

## Action Plan from External Assessment against the PSIAS and progress on implementation as at 31/05/17

## Recommendations

No	Recommendation	Response	Responsible officer	Action date	Progress as at 31/05/17
R1	Expand the audit scope to cover: <ul style="list-style-type: none"> <li>• Service contribution to strategic objectives</li> <li>• Objectives of the service</li> <li>• Objectives of the audit</li> <li>• Links to any council risk registers</li> <li>• The criteria used to judge the service, e.g. performance measures, best practice guidance, legal framework, etc</li> <li>• Risks to be examined, including fraud and errors</li> <li>• Compliance with laws, regulations, policies, procedures and contracts</li> <li>• Achievement of strategic objectives</li> <li>• Reliability and integrity of financial and operational information</li> <li>• Safeguarding assets</li> <li>• Consideration of relevant systems, records, personnel and physical properties</li> <li>• Adding value and value for money, including effectiveness and efficiency of operations and programmes</li> </ul>	Accept	CAE & team	31/03/17	Completed by 31/03/17 for use for all new audits 2017/18
R2	Work to integrate the core principles into audit's work and consider how best to demonstrate this in the annual report in future	Accept	CAE & Team	During 2017/18	Part of task list for 2017/18 – aiming for completion for inclusion in 2017/18 annual report
R3	Define assurance work in the Charter	Accept	CAE	31/03/17	Complete – January 2017 Audit Committee
R4	Either define or rule out consultancy work in the Charter	Accept	CAE	31/03/17	Complete – January 2017 Audit Committee

No	Recommendation	Response	Responsible officer	Action date	Progress as at 31/05/17
R5	Develop an overarching documented QAIP framework document	Accept – all the elements of the QAIP required by the Standards are undertaken but not summarised in a framework document	CAE	31/03/17	Completed by 31/05/17. Delayed due to restructure.
R6	Identify the link between the strategic, and other, risk registers in the annual plan	Accept	CAE	April 2017	Complete as part of the 2017/18 planning process and all future.
R7	Document the annual plan risk appraisal	Accept	CAE	31/03/17	Complete as part of the 2017/18 planning process.
R8	Update the Audit Procedures to: <ul style="list-style-type: none"> <li>• Include guidance on how to conduct an audit</li> <li>• Refer to the Local Government Application Note and PSIAS in the procedures</li> <li>• Include guidance in the procedures on informing management about serious interim findings</li> <li>• Show when they were last updated</li> </ul>	Accept and will continue to date procedures when updated	CAE & Team	31/05/17	Complete
R9	Undertake ethics work, either separately or clearly identified as part of broader governance work and be more overt about ethical matters considered in individual audits	To be agreed with the MD; MO and CFO as to the most appropriate form to add value.	CAE	31/03/18	Part of AGS certification 16/17. To be developed further for AGS 17/18.
R10	Undertake periodic audits of risk management arrangements	To be agreed with the MD; MO and CFO	CAE	31/03/18	Quarter 1 2017/18 Audit Plan
R11	Move the emphasis in work programmes to risk, using the revised scope	Accept	CAE	31/03/17	Complete
R12	Approve all work programmes before implementation	Partial acceptance - Procedures to define which work programmes need to be approved by the CAE or Principal Auditor will be developed based on risk due to resource implications.	CAE & team	May 2017	Trial in progress – to be reviewed by 31/08/17
R13	Include audit objectives in the final report	Accept	CAE & team	30/04/17	Complete

## Suggestions

No	Suggestion	Response	Responsible officer	Action date	Progress as at 31/05/17
S1	List the seven standards of public life in the procedure (and maybe not in the Charter)	Will review this as part of the procedure review but these apply to all public sector officials not just Internal Auditors	CAE & Team	31/05/17	As they are part of the Councils Employee Code of Conduct no need to include.
S2	Hold annual formal private meetings between the audit committee and the CAE	Will raise with the Audit Committee and record their response	CAE	31/03/17	To be discussed at Audit Committee 27/06/17
S3	Include peer officer or member reviews of audit within the five year cycle	Will raise with the Audit Committee and record their response	CAE	31/03/17	To be discussed at Audit Committee 27/06/17
S4	Where areas of weakness are identified in QAIP reviews, give greater detail regarding the issue and planned actions to the audit committee	Where appropriate will be included in update reports to Audit Committee	CAE	2017/18	Complete as required/ appropriate
S5	Develop the audit plan to recognise and make use of other sources of assurance	Already taken into account but will ensure that it is fully documented as part of the risk appraisal process	CAE	31/03/17	Complete (see rec R7)
S6	Include the CAE's name on audit reports as the person responsible issuing it	Will consider changing the title of report to make it clear that from Internal Audit and issued on behalf of the CAE.	CAE	31/03/17	Complete
S7	Consider using the same opinion for audit reports and for the annual audit opinion	Will be applied as appropriate for the 2016/17 Annual report with full consideration for the 2017/18 Annual report	CAE	31/05/17 31/05/18	To be agreed for 2017/18 Annual report
S8	Break the opinion down into different aspects of activity	Will consider this as part of revised individual reports and Annual report for 2017/18 onwards	CAE & team CAE	30/04/17 31/05/18	To be considered by the team post restructure 30/09/17
S9	If "reasonable assurance" is retained, show where that sits on a scale of good to bad	Will consider this as part of revised individual reports and Annual report for 2017/18 onwards	CAE & team CAE	30/04/17 31/05/18	To be considered by the team post restructure 30/09/17
S10	Stop following up low priority and best practice recommendations	Accept	CAE & Team	01/04/17	Included in follow up process