

TELFORD & WREKIN COUNCIL

AUDIT COMMITTEE 1 OCTOBER 2020

PUBLIC SECTOR INTERNAL AUDIT STANDARDS – SELF-ASSESSMENT ACTION PLAN UPDATE

REPORT OF THE CHIEF INTERNAL AUDITOR

1 PURPOSE

- 1.1 To present to the Audit Committee an update on the Internal Audit action plan to comply with the Public Sector Internal Audit Standards (PSIAS).

2 RECOMMENDATIONS

- 2.1 It is recommended that the Audit Committee note the contents of the action plan.

3 SUMMARY

- 3.1 The PSIAS were introduced from 1 April 2013 (amended 2017) and are designed to create consistency for the practice of Internal Audit across the public sector and establish the basis for its quality assurance.
- 3.2 A report was presented to the Audit Committee in October 2019 that detailed a self-assessment of Internal Audit practices against the requirements of the PSIAS. The assessment demonstrated that Internal Audit fully complied with 69% and partially complied with 31% of the standards.
- 3.3 An action plan had been drawn up to ensure Internal Audit arrangements were fully compliant in all respects in the future. This report provides an update on this action plan.

4 PREVIOUS MINUTES

Audit Committee October 2019

5 Self-Assessment and Action Plan

- 5.1 See Appendix 1 attached to this report for information on the current status of the PSIAS improvement action plan.

6 OTHER CONSIDERATIONS

AREA	COMMENTS
Equal Opportunities	Transparency supports equalities and demonstrates the Council's commitment to be open and fair.
Environmental Impact	This report has limited environmental impact due to the nature of the work companies reported.
Legal Implications	The Council is required, under the Accounts and Audit Regulations 2003 (as amended) to have an adequate and effective system of internal audit. The role of internal audit is to give an independent opinion of the Council's control

	<p>environment. The Public Sector Internal Audit Standards were introduced as a mechanism to enable internal audit teams to evaluate performance. The PSIAS require internal audit teams to undertake ongoing monitoring of performance and periodic assessments. The outcome of the monitoring and assessments should be reported and should include any action plans needed to enable improvements. This report, and its Appendix, satisfies that requirement.</p> <p>AL – 18/09/2020</p>
Links with Corporate Priorities	The report supports the Council's values that are embedded in the delivery of all the Council's priorities.
Risks and Opportunities	The risks and opportunities in respect to this report will be appropriately identified and managed.
Financial Implications	There are no financial implications arising from the recommendation of this report. TS 17.9.2020
Ward Implications	Borough wide

7 BACKGROUND PAPERS

None

Report prepared by Rob Montgomery – Audit & Governance Team Leader (and Chief Internal Auditor)

Action Plan Ref	PSIAS Ref	Action Needed	Owner	Date to be Implemented	Progress as at 1/10/202120
1	1000	The Audit Charter to be updated to include the external work Internal Audit undertakes in respect to parishes.	RM	Jan 2020 (Audit Committee meeting).	Complete
2	1100 / 2020 / 2060	Internal Audit activity reports to include information on progression of completion of the Annual Audit Plan and any changes made.	TD	1/10/19 (next Audit Committee meeting).	Complete
3	1110	The Audit Committee to be part of the approval process for appointing the Chief Internal Auditor. This is to be reflected in Audit Charter.	RM	May 2020 (first Audit Committee meeting in 20/21).	Complete
4	1110	The Chief Executive and Chair of Audit Committee to feed into the APPD for the Chief Internal Auditor. This is also to be included in Charter.	RM	Next APPD to be confirmed. Action taken before this	Documented in charter agreed by Audit Committee.
5	1210 / 1230 / 2030	Need to embed CPD process in the team and use Auditor skills matrix as part of APPD.	KF/KB/SW	End of December 2019	Learning plans set up on Ollie and the skills matrix has been included in 1:2:1 documentation from April 2020.
6	1320	Additional information to be included in the Internal Audit Activity Report with respect to the Quality Assurance & Improvement Programme (QAIP).	TD/RM	1/10/19	Complete

Action Plan Ref	PSIAS Ref	Action Needed	Owner	Date to be Implemented	Progress as at 1/10/202120
7	1321	The Annual Governance Statement to be developed to include information on Internal Audits Code of Ethics and Charter.	TD/RM	End of March 2020	Complete.
8	2000 / 2010	Internal Audit to attend Assistant Director management meetings twice a year.	TD/RM	To start from 1/10/19	Complete
9	2040	Internal Audit Manual to be updated.	KF/KB/SW	End of March 2020	Complete
10	2330	A process to be developed to ensure the audit information retention policy is adhered to.	KF/KB/SW	End of March 2020	Retention policy in place for audit information retention. Process for deletion being further developed.
11	2430	Audit scoping document to include declaration about compliance with PSIAS and code of ethics.	RM	1/10/19	Complete
12	2450	The AGS to be developed to include QAIP information.	TD/RM	End of March 2020	Complete