

**Quality Assurance and Improvement Plan (QAIP) - Actions – 2018/19**

**Appendix B**

Actions from External Assessment (EA) March 2017 and Self-Assessment (SA) February 2019 (questions not scored as conforming)

Ref	Conformance with the Standard	Compliance	Planned Actions	Person Resp.	Timescale	Comment
2120 (SA)	Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?	Partial	Improve awareness of fraud. Collect data on fraud risk.(2120)	LB	<p>Implemented</p> <p>Implemented</p> <p>Implemented</p> <p>March 2020</p>	<p>Fraud risk analysis is undertaken as part of each audit review.</p> <p>Whistleblowing training has been delivered to Social Services.</p> <p>Anti-Fraud and Corruption Strategy and Fraud Response Plan has been updated and presented to audit Committee in February 2019. Once approved by Council this will be launched on Council’s Infonet and website.</p> <p>Develop an online reporting solution which would support digital and customer strategies during 2019/20. This has been delayed from 2018/19 action.</p>
2400 (EA)	Communicating Results- The Service cited a benefit of allowing one of the ‘timing’ performance	Suggestion	The Service should consider reviewing the performance indicator to ensure it is meaningful.(2400)	LB	Implemented	The PI’s were reviewed in September 2017 and two were amended to reflect ways of working.

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	indicators (PIs) to run over the set target.				Ongoing	As part of the Welsh Chief Internal Auditors group a separate review will be undertaken to assess the effectiveness of all PIs. The committee will be updated once this review has been completed.
2050 (SA & EA)	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?	Non Compliance	Assurance mapping to be completed in 2017.(2050)	LB	Implemented	An Assurance Mapping exercise was undertaken as part of the development of the 2019/20-2021/22 Strategic Audit Plan.
1000 (EA) (SA)	<p>The internal audit charter does not define the term 'senior management', for the purposes of the internal audit activity. (EA)</p> <p>The Audit Charter does not make reference to auditing a third party. (SA)</p>	Partial	<p>(EA) The Service could insert a definition in the Independence &amp; Authority (para 6, point 5) of the IA Charter, or revise the Charter by inserting a catch-all statement such as "For the purposes of Internal Audit activity, the Audit Committee is equivalent to the 'Board' and the Chief Officers' Team constitutes 'Senior Management'. (1000) LGAN</p> <p>(SA) Following the transfer out of Leisure &amp; Libraries and Cleaning &amp; Catering Services,</p>	LB	In Progress	<p>The Charter is currently being reviewed and updated to:</p> <ul style="list-style-type: none"> <li>Define the term of Senior Management. Deferred from March 2018 to July 2018.</li> <li>Include reference to auditing a third party (Aura / NEWydd).</li> </ul> <p>The updated Charter will be presented to Audit Committee for consideration and approval in June 2019.</p>

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			the Charter needs to be updated to define the nature of the assurance provided to Aura and NEWydd. (1000.A1)			
1110 (EA)	The PSIAS specifically requires the Chief Executive to undertake, countersign, contribute feedback to or review the Audit Manager's performance appraisal (PSIAS 1110 – S/A point 6). It is required that feedback is also sought upon the appraisal from the Chair of the Audit Committee (PSIAS 1110 – S/A point 7).	Partial	The issue has been discussed with the Interim Internal Audit Manager. It is acknowledged that due to the governance structure of the Authority, the current procedure has been deemed sufficient. However, this may be re-addressed to achieve full conformance with the PSIAS in future.(1110)	LB	Ongoing	<p>The current procedure has been deemed sufficient given the Chief Officer Governance and the Chief Executive attend each Audit Committee meeting. Direct contact is also in place between the Internal Audit Manager with the Chief Officer, Governance, the Chief Executive and the Chair and Vice Chair of the Audit Committee. Any performance issues would be addressed immediately rather than wait for a formal appraisal. This point will be picked up for future appraisals (April 2018).</p> <p>In relation to the appointment of the Internal Audit Manager, the Chair of the Audit Committee, Chief Executive, and Chief Officer, Governance were involved.</p>
2110 (SA & EA)	Internal Audit reviews the activities in place that manage and monitor the effective implementation of the	Partial	(SA) Review as part of CGWG – review of Code of Corporate Governance.	LB	Ongoing	Audit work is based on the Council's objectives and priorities and covers areas in the Code of Corporate Governance such as organisational, performance management, and

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	organisation's ethics and values.		(EA) The Service needs to undertake a review to evaluate the design, implementation and effectiveness of the Council's ethics related objectives, programs & activities. (2110.A1)			communication of risk and control information.  Whilst ethics is considered as part of routine audits, a specific review on ethics and values has been included within the 2019/20 audit plan.
1120 (EA)	The regular rotation of work between officers has not been documented in the Service's Charter.	Suggestion	The Service could insert an additional statement under the 'Independence and Authority' section of the Charter confirming regular rotation of work is usually adhered to in order to further enhance independence and objectivity. (1120)	LB	In Progress	Whilst the Audit Charter is currently being updated to address this point, it should be acknowledged that ensuring independence and objectivity is a priority within the team; however, in some instances a conscious decision has been made to use the same auditor for key system reviews to develop expertise and specialism within the team as this adds value to the audit and reduces resources.
2110 (EA)	ICT projects are included in the audit plan, which, together with other ICT assurances, support the organisation's strategies and objectives. However, this is not currently noted in the Annual	Suggestion	To support the annual opinion further, the Section could consider noting the assurance gained from the ICT audit work undertaken during the year in the 'Governance' section of the Annual Report. (2110.A2)	LB	Implemented	Reference to external assurance was included within the Annual Report for 2017/18 and will be included in all future annual reports.

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	Report.					
2330 (EA)	The Service has its own documentation retention policy which is currently a stand-alone document.	Suggestion	The Section could consider inserting the audit retention policy in full in the Audit Manual which is the document that ensures all internal audit staff are adequately informed on the Service's methodology, policies and procedures.(2330.C1)	LB	Implemented	The document retention policy has been reviewed and included an appendix within the Audit Manual.
2120 (SA)	Internal auditors address risk during consulting engagements consistently with the objectives of the engagement?	Generally Comply  Identified opportunity for further improvement	There is further opportunity to develop the process for delivering consultancy / advisory work to have a more structured approach.	LB	March 2020	New action for 2018/19.
2210 (SA)	Value for money criteria has been considered, including the organisation's main types of resources been considered, e.g. money, people and assets?	Generally Comply  Identified opportunity for further improvement	Include as part of future scopes whether management are making best use of resources.	LB	March 2020	New action for 2018/19.