

Audit Committee

25th November 2019



Report of: Chief Internal Auditor

Title: Internal Audit Quality Assurance Improvement Programme

Ward: N/A

Officer Presenting Report: Simba Muzarurwi – Chief Internal Auditor

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Recommendation

The Audit Committee to approve the Internal Audit Quality Assurance and Improvement Programme (QAIP).

Summary

In accordance with the Public Sector Internal Audit Standards (PSIAS), Internal Audit is required to maintain a QAIP and report against it in its Annual Report to the Committee.

This QAIP is presented to the Audit Committee for consideration and approval, as required by the PSIAS.

Significant Matters Arising:

- The outlining of the internal and external quality assurance mechanisms for the Internal Audit service.
- The QAIP which is Appendix 1 to this report includes the update on the implementation of recommendations arising from the Peer Review of the Internal Audit Service undertaken in February 2018 and further identifies new improvement actions required to enhance the delivery of internal audit services in the Council.

1. Policy

The PSIAS require the Internal Audit service within the organisation to set out its quality assurance arrangements in the form of a QAIP. The monitoring of performance against the QAIP must be assessed and reported to the Audit Committee on an annual basis.

2. Consultation

Internal – CLB including S151 Officer, Cabinet Member for Governance, Resources and Finance.

External – N/A

3. Context

3.1 The PSIAS sets out the requirement for a QAIP:

“The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of internal audit activity which must include both internal and external assessments.”

3.2 The QAIP sets out how this process will work. Reporting against the QAIP will be included in the Annual Internal Audit report.

3.3 The Audit Committee last approved the QAIP in November 2018.

3.4 Another annual review of the QAIP has been completed which included the assessment on the progress being made by Internal Audit to implement the recommendations arising from the Peer Review in February 2018. The update on the actions that remain outstanding and any new actions arising from this review are covered in Appendix 1.

4. Proposal

4.1 Consistent with the PSIAS, the Audit Committee considers and approves the updated Internal Audit QAIP.

5. Other Options Considered – N/A**6. Risk Assessment**

The work of Internal Audit minimises the risk of failures in the Council’s internal control, risk management and governance arrangements, reduces fraud and other losses and increases the potential for prevention and detection of such issues. The PSIAS provide for an effective independent and objective Internal Audit Service, ensuring a good standard of service to the organisation, whilst at the same time providing the Internal Audit Service with wider support in terms of maintaining its independence and freedom from influence.

Public Sector Equality Duties

No Equality Impact anticipated from this report.

Legal and Resource Implications

Legal – N/A

Financial – N/A

Land – N/A

Personnel – N/A

Appendices:

Appendix A – Internal Audit Quality Assurance and Improvement Programme

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Public Sector Internal Audit Standards.