



## **AUDIT COMMITTEE – 11TH JUNE 2019**

**SUBJECT: PUBLIC SECTOR INTERNAL AUDIT STANDARDS - ACTION PLAN  
PROGRESS UPDATE**

**REPORT BY: INTERNAL AUDIT SERVICES MANAGER**

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### **1. PURPOSE OF REPORT**

- 1.1 To provide an update on the completion of the actions previously agreed at the April 2018 Audit Committee, in relation to the internal and external reviews of compliance with the Public Sector Internal Audit Standards (PSIAS).

### **2. SUMMARY**

- 2.1 Following the completion of an external peer review in late 2017 and receipt of the outcome report the Audit Committee, in April 2018, was provided with an action plan which amalgamated issues identified in both the internal and the external assessments along with intended actions and suggested timescales.
- 2.2 This report provides an appendix which sets out the progress made against each action.

### **3. RECOMMENDATIONS**

- 3.1 The Audit Committee is asked to note the progress made to date in completing the previously agreed actions.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To provide assurance to the Audit Committee that progress is being made against the previously agreed actions.

### **5. THE REPORT**

- 5.1 The Public Sector Internal Audit Standards (PSIAS) came into force on 1st April 2013 and introduced a requirement for internal and external assessments to be undertaken periodically to evaluate compliance with the Definition of Internal Auditing, the Code of Ethics and the Standards.
- 5.2 Following the completion of the external peer review in late 2017 and the subsequent receipt of the outcome report the Audit Committee, in April 2018, was provided with an action plan which amalgamated issues identified in both the internal and the external assessments along with intended actions and suggested timescales..

- 5.3 Attached at Appendix 1 is the updated action plan that shows the progress made and also includes notes setting out how the remaining actions will be dealt with moving forward.
- 5.4 Many of the actions are in some way linked to the development and operation of the recently acquired audit management software solution. This will take some time to set up, however once completed and operationally embedded into our working practices many of the outstanding issues will be resolved.

## **Conclusion**

- 5.5 Good progress has been made on the actions previously agreed and the completed tasks will add to the future compliance with the PSIAS.
- 5.6 The purchase and embedding of the new audit management software will deal with the majority of the outstanding points, any minor points remaining will be completed as soon as possible.

## **6. ASSUMPTIONS**

- 6.1 It is assumed that the implementation of the audit management software will not be problematic and it will be embedded into everyday operational practices as quickly as possible.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The work of Internal Audit Services provides assurance on the robustness of internal controls and the corporate governance arrangements operating within the Authority and identifies areas for improvement.
- 7.2 Strong corporate governance arrangements are an essential element of ensuring that the Council's key priorities are effectively delivered.

## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 Strong corporate governance arrangements are a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met: -
- A prosperous Wales.
  - A resilient Wales.
  - A healthier Wales.
  - A more equal Wales.
  - A Wales of cohesive communities.
  - A Wales of vibrant culture and thriving Welsh Language.
  - A globally responsible Wales.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan, therefore a full Equalities Impact Assessment has not been carried out.

## **10. FINANCIAL IMPLICATIONS**

10.1 There are no direct financial implications arising from this report.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no personnel implications arising from this report.

## **12. CONSULTATIONS**

12.1 Any comments received have been reflected in the report.

## **13. STATUTORY POWER**

13.1 The Local Government Act 2000.

Author: R. Harris, Internal Audit Manager

Consultees: R. Edmunds, Corporate Director for Education & Corporate Services  
S. Harris, Interim Head of Business Improvement Services & Acting S151 Officer

Appendices:

Appendix 1 PSIAS self-assessment / external assessment – progress on agreed actions

**PSIAS SELF-ASSESSMENT / EXTERNAL ASSESSMENT – PROGRESS ON AGREED ACTIONS**

<b>ATTRIBUTE STANDARDS</b>				
<b>Requirement</b>	<b>Self-Assessment</b>	<b>Actions for Consideration</b>	<b>External Assessor Recommended actions</b>	<b>Agreed Actions/Person Responsible/Timescale</b>
<p><b>1000 Purpose, authority and responsibility</b> The purpose, authority and responsibility of the Internal Audit activity must be formally defined in an internal audit charter, consistent with the definition of internal auditing, the code of ethics and the standards. The charter must be reviewed periodically and approved by the Audit Committee.</p>	<p>Internal audit arrangements are derived from the Council’s constitution and specifically the Financial Regulations. These arrangements are reinforced within the Internal Audit Charter approved and adopted by the Audit Committee in September 2014.</p>	<p>Add an explanation to the Charter that references the PSIAS use of the term Board and Senior Management and then interpret this as meaning the Audit Committee and the Section 151 (S151) Officer.</p>	<p>Agreed</p>	<p>The Audit Charter to be reviewed and updated. The updates to be reported to the Audit Committee and approved. S151 and Internal Audit Manager - 31.3.19</p> <p><b>The audit charter has been updated and reported to Audit Committee on 23<sup>rd</sup> April 2019</b></p>
		<p>Add additional wording into the Audit Charter to explain the notification requirement in respect of suspected fraud or irregularities. May also need to be included in Financial Regulations to reach a wider audience.</p>	<p>Agreed. Update to clearly link the Audit Charter with the Councils Anti-fraud, bribery and corruption policy. Also to explain the notification requirement in respect of suspected fraud or irregularities.</p>	<p>The Audit Charter to be reviewed and updated. The updates to be reported to the Audit Committee and approved. S151 and Internal Audit Manager - 31.3.19</p> <p><b>The audit charter has been updated and reported to Audit Committee on 23<sup>rd</sup> April 2019</b></p>
		<p>Add wording into the Audit Charter relating to arrangements to avoid conflicts of interest arising in respect of non-audit duties</p>	<p>Agreed</p>	<p>The Audit Charter to be reviewed and updated. The updates to be reported to the Audit Committee and approved. S151 and Internal Audit Manager - 31.3.19</p> <p><b>The audit charter has been updated and reported to Audit Committee on 23<sup>rd</sup> April 2019</b></p>

**PSIAS SELF-ASSESSMENT / EXTERNAL ASSESSMENT – PROGRESS ON AGREED ACTIONS**

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Requirement	Self-Assessment	Actions for Consideration	External Assessor Recommended actions	Agreed Actions/Person Responsible/Timescale
		Strengthen the Audit Charter by specifying a requirement to review the charter at an agreed interval.	Agreed. Any updates to the Audit Charter should be clearly documented and approved by the Audit Committee.	Consider how best to record and evidence the review process. S151 and Internal Audit Manager - 31.3.19  <b>The audit charter has been updated and reported to Audit Committee on 23<sup>rd</sup> April 2019</b>
		Not considered an issue in the Self-Assessment	Update Charter to demonstrate Internal Audit's contribution to the review of the effectiveness of the controls environment and link with Financial Regulations.	The Audit Charter to be reviewed and updated to include a cross reference to Financial Regulations. The updates to be reported to the Audit Committee and approved. S151 and Internal Audit Manager - 31.3.19  <b>This will be considered at the next review of the audit charter</b>
		Not considered an issue in the Self-Assessment	The Charter should recognise the mandatory nature of the Chartered Institute of Internal Auditors definition of Internal Auditing and Code of Ethics and PSIAS.	The Audit Charter to be updated to demonstrate compliance with the Standards. S151 and Internal Audit Manager - 31.3.19  <b>The audit charter has been updated and reported to Audit Committee on 23<sup>rd</sup> April 2019</b>

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<b>1100 Independence and objectivity</b> The internal audit activity must be independent and internal auditors must be objective in performing their work.	Appropriate structures and reporting arrangements are in place. The Internal Audit Manager has direct access to the Section 151 Officer, the Chief Executive and the Chair of the Audit Committee.  Internal Audit independence is maintained and no operational responsibilities are undertaken. Internal Audit staff comply with the Council's Code of Conduct and declare any conflicts of interest that could impinge on the work of the service. Any threats to auditor's objectivity are raised	Add references to the organisational independence of the Internal Audit Service in the Annual Audit Plan and outturn report.	Agreed	To be included in the Audit plan and annual out turn report. S151 and Internal Audit Manager - 31.3.19  <b>This will be included in future plan and outturn reports as the template is developed in the new report templates within the new audit management system</b>
		Involve the Audit Committee in any proposed structural reviews of the Internal Audit Service.	Audit Committees are not generally involved with these processes but agree that the Committee should be consulted on any proposed structural reviews of the Internal Audit Service	Audit Committee to be consulted on any future reviews or changes to the structure of the service. S151 and Internal Audit Manager  <b>The Audit Committee will be consulted on any future proposed structural reviews.</b>
		Invite feedback from the CEO in the performance appraisal of the Internal Audit Manager.	Not considered necessary. No further action proposed	

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	as identified and appropriate avoidance measures taken.	Obtain feedback from the Chair of the Audit Committee as part of the performance appraisal of the Internal Audit Manager.	Not considered necessary. No further action proposed	
		Staff to complete a declaration confirming that they understand the independent role of Internal Audit and disclose any potential conflicts of interest.	Declarations have been seen. Consideration be given to staff completing a further declaration confirming that they understand the independent role of Internal Audit and disclose any potential conflicts of interest.	Additional documentation to be considered. S151 officer - 31.3.19  <b>An additional declaration has been introduced for the start of the 19/20 financial year. This requirement is also included in the updated charter.</b>
<b>1130 Impairment to Independence or Objectivity</b> Have internal auditors assessed specific operations for which they have been responsible within the previous year?	No this has not occurred and would not occur in future	Not considered an issue in the Self-Assessment	More detailed explanation is required. Also detail of how the authority would deal with any internal appointments from other sections or spouses who also work for CCBC should be considered. Consider making an annual declaration, even if it states there is nothing to declare.	Consideration to be given to this if the situation should arise in future.  S151 officer - 31.3.19  <b>This is dealt with operationally if the situation arises, no further action considered necessary.</b>

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Are assignments for ongoing assurance engagements and other audit responsibilities rotated periodically within the internal audit team	When circumstances and opportunity allows some rotation of tasks does take place however it is balanced against the knowledge and experience requirements when allocating work	Not considered an issue in the Self-Assessment	This should be evidenced in the audit planning records.	The team is relatively small and allocation of audit work must be balanced against the requirements of the task and knowledge and expertise. However consideration will be given to detailing selection of personnel within the audit assignment scoping and planning documents. Internal Audit Manager - 31.3.19  <b>This will be considered at the time work is allocated if an opportunity arises.</b>
<b>1200 Proficiency and due professional care</b> Engagements must be performed with proficiency and due professional care.	Staff are aware of the Public Sector Internal Audit Standards (PSIAS) and the Code of Ethics. Staff are appropriately allocated assignments based on knowledge,	The Internal Audit Manager needs to ensure that all job descriptions are up-to-date and in the agreed corporate format.	Agreed.	Job descriptions to be reviewed and updated if necessary. Internal Audit Manager - 31.3.19  <b>8 of 10 are completed and in the current format, the remaining two have been drafted and are in the process of being formally agreed.</b>



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	experience and personal attributes. Ongoing training and support is provided to continually develop the skills and competencies of audit staff and the current Internal Audit Team is knowledgeable and experienced. The Internal Audit Manager is professionally qualified and suitably experienced.	Performance Development Reviews (PDRs) must be undertaken for all staff on an annual basis.	Agreed	PDRs to be undertaken for all staff Internal Audit Manager - 30.9.19  <b>This will be done by the end of September</b>
<b>1300 Quality assurance and improvement programme</b> The Head of Audit must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.	Internal Audit Services undertakes a self-evaluation which feeds into the service improvement planning process. Performance measurement and benchmarking is undertaken to inform the improvement	The constituent parts of the quality and improvement programme should be formalised and written into the audit manual.	Agreed	Audit Manual to be reviewed and updated. Internal Audit Manager - 31.3.19  <b>The audit manual is being reviewed on an ongoing basis and its format/use will be reviewed once the new electronic audit management software is installed and operating.</b>

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	process. Individual audit assignments are monitored throughout the process with reports reviewed for quality and consistency purposes prior to being issued to clients. A post-audit evaluation process is in place to inform the annual self-evaluation.	Not considered an issue in the Self-Assessment	The process is not maintained but embedded into the operational processes of the service and should be formalised and written into the audit manual.	Audit Manual to be reviewed and updated. Internal Audit Manager - 31.3.19  <b>As above</b>
<b>1310 Requirements of the Quality Assurance and Improvement Programme (QAIP)</b> Does the QAIP include both internal and external assessments?	In future both processes will be run alongside the corporate self-evaluation process to ensure priorities and actions are aligned.	Not considered an issue in the Self-Assessment	The constituent parts of the quality and improvement programme should be formalised and written into the audit manual	Audit Manual to be reviewed and updated. Internal Audit Manager - 31.3.19  <b>As above</b>

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<p><b>1311 Internal Assessments</b> Do internal assessments include ongoing monitoring of the internal audit activity, such as: Routine quality monitoring processes? Periodic assessments for evaluating conformance with the PSIAS?</p>	<p>The corporate self-evaluation and performance monitoring processes have been in place for a number of years and are well established. The requirement to conform with the PSIAS is fairly recent and informal assessments have been used to identify improvement areas.</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>Processes are needed to ensure the audit review process would pick this up. This should also be evidenced within the process.</p>	<p>Consideration to be given to including this in the review process. Internal Audit Manager - 31.3.19</p> <p><b>The review and monitoring processes will be re-evaluated once the audit management software is fully operational.</b></p>
<p><b>1320 Reporting on the Quality Assurance and Improvement Programme</b> Has the Chief Audit Executive (CAE) reported the results of the QAIP to senior management and the board? Note that: -</p> <ul style="list-style-type: none"> <li>the results of both external and periodic internal assessment must be communicated upon completion</li> <li>the results of ongoing monitoring must be communicated at least annually</li> <li>the results must include the assessor's or assessment team's</li> </ul>	<p>The self-assessment exercise was reported to Audit Committee in December 2016. In future results of the internal assessments will be reported in the annual outturn report The results of the external assessment process will be reported to the Audit Committee when received by the</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>This will be done in future as part of the normal reporting process</p>	<p>Will be included in the next self-evaluation cycle. Internal Audit Manager - 31.3.19</p> <p><b>This will be done following future self- assessments and reviews</b></p>

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evaluation with regards to the degree of the internal audit activity's conformance with the PSIAS.	external reviewer			
Has the CAE included the results of the QAIP and progress against any improvement plans in the annual report?	This has not been included in the annual outturn report to date.	Not considered an issue in the Self-Assessment	Following the internal & external reviews this will be reported	To be considered in reporting process. Internal Audit Manager - 31.3.19  <b>Progress against agreed actions has been reported separately to the annual report. In future this may well be included in the annual opinion report.</b>
<b>1321 Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing'</b> Has the CAE stated that the internal audit activity conforms with the PSIAS only if the results of the QAIP support this?	This has not been included in the annual outturn report to date.	Not considered an issue in the Self-Assessment	Following the internal & external reviews this should be reported	To be considered in reporting process. Internal Audit Manager - 31.3.19  <b>This was reported in the Annual Internal Audit Report 2018/19 which was presented to the Audit Committee on 23<sup>rd</sup> April 2019.</b>
<b>1322 Disclosure of Non-conformance</b> Has the CAE reported any instances of non- conformance with the PSIAS to the board?	This has not been included in the annual outturn report to date.	Not considered an issue in the Self-Assessment	Following the internal & external reviews this should be reported	To be considered in reporting process. Internal Audit Manager - 31.3.19  <b>The results of both the internal and external assessments were reported to</b>

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				<b>the Audit Committee. The agreed action plan was also reported and this update on progress is also being reported.</b>

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<b>2000 Managing the internal audit activity</b> The Head of Audit must effectively manage the internal audit activity to ensure it adds value to the organisation	The service has a good understanding of the needs and objectives of the whole organisation and understands its position in the assurance framework. It aspires to be innovative and challenging as well as being a catalyst for change. A risk based operational plan is developed in consultation with Members, Directors, Heads of Service and staff. The plan is reported to and approved by the Audit Committee prior to the start of the financial year. Processes and procedures to guide internal audit activity in line with the requirements of the Public Sector Internal Audit	The annual audit plan report needs to clearly show links to organisational objectives and priorities.	Agreed	To be considered in reporting process. Internal Audit Manager - 31.3.19  <b>Further development of the audit planning process will be facilitated through the new audit software package once it is fully operational.</b>
		Future audit planning work needs to include a review of the Council's assurance framework to determine what assurances can be gained from other sources.	Agreed. This is currently not covered in the Audit Plan.	To be considered in reporting process. Internal Audit Manager - 31.3.19  <b>An assurance framework has now been developed and future audit plans will be evolving to match key priorities and key risks to potential areas of audit focus. Stage 2 of the assurance framework's development will be looking at the various sources of assurance to provide another level of narrative on the assurances provided.</b>

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	Standards (PSIAS) are set out in an Audit Manual which is available to all staff.			
<b>2010 Planning</b> Does the risk-based plan set out how internal audit's work will identify and address local and national issues and risks?	The plan does not specifically cover this however the plan does refer to the need for flexibility in order to address emerging or new areas and to respond to changing priorities or structures etc. Audit Committee members are well aware of the impact of change on the plan. Directors and Heads of Service are consulted during the planning process to identify both national and local issues or areas needing additional assurances.	Not considered an issue in the Self-Assessment	Members need to be made aware of impact and changing priorities	To be considered in reporting process. Internal Audit Manager 31.3.19  <b>This will continue to be done via reports to the Committee or as part of the Committees annual training regime.</b>

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<p>Does the risk-based plan set out the:</p> <ul style="list-style-type: none"> <li>• Audit work to be carried out?</li> <li>• Respective priorities of those pieces of audit work?</li> </ul>	<p>At the planning stage there are too many variables to enable this level of detail to be included. Consultation with the client and the scoping process deals with these issues within a flexible framework.</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>Consider providing greater detail around the audit work to be undertaken in order to better inform members of any changing priorities / risk profiles.</p>	<p>To be considered in reporting process. Internal Audit Manager – 31.3.19</p> <p><b>The process of providing more detailed information has begun with the latest reports providing more information on future areas of coverage and the respective risk ratings.</b></p>
<p>Does the risk-based plan set out the:</p> <ul style="list-style-type: none"> <li>• Estimated resources needed for the work?</li> </ul>	<p>Audit resource input is indicated for staff management purposes</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>Additional detail should be supplied to Audit Committee when variations arise.</p>	<p>To be considered in reporting process. Internal Audit Manager 31.3.19</p> <p><b>This is being considered as part of the roll-out of the audit management software.</b></p>
<p><b>2050 Coordination</b> Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?</p>	<p>An assurance framework is under development which will give members a view of the whole assurance landscape.</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>Future audit planning work needs to include a review of the Council's assurance framework to determine what assurances can be gained from other sources and evidence provided</p>	<p>The Assurance Framework was presented to the Audit Committee in December 2016 and will now be kept under review by the Corporate Governance Panel</p> <p>Internal Audit Manager</p> <p>Ongoing review</p>



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				<b>Further development of the assurance framework will be coordinated by the Annual Governance review panel</b>
Does the CAE meet regularly with the nominated external audit representative to consult on and coordinate their respective audit plans?	Meetings do take place with the external auditor as and when required and the external auditors do attend all meetings of the Audit Committee.	Not considered an issue in the Self-Assessment	Agreed	Meetings to be arranged as required  <b>This is in place and meetings do get arranged by either party as required</b>
<b>2060 Reporting to Senior Management and the Board</b> Does the periodic reporting also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board?	The content of the periodic reporting continues to evolve and will in future include comments on issues or themes that are of particular note in relation to issues needed or requested by the Audit Committee or senior management.	Not considered an issue in the Self-Assessment	Agreed – these tend to be generalised	To be considered in reporting process.  Internal Audit Manager - 31.3.19  <b>High importance or emerging or requested issues will be reported as they occur</b>
<b>2100 Nature of work</b> Internal audit must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic and disciplined approach	The internal audit service is a key player in promoting risk management, governance and internal control	As part of the response to the WAO report on its “review of arrangements within Caerphilly CBC to address external audit, inspection and regulation recommendations and	Agreed	To be considered in the audit planning process.  Internal Audit Manager 31.3.19  <b>The annual audit planning</b>

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	throughout the authority and the Head of Audit is a key contributor and facilitator of the Authority’s corporate governance review process. The risk based plan is developed and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach. Implementation of recommendations made is monitored.	proposals for improvement”, a Panel will be established to review Directorate Risk Registers to inform the annual audit planning process.		<b>process will continue to consider the three key areas identified as well as the Internal Audit Manager continuing to contribute to the development and improvement of the key processes.</b>
<b>2340 Engagement Supervision</b> Is appropriate evidence of supervision documented and retained for each engagement?	Time recording system would identify time spent against projects but would not specifically identify supervision.	Not considered an issue in the Self-Assessment	Clearer documentation of the review process and evidence of review notes would further enhance this requirement	Consideration to be given to this.  Internal Audit Manager 31.3.19  <b>The implementation of an electronic management</b>

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	Piecemeal time allocations may not be recorded			<b>system will improve the recording and evidencing of management reviews</b>
<b>2430 Use of ‘Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing’</b> Do internal auditors report that engagements are 'conducted in conformance with the PSIAS' only if the results of the QAIP support such a statement?	This does not currently feature within the body of internal audit reports.	Not considered an issue in the Self-Assessment	Internal audit reports could be amended to include a statement on conformance with the PSIAS	Consideration to be given to an appropriate statement to be included in the Audit report. Internal Audit Manager -31.3.19  <b>This has been implemented with standard wording included in all report templates.</b>
<b>2450 Overall Opinion</b> Does the annual report incorporate the following: The annual internal audit opinion? A summary of the work that supports the opinion? A disclosure of any qualifications to the opinion? The reasons for any qualifications to the opinion? A disclosure of any impairments or restriction in scope? A comparison or work actually carried out with the work planned? A statement on conformance with the PSIAS?	Where relevant and appropriate these would all be included within the annual report.		The annual outturn report to the Audit Committee could be amended to include a statement on conformance with the PSIAS	Consideration to be given to an appropriate statement to be included in the report. Internal Audit Manager -31.3.19  <b>An appropriate statement was been included in the annual outturn report as reported to the Audit Committee on 23<sup>rd</sup> April 2019.</b>

**PSIAS SELF-ASSESSMENT / EXTERNAL ASSESSMENT – PROGRESS ON AGREED ACTIONS**

<b>PERFORMANCE STANDARDS</b>				
<b>Requirement</b>	<b>Self-Assessment</b>	<b>Actions for Consideration</b>	<b>External Assessor Recommended actions</b>	<b>Agreed Actions/Person Responsible/Timescale</b>
<p>Does the annual report incorporate the following: The results of the QAIP? Progress against any improvement plans resulting from the QAIP? A summary of the performance of the internal audit activity against its performance measures and targets? Any other issues that the CAE judges is relevant to the preparation of the governance statement</p>	<p>This will be reported to the Audit Committee in future</p>		<p>The summary does not include details of specific audit work undertaken in the period. Therefore a significant reliance on the Internal Audit Manager to determine appropriate assurances</p>	<p>Consideration to be given to how best this is to be reported.</p> <p>Internal Audit Manager -31.3.19</p> <p><b>This has been dealt with by reporting to the Audit Committee specifically on both the internal and external assessments the agreed action plans and the progress made in implementing the actions</b></p>
<p><b>2500 Monitoring progress</b> Where issues have during the follow-up process, has the CAE considered revising the internal audit opinion?</p>	<p>The review mechanism is focussed on achieving improvement by implementation of agreed actions. If audit is not satisfied with progress on fundamental issues it would be escalated in the first instance to the S151 Officer then Audit Committee</p>	<p>Not considered an issue in the Self-Assessment</p>	<p>Consideration should be given to revising the audit opinion post follow up which would give further assurances that improvements have been made</p>	<p>Consideration to be given to the option of revising the audit opinion to reflect direction of travel in respect of improvement.</p> <p>Internal Audit Manager - 31.3.19</p> <p><b>This will be built into the processes set up within the audit management software</b></p>