

QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME – UPDATE FOR G&E COMMITTEE NOVEMBER 2019

RECOMMENDATIONS

<u>No.</u>	<u>Recommendation</u>	<u>Response</u>	<u>Responsible Person</u>	<u>Agreed Deadline</u>	<u>Progress Update</u>
1	<p>The following should be added to the audit charter at its next revision:-</p> <ul style="list-style-type: none"> • a definition for consulting services; • reference to the core principles of internal audit; the code of ethics for internal auditors; • the seven principles of Public life; and the Accounts and Audit Regulations (England) 2015; • the role of Internal Audit in dealing with the Council's fraud risks; • a statement on Internal Audit's resources and whether these are sufficient to deliver an effective internal audit service; and the Audit Manager's current reporting lines. 	<p>Agreed</p> <p>This will be actioned at the next review of the charter which will be as part of preparing next year's audit plan.</p>	Audit Manager	February 2019	Implemented
2	<p>Following the outcome of the external quality assessment, produce a quality assurance and improvement plan for the Service and report this to the Governance and Ethics Committee.</p>	<p>Agreed</p> <p>This will be compiled and included in the report item covering the external assessment outcome.</p>	Audit Manager	July 2018	Implemented

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3	Strengthen the Service by the introduction of an additional post to the team. Whilst this could be a post at auditor or senior auditor level if the funds are available, the advantages of employing an apprentice should not be overlooked.	<p>Agreed</p> <p>As part of next year's budget setting process the Audit Manager will submit a Budget Pressure Bid to request additional resource for the team for consideration by senior officers and members.</p>	Audit Manager	As part of the Budget setting process for 2019/2020	<p>Implemented.</p> <p>A budget pressure was submitted/approved to change the auditor post to a senior post.</p> <p>A further budget pressure has been submitted for 2020/21 requesting funding for an additional post.</p>
4	As the team is relatively small, the Audit Manager should introduce alternative ways of obtaining assurance, such as data analytics, control and risk self-assessments, and third party assurances.	Agreed	Audit Manager	By the end of the current financial year	<p>Work in Progress</p> <p>We have recently implemented data analytics software.</p> <p>The Risk Management processes need be further refined/risk registers more detailed before considering a cultural shift to requiring managers to undertake control and risk self assessments.</p> <p>Assurance mapping has commenced.</p>

SUGGESTIONS FOR IMPROVEMENT

<u>No.</u>	<u>Suggestion</u>	<u>Response</u>	<u>Responsible Person</u>	<u>Agreed Deadline</u>	<u>Progress Update</u>
1	Consider undertaking a review of the remit and effectiveness of the Governance and Ethics committee using the checklist from the CIPFA guidance for audit committees.	Agreed An item will be put on the agenda for the Governance and Ethics Committee to discuss and agree a timeframe for this.	Audit Manager	By the end of the current financial year.	Implemented A review has commenced.
2	To provide greater transparency on the objectives of the annual audit plan, it is suggested that the individual audits are mapped or cross-referenced to the relevant strategic risks and Council objectives that they are addressing.	Agreed This will be undertaken as part of the compilation of next year's audit plan.	Audit Manager	February 2019	Work In Progress Discussions were held with the Performance, Research & Consultation Manager regarding the changes being made to the Risk Management process. The intention is to link the Risk Registers more closely with Service Plan objectives/targets. This information would then help to inform the audit plan and provide the necessary links to Council objectives etc rather than the Audit Manager carrying out a separate exercise to map out the same information.

<u>No.</u>	<u>Suggestion</u>	<u>Response</u>	<u>Responsible Person</u>	<u>Agreed Deadline</u>	<u>Progress Update</u>
3	Consider delegating more of the audit supervision and review functions to the Senior Auditors to perform. This could include introducing a peer review process where the Senior Auditors undertake the initial review of each other's work.	Agreed As one of the senior posts will be vacant in a week's time, being able to action this point will be dependent on when we can recruit a replacement. We anticipate this will take six months after the recruitment of a replacement senior auditor.	Audit Manager	See response column	Implemented
4	It is suggested that a statement setting out the limitations on distribution and use of the contents of the audit reports is added to the standard report template used by the Service	Agreed	Audit Manager	Immediate effect	Implemented
5	It is further suggested that a statement is added to each individual audit report confirming that the audit has been carried out in accordance with the requirements of the PSIAS. Where this is not the case, a statement should be included to explain why this is the case	Agreed	Audit Manager	Immediate effect	Implemented