBC
Consolidated Risk	Procure to Pay (P2P)	Progressed	Year-end comparison testing prior to reporting	31 March	TBC	TBC

Consolidated Risk	Implementation of Public Procurement Regulations (2024-25)	No change	Draft report being finalised	31 March	TBC	TBC
Consolidated Risk	Annual Governance Statement – Review Accuracy of Departmental Self Assessments	No change	Draft Issued.	31 March	Substantial	No
Consolidated Risk	Annual Governance Statement – Improvements / Actions	No change	Draft Issued.	31 March	Substantial	No
Consolidated Risk	Account Governance Review	Progressed	Final issued	-	Partial	Yes
Consolidated Risk	Replacement of Wisdom (EDRMS) & Associated Data Move	Progressed	Final Issued	-	Substantial	No
Consolidated Risk	PSN Accreditation Audit 2025/26	Progressed	Testing Stage	13 March	TBC	TBC
Consolidated Risk	Use of Artificial Intelligence	Progressed	Final Issued	-	Substantial	No
Consolidated Risk	Cyber Security	Progressed	Testing Stage	31 March	TBC	TBC
Consolidated Risk	Key ICT Controls Audit 2025/26	Progressed	Started Audit	31 March	TBC	TBC
Consolidated Risk	Two Factor Authentication (2FA/MFA)	Progressed	Started Audit	31 March	TBC	TBC
Consolidated Risk	Immigration & Asylum – Placements and Payments	Completed	Final Issued	-	Substantial	No

Consolidated Risk	Implementation of Public Procurement Regulations (2025-26)	Progressed	Draft report being compiled	31 March	TBC	TBC
Consolidated Risk	Records Management - Continuous Audit (Floor Walks)	Progressed	Final Floor Walk in March 2026	31 March	TBC	TBC
Consolidated Risk	Mandatory Learning - Health & Safety Specific	Progressed	Draft Report Stage	31 March	TBC	TBC
Consolidated Risk	Risk Management	Progressed	Draft report stage	31 March	TBC	TBC
Consolidated Risk	Prevent Duty – Venue Hire	Progressed	Draft Report stage	31 March	TBC	TBC
Consolidated Risk	Assurance Mapping	Started	Review of LCC Risk Registers completed. Expected assurance mapped and risk and assurance owners identified. Mapping this to IA	30 April	TBC	TBC

			universe to identify areas where future audits are required.			
Consolidated Risk	Procurement – Prompt Payment of Supply Chains	Started	Planning Stage	30 April	TBC	TBC
Consolidated Risk	Procurement Challenges – At Tendering and Contract Award Stage	Started	Planning Stage	31 May	TBC	TBC
Consolidated Risk	Procurement - Bid Rigging	Started	Planning Stage	30 April	TBC	TBC
Consolidated Risk	Declaration – Gifts & Hospitality & Conflict –Review of Declaration	Completed	Review Stage	30 April	TBC	TBC
Consolidated Risk	P-Cards	Completed	Review Stage	31 March	TBC	TBC
Corporate Resources	Procurement – Contract Awards to Single Specific Suppliers	Started	Planning Stage	31 March	TBC	TBC
Corporate Resources	Tax Digital/IR35	Completed	Final Issued	-	Substantial	No
Environment & Transport	Leicestershire CAN-De Project	Started	Work underway to complete final Independent Accountants	31 March	TBC	TBC

			Report (IAR) for the period June 2025 to project closure.			
Environment & Transport	SEN Transport	Completed	Final Issued	-	Substantial	No
Environment & Transport	Payment to Taxi Providers	Completed	Review Stage	13 March	Substantial	TBC
Environment & Transport	Refuse & Household Waste Sites (RHWS) - Operatives Ethics & Culture	Completed	Final issued	-	Substantial	No

Advisory audits

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 28/2/26)</u>
	Local Code of Corporate Governance – major review and refresh in conjunction with Monitoring Officer & Head of Democratic Services	Ongoing
	Annual Governance Statement 2024-25	Final published with Statement of Accounts
	Annual Governance Statement 2025-26	Ongoing
Consolidated Risk	National Fraud Initiative 2024/26 – analysis of matched data	Final report issued
Consolidated Risk	National Fraud Initiative 2024/26 – analysis of matched data Adult Social Care	Final report issued
Consolidated Risk	<p>ICT Policies and Procedures:</p> <ul style="list-style-type: none"> - Attendance at Information Assurance Group Meeting (including quarterly updates on Information Governance statistics) - Floor walk (ongoing programme of work) - Input into Information Security Related Breaches (reported to the ICO) as and when required. - Initial Assessment of ISRAs <p>Public Services Network (PSN)</p> <ul style="list-style-type: none"> - On going accreditation advice <p><i>Overall Value Added: Proactive timely control and efficiency advice.</i></p>	Ongoing

	<p>Information Security Risk Assessments (ISRA)</p> <p><i>Overall Value Added:</i></p> <ul style="list-style-type: none"> • <i>Ensure appropriate security controls are considered.</i> • <i>Ensure there is relevant commitment, approval and sign off.</i> • <i>Identification and acceptance of residual risks.</i> 	
Corporate Resources	IDEA Caseware - A review of Internal Audits use of the IDEA Data Interrogation Tool	Ongoing
Corporate Resources	Wisdom Mosaic Document Migration - LCC is moving away from the Wisdom EDRMS product. Therefore, all documentation from Wisdom needs to be migrated over to their respective systems of which Mosaic (Children's Case Management System) is one.	Signed off 06/01/2026
Corporate Resources	Arcus Trading Standards Solution - New Data and Case management System to be utilised by the Trading Standards Service to replace the current spreadsheets used by the Service.	Ongoing
Corporate Resources	Alteryx - Designer desktop product with intelligent suite add on is a data preparation and analysis tool	Signed off 13/11/2025
Corporate Resources	IG Bridge Oneview – used for pseudonymising information and securely sending information from a shared space. This work will be part of the efficiency review being carried out by Newton.	Signed off 12/01/2026

Corporate Resources	IlovePDF – is a suite of online and web based tools for managing PDF documents, offering a wide range of features such as editing, converting, compressing, merging, and splitting PDFs.	Signed off 13/12/2026
Corporate Resources	AI in Adobe - AI features in adobe Cloud for photo and video editing.	Signed off 18/02/2026

Grant certifications

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 28/2/26)</u>	<u>Conclusion/ Assurance rating</u>	<u>HI Rec'n</u>
Adults & Communities	Disabled Facilities Grant (24/25 31/7271 & 31/7605)	Certified 31/10/25	n/a	n/a

Investigations

The Internal Audit Service undertakes proactive (planned) and reactive (demand led) counter fraud activity. Whilst some time incurred was to close previous years' investigations, in the 5 months to the end of February, 12 cases had time recorded against them (22 days).

Other control environment/assurance work

<u>Department</u>	<u>Entity</u>	<u>Final report (or position at 28/2/26)</u>
Governance	<p>Financial Controls Group membership focussing on the following key areas:</p> <ul style="list-style-type: none"> • Dealing with applications for exception to corporate policy • Monitoring of compliance of policies (through clear metrics) • Review any future changes required to existing policies. • The facilitation of Oracle upgrades and issues arising <p>Other related issues around financial performance (e.g. level of debts/write-offs)</p>	Ongoing
Counter Fraud	Publishing of comms for International Fraud Awareness Week (IFAW)	Complete.
Risk management	<p>Routine challenge to department risk registers/updating the corporate risk register</p> <p>Annual review and update of risk management policy statement & strategy</p>	<p>Ongoing</p> <p>Complete</p>
Risk management	Chair of the cross service Property & Occupants Risk Management Group – 1/4ly meetings and involvement in project on venue hire 'PREVENT' controls	Ongoing

Work assisting other functions.

<u>Department</u>	<u>Entity</u>	<u>Position at 28/2/26</u>
Adult Social Care / Corporate Resources	Input to MTFS savings under development – Responsible Payments (Adult Social Care Direct Payments Fraud)	Ongoing
Public Health	Advice to department regarding counter fraud aspects in relation to the new Crisis & Resilience Fund.	Ongoing
East Midlands' Freeport	Advice to Freeport on fraud-related matters, e.g. Fraud Risk Assessment, Policies & Procedures, in our role as Accountable Body	Ongoing

Training, development and networks attended (and substantial other work undertaken) during the period

External Quality Assessment

- Continue to review action plan in line with implementing new global internal audit standards (GIAS)

Internal Audit Case Management System

- Re-Procurement Exercise nearing completion

Local Authorities Chief Auditors Network

- October and December meetings

Midlands Counties Heads of Internal Audit Groups

- Heads of Internal Audit Group
 - 2026-27 planning ideas
- ICT Audit Sub-Group
 - Inputs into IT Points of Practice:
 - Use of Audit Case Management Software
- Fraud Sub-Group
 - Virtual meetings held 14th October 2025 & 13th January 2026. Various issues discussed and emerging fraud risks.

Use of Co-Pilot and AI to support Internal Audit Service Delivery.

- Co-Pilot Webinar

Institute of Internal Auditors (IIA)

- Data Analytics and Artificial Intelligence Forum – Monthly attendance
- Fraud Forum – How to use AI in internal audit teams

CIPFA Better Governance Forum webinars

- Winter Internal Audit Update 2026 – GIAS, root cause analysis, forming annual conclusions, key financial risks
- Governance Practitioners Update 2026 – governance changes, obtaining assurance, LGR implications

CIPFA Webinar

- The Procurement Act 2023 – Progress, Pitfalls and Practical Insights

East Midlands Risk Management Group

National Anti-Fraud Network (NAFN) Webinars

- None this cycle

NatWest Bank Webinar

- Fraud Unmasked

CIFAS Webinar

- Internal Threat webinar – How to protect your organisation from the threat within
- Failure to Prevent Fraud

Cabinet Office Webinar

- Freeport Risk and Counter Fraud Training

National Fraud Initiative

- Shaping the NFI Webinar