Oadby and Wigston Borough Council

Report of Internal Audit Activity

July 2025

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

Contents

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Internal Audit Definitions

At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";

- **No**
- **Limited**
- **Reasonable**
- **Substantial**

● Audit Framework Definitions

Control Assurance Definitions

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.
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.
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.
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.

Non-Opinion – In addition to our opinion based work we will provide consultancy services. The "advice" offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

Internal Audit Definitions

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

● Audit Framework Definitions

Categorisation of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

	Categorisation of Recommendations
Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management
Priority 3	Finding that requires attention.

Definitions of Risk

Risk	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Audit Plan Progress

| Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Governance	Transparency Agenda	Final Report	High Limited	7		7		Report Included
Operational	Section 106	In Progress						
Governance	Data Breaches	Ready to Start						
Operational	Data Protection (to include Data Retention Procedures)	Ready to Start						
Operational	Pooling Housing Capital Receipts							
Follow-Up	Follow-Up of Agreed Actions (not included in an audit above)	On Going						
Other Audit Involvement	Management of the IA Function and Client Support	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks							

The following are the Internal Audit reports, of each audit review finalised,
since the last Committee update

Transparency Agenda – Final Report – June 2025

Audit Objective	Review to ensure that all data is published in accordance with the Transparency Code 2015.

Executive Summary
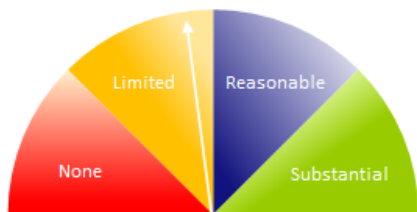
Assurance Opinion	Management Actions		Organisational Risk Assessment	Medium
The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.	Priority 1	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact.	
	Priority 2	7		
	Priority 3	0		
	Total	7		

NB: The findings below are a reflection of the audit at the time of fieldwork: April – May 2025

At the time of issuing the draft report there were 7 Priority 2 actions. 4 actions have been implemented prior to issuing this final report, resulting in an improved assurance opinion offered. Officers have provided feedback to the findings and action plan and are addressing the remaining 3 actions.

Key Conclusions

Through review of records held on the public-facing website 6 of the 14 areas were non-compliant with the Local Authority Transparency Code 2015. These are:
- Procurement Information and contracts, (Completed)
- Organisational chart, senior salaries and the pay multiple, (Completed)
- Social housing asset values, (Completed)
- Parking accounts records and parking spaces information. (Completed)

Through review of records held on the public-facing website, the following records (3 of the 14 areas) are not published and are non-compliant with the Local Authority Transparency Code 2015:
- Grants to voluntary, community and social enterprise organisations,
- Fraud data,
- Local land assets.

3 of the 14 areas that are published and compliant with the Local Authority Transparency Code 2015 are:
- Spend data exceeding £500 – published on a quarterly basis,
- Procurement Card expenditure – published on a quarterly basis,
- Constitution – last reviewed in August 2024.

Audit Scope

The audit included a desktop review of compliance with the Local Government Transparency Code 2015.

The 4 themes which fit into the Code are as follows:

- Publishing Data.
- Publishing spending and procurement information.
- Publishing organisation information.
- Publishing land and social housing assets and parking information.

Other Relevant Information

The Code mandates publishing data covering 14 areas that are relevant to the Council. Publishing waste contract data is not applicable as the Council has an in-house service. Trade union facility is also not applicable as the Council do not have any advisors.

The Code states, *"Transparency is the foundation of local accountability and the key that gives people the tools and information they need to enable them to play a bigger role in society. The availability of data can also open new markets for local business, the voluntary and community sectors and social enterprises to run services or manage public assets. Fraud can thrive where decisions are not open to scrutiny and details of spending, contracts and service provision are hidden from view. Greater transparency, and the provisions in the Code, can help combat fraud."* Hence, why it is important that information is published accordingly.