

External Review Report

REPORT TO AUDIT AND STANDARDS COMMITTEE



DATE	16/03/2023
PORTFOLIO	Resources and Performance Management
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PURPOSE

1. To inform members of the content of the report from the external review of Internal Audit against the Public Sector Internal Audit Standards.

RECOMMENDATION

2. The Committee considers the report and comments on the planned actions.

REASONS FOR RECOMMENDATION

3. Members can monitor the performance of the Internal Audit Section.

SUMMARY OF KEY POINTS

Public Sector Internal Audit Standards (PSIAS)

4. The PSIAS were first introduced as required internal audit practices in 2013. Annually Internal Audit is required to comment on its compliance with the standards and at least once every five years the compliance must be externally assessed. The assessment was undertaken in October and November 2022 by the Heads of Internal Audit in South Ribble and Chorley Councils and Blackburn with Darwen.
5. This peer review process is available from the Lancashire Districts Chief Auditor Group and the process used is a standard for this type of external review. The reviewers are provided with access to officers and evidence from ourselves and they interviewed a range of key officers (Chief Executive Officer, Monitoring Officer, Section 151 Officer, Heads of Service, auditors and auditees). The Vice-Chair and a member of the Audit and Standards Committee were also interviewed.

Report

6. The main outcome from the review was that they considered that the Council were partially compliant with the PSIAS requirements (Appendix 1).

Actions

7. There were 21 points for consideration impacting on 12 points of the standards which the Reviewers considered important to bring to the attention of the Council. As the Audit and Standards Committee is an important part of the delivery of an effective internal audit service these actions are reported in the report as an action plan with our responses and plans to improve these areas. These will be included into Internal Audit's Quality Assurance and Improvement programme (QAIP).
8. The proposed actions have been presented to Management Team and the final action plan developed from those responses is presented in the report
9. The actions from the report are important and will take some time to implement and will only be able to be actioned as and when the relevant reports such as the annual Internal Audit Opinion is issued.

Thanks

10. The peer review could not be undertaken without the provision of this service from the Lancashire District Chief Auditor Group and the full co-operation of the colleagues and members who participated.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

11. None

POLICY IMPLICATIONS

12. The provision of an effective internal audit service is a statutory requirement as is compliance with proper practice as defined in the PSIAS.

DETAILS OF CONSULTATION

13. Management Team.

BACKGROUND PAPERS

14. None

FURTHER INFORMATION

PLEASE CONTACT:

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ALSO: