

## Appendix 2

### Internal Audit Service – Public Sector Internal Audit Standards Action Plan

The following points for action to develop the Audit Function arising from the Peer Review in March 2018 are detailed below:

PSIAS Ref	Ref No.	Points for Consideration	Responsible	Action	Update February 2019
1110	1	Consideration should be given to obtaining formal feedback from the Chief Executive and Chair of Audit Committee for the annual appraisal of the Head of Risk Management and Audit.	Director of Finance	The Annual Development Review for the Head of Risk Management and Audit will take on board the recommendation made.	This will be incorporated into the next Annual Development Review due in 2019.
1130	2	Consider allocating the formal SIRO designation to a chief officer, even if the internal audit team continues to support the SIRO function.	Director of Finance/Director of Governance and Resources	The roles relating to Information Governance are being discussed at a meeting on 9 May 2018.	The roles are being reviewed as part of a wider review looking at supporting functions for the Council and CCG.
2010	3	Consideration should be given to demonstrating how the audit plan and priorities align to the corporate risk register, assurance framework, link to the Council's objectives and priorities and the prioritisation of audit assignments.	Wendy Poole Head of Risk Management and Audit Services	The Audit Plan for 2018/19 will be presented taking on board this recommendation.	Implemented. The plan presented and approved by the Audit Panel in May 2018 incorporated this recommendation.
2010	4	The audit plan could be more specific to outline what an optimum level of staff would be able to deliver. This would enable the Audit Panel and Senior Management Team to make an informed assessment of the adequacy	Wendy Poole Head of Risk Management and Audit Services	The planning process for 2018/19 and future years will incorporate the recommendation made.	This was discussed during the planning process for 2018/19; however, a more formal approach will be adopted for 2019/20.

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		of staffing levels.			
<b>1300</b>	5	The Quality Assurance and Improvement Programme (QAIP) should include an action plan identifying steps which will be taken to continually improve the service and enable Audit Panel to monitor progress. The Quality Assurance and Improvement Programme should also be referenced in the Annual Report.	Wendy Poole Head of Risk Management and Audit Services	The Quality Assurance and Improvement Programme (QAIP) for 2018/19 will take on board the recommendation and detail the improvements included in this report as a minimum.	Implemented. Updates now included in the Progress Reports presented to the Audit Panel.

During the review the following additional points for consideration were identified. Whilst these specific points are out of scope of the PSIA Standards/LGAN requirements, they are nonetheless contributory to the overall effectiveness and efficiency of the Internal Audit Service and are presented for information and consideration only:

Rec No.	Points for Consideration	Responsible	Action	Update February 2019
1	The Audit Plan and Progress reports to Audit Panel are described as reports of the AD Finance/Director of Finance with the Head of Risk Management and Audit also listed as a reporting officer. To ensure that audit retains its organisational independence we recommend that the reports go in the name of the Head of Risk Management and Audit.	Wendy Poole Head of Risk management and Audit Services	This will be discussed with the Director of Finance and Director of Governance and Pensions, as normal practice at the Council is for the Director to be listed then the reporting officer.	Reports are now presented in the name of the Head of Risk Management and Audit Services.
2	Consideration should be given to identifying the skills needs by the audit team to assist the Council with its current transformation programme and provide training and development opportunities to address any skills shortage.	Wendy Poole Head of Risk management and Audit Services	This will be discussed with the Director of Finance to ensure the appropriate skills are identified and training and development opportunities to address any skills shortage delivered.	Work to be undertaken in Q4, as part of the planning process.
3	Clearer guidance on the extent of post audit review work should be documented in line with the number and priority of recommendations. In addition, improved transparency could be achieved by including post audit reviews in the periodic progress reports to Audit Panel. Consideration should also be given to the process for agreeing extensions to target implementation dates and post audit review timings.	Wendy Poole Head of Risk management and Audit Services	Further enhancements to the progress reports to the Audit Panel were introduced during 2017/18 and the recommendation will be considered for the reporting process for 2018/19.	Guidance has been issued to staff in terms of completing Post Audit Reviews.  In terms of transparency the post audit reviews undertaken are now included in the Progress Reports presented to the Audit Panel.