

2nd APRIL 2025

INTERNAL AUDIT – AUDIT UPDATE

SUMMARY:

This report describes:

- An update on the audits finalised since the last update report to Committee in January 2025 and a summary of the progress towards the 2024/25 audit plan.

RECOMMENDATION:

Members are requested to:

- i. Note the audit work completed.
- ii. Note the progress to date towards the 2024/25 audit plan.

1 Introduction

1.1 This report is to provide Members with:

- An overview of the work finalised for the 2023/24 audit plan;
- A progress update on the 2024/25 Audit Plan; and
- A schedule of work to be delivered in Q4.

2 Audit Work Completed

2.1 The table below provides an overview of the assurance opinion, given to the completed audits since the last update in January 2025:

Audit Title	Assurance Opinion	Recommendations by Priority		
		High	Medium	Low
2023/24 Internal Audit Plan				
Homes for Ukraine Fund	Reasonable	2	9	1

2.2 Below is a summary of the key findings from the audits.

Homes for Ukraine fund

Funding has been received by Rushmoor Borough Council in response to the arrival of Ukrainian nationals into the borough through the Homes for Ukraine resettlement scheme. Review of the administration and use of the fund identified the following weaknesses:

- Virements have not being utilised were appropriate to ensure that budgets reflect the correct financial position.

- No process is in place for awarding financial support or record keeping.
- £50,000 award received in error from HCC.
- Ongoing costs resulting from property purchase not forecast or budgeted for.
- No formal performance reporting.
- No formal planning or proactive measures to maximise the use of the fund.

3 Progress towards the Audit Plan

3.1 The table below provides a summary of progress to date (19/03/25):

2023/24 audit plan progress

Audit/ Audit follow up status	Number of reviews	%
Finalised	13	81.25
Draft report	1	6.25
In progress	0	0
Audits removed	2	12.5
	16	100
Audits to be started	0	0
Total	16	100

2024/25 audit plan progress

Audit/ Audit follow up status	Number of reviews	%
Finalised	2	15.5
Draft report	5	38.5
In progress	6	46
Audits removed	0	0
	13	100
Audits to be started	0	0
Total	13	100

4. Expected Deliverables for 2024/25

4.1 The work expected to be delivered for inclusion within the annual audit opinion is detailed within the table below. These audits can be subject to change due to the evolving auditing environment. Updates on these will be provide at the next committee meeting:

Service	Audit/ follow up/descriptor
Operations	Disabled Facilities Grants – To review the DFG process.
ELT	Rushmoor Homes Limited - Review the processes in place for RBC involvement with RHL including the process for drawing down funding. (23/24)

Service	Audit/ follow up/descriptor
Finance	Effectiveness of financial rules and processes & compliance with financial regulations - To review the effectiveness of processes in place and compliance.
Finance	Capital Programme – To review the process for developing and agreeing the annual capital programme.
Democracy	Elections - To review the implementation of the new election’s legislation and data security.
ACE	Local Authority Housing Fund - To review the spending of the fund to ensure in line with requirements.
Finance	National Non-Domestic Rates (NNDR) – Key financial system
Finance	Sales Ledger – Key financial system
Finance	Financial Management System (FMS) & Bank Reconciliation – Key financial system
Regeneration	Union Yard – A review of the project including governance and finances.
IT	Pay 360 – A review of the update to the 360 system.
Property & Growth	Biodiversity - A review to ensure that the appropriate processes have been implemented to meet the new legislation.

5. Recommendation

5.1 Members are requested to note the information provided within the report in relation to the progress of Audit work to date towards the 2024/25 audit plan, and the expected deliverables.

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HEAD OF SERVICE: Peter Vickers, Executive Head of Financial Services and S151 Officer

References:

Internal Audit – Audit Plan 2024/25, presented to the Committee on 20 March 2024.
[Agenda for Corporate Governance, Audit and Standards Committee on Wednesday, 20th March, 2024, 7.00 pm - Rushmoor Borough Council](#)

Internal Audit – Audit Plan 2023/24, presented to the Committee on 27 March 2023.
[Agenda for Corporate Governance, Audit and Standards Committee on Monday, 27th March, 2023, 7.00 pm - Rushmoor Borough Council](#)