

**Quality Assurance and Improvement Plan (QAIP) - Actions – 2017/18**

**Appendix B**

Actions from External Assessment (EA) March 2017 and Self-Assessment (SA) February 2018 (questions not scored as conforming)

Ref	Conformance with the Standard	Compliance	Planned Actions	Person Resp.	Timescale	Comment
1100 (EA)	The Service does not currently stipulate that “advice / recommendations are provided without prejudice to the right of Internal Audit to review and make further recommendations at a later date” after providing a consultation service in an area that may be later audited.	Suggestion	The Service could consider using the suggested statement in reports. This would clarify to clients that request a consultation service that the assurance provided is not absolute and it does not exempt them from a future audit in the same area of work. (1100)	LB	Implemented	This statement is now included in any consultancy report issued.
1310 (EA)	Does the QAIP include both internal and external assessment?	Partial	Continue internal assessments, external assessment to be completed by 2017/18. (1310)	LB	Implemented	External Assessment completed in March 2017. Internal assessment continues to be undertaken. The results from both assessment are included within the QAIP.
1320 (EA)	Quality Assurance and Improvement Programme- The annual internal self-assessment and resulting improvement plan are currently reported to the Audit Committee together, although the PSIAS state that the results of the QAIP and progress against any improvement plans must be	Suggestion	Although it is acknowledged that it may cause duplication of work, the Section should consider including the self-assessment improvement plan in its Annual Report along with the other performance targets and measures that are currently in place to	LB	Implemented	Whilst it is felt this is a duplication since the Quality Assurance Improvement Plan (QAIP) is reported to AC each year in March, reference was made to the QAIP in Internal Audit Annual Report in June 2017 and will continue each year.

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	reported in the "annual report".		monitor Internal Audit's activities to give a full picture of its QAIP. (1320)			
2120	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>March 2019</p> <p>March 2019</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 is due for review during 2018/19. Once reviewed, this will be launched on Council's Infonet.</p> <p>Develop an online reporting solution which would support digital and customer strategies during 2018/19.</p>
2400 (EA)	Communicating Results-The Service cited a benefit of allowing one of the 'timing' performance indicators (PIs) to run over the set target.	Suggestion	The Service should consider reviewing the performance indicator to ensure it is meaningful.(2400)	LB	<p>Implemented</p> <p>Ongoing</p>	<p>The PI's were reviewed in September 2017 and two were amended to reflect ways of working.</p> <p>As part of the Welsh Chief Internal Auditors group a separate review is being undertaken to assess the effectiveness of all PIs. The committee will be updated once this review has been completed.</p>
2050 (SA & EA)	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other	Non Compliance	Assurance mapping to be completed in 2017.(2050)	LB	March 19	Not achieved. This was originally planned for March 2018; however, due to the change in Management and a vacancy for a Principal Auditor for last 16 months this will

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	sources of assurance?					be deferred until March 2019.
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, the Charter needs to be updated to define the nature of the assurance provided to Aura and NEWydd. (1000.A1)</p>	LB	July 18	<p>The Charter will be reviewed to:</p> <ul style="list-style-type: none"> <li>• Define the term of the Senior Management. Deferred from March 2018 to July 2018.</li> <li>• Include reference to auditing a third party (Aura / NEWydd).</li> </ul>
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).	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	LB	Ongoing	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

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	It is required that feedback is also sought upon the appraisal from the Chair of the Audit Committee (PSIAS 1110 – S/A point 7).		been deemed sufficient. However, this may be re-addressed to achieve full conformance with the PSIAS in future.(1110)			<p>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 organisation's ethics and values.	Partial	<p>(SA) Review as part of CGWG – review of Code of Corporate Governance.</p> <p>(EA) The Service needs to undertake a review to evaluate the design, implementation and effectiveness of the Council's ethics related objectives, programs &amp; activities. (2110.A1)</p>	LB	Ongoing	<p>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 communication of risk and control information.</p> <p>Whilst ethics is considered as part of routine audits, a specific review on ethics and values has been included within the 2018/19 audit plan.</p>
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	LB	Ongoing	Whilst the Audit Charter will be updated to address this point (July 2018), it should be acknowledged that ensuring independence and objectivity is a priority within the team; however, in some instances a

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			usually adhered to in order to further enhance independence and objectivity. (1120)			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 Report.	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	June 18	Reference to external assurance will be made in the Annual Report for 2017/18.
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	July 18	The document retention policy is currently under review to ensure compliance with GDPR. The Audit Manual will be updated to include the retention policy as an appendix.