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External Quality Assessment of Conformance to the Public Sector Internal Audit Standards

Shropshire Council's Audit Service

Final Report

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Internal QA: Policy and Technical, CIPFA.

9th December 2021

1. Introduction

1.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1st April 2013 (revised 2016 and 2017). All public sector internal audit services are required to measure how well they are conforming to the standards. This can be achieved through undertaking periodic self-assessments, external quality assessments, or a combination of both methods. However, the standards state that an external reviewer must undertake a full assessment or validate the internal audit service's own self-assessment at least once in a five-year period.

2. Background

2.1 Shropshire Council Audit Services (SCAS) are based at Shire Hall in Shrewsbury and provide internal audit services to Shropshire Council, Shropshire Fire and Rescue Service, Shropshire Towns and Rural Housing Ltd, West Mercia Energy, Shropshire Pension Fund, and Oswestry Town Council. SCAS has 12 full time equivalent (FTE) posts in its establishment with 0.7 FTE posts currently being held vacant, and they have and access to the Staffordshire framework contract for internal audit, which is used to supplement the in-house resources as and when needed.

2.2 The members of the Internal Audit team are well qualified with five accountants, including the Head of Audit, one chartered member of the Institute of Internal Auditors, and one diploma level member of the Institute of Internal Auditors (equivalent to certified internal auditor status). The remainder of the team are either studying for a relevant professional qualification or have attained other relevant qualifications during their careers such as Chartered Bankers or Accounting Technician qualifications. Some members of the team also hold additional specialist qualifications in relevant disciplines such as IT audit and counter fraud. Several members of the team have extensive local government internal audit experience, including the Head of Audit, and some are able to bring knowledge and experience to the team that they have gained from working in other sectors. The Service is committed to developing its employees and has recently recruited two trainee auditors to the team.

2.3 From an operational perspective, SCAS reports directly to the executive teams and Audit Committees at their respective clients. These two bodies fulfil the roles of 'senior management' and 'the board', as defined by the Public Sector Internal Audit Standards. For Shropshire Council, the Head of Audit reports directly to the Executive Director of Resources (the Council's Section 151 Officer) and has direct access to the Council's Chief Executive Officer, the Chair and full membership of the Audit Committee (AC). Regular reports on the audit plan, progress on delivering the plan and the annual opinion and outturn are made to the Council's senior leadership team and the Audit Committee. Similar arrangements are in place for SCAS's other clients.

2.3 SCAS has been operating under PSIAS since its launch in 2013, and this is the second external quality assessment that they have commissioned, the previous one being in 2017.

2.4 SCAS has an audit manual that is clear and easy to follow and provides the auditors with a comprehensive guide to all aspects of performing an internal audit or consultancy assignment. Standard templates are used for the engagement working papers and testing schedules, engagement terms of references, action plans and audit reports. All these documents are held in SCAS's audit management application, Pentana.

2.5 The Pentana application is also used for managing the engagements with all staff recording time spent on the assignments in the application. Supervision of the engagements takes place at every stage of the process and is recorded in Pentana.

2.6   SCAS has a quality assurance process in place that feeds into its Quality Assurance and Improvement Programme (QAIP). There are five main elements to this process. The first element is a review of the live engagement by the supervising officer to ensure the audit has been performed properly and conforms to the PSIAS, and to ascertain whether there are any lessons to be learnt for future reviews or for the auditor. The second element comprises a customer satisfaction questionnaire and survey, with the third element being regular dialogue and liaison with senior managers at all of SCAS' clients. The fourth and fifth elements comprise a review of the Service's audit procedures and documents and an annual self-assessment of SCAS's overall conformity with the PSIAS. All the above processes are used to inform SCAS's QAIP.

3.   Validation Process

3.1   The self-assessment validation comprises a combination of a review of the evidence provided by Shropshire Council's Audit Service; a review of a sample of completed internal audits, chosen by the assessor, covering all the Service's main clients; questionnaires that were sent to and completed by a range of stakeholders from SCAS's clients; and a series of (virtual) interviews using MS Teams with key stakeholders, again covering all SCAS's main clients. The questionnaire and interviews focussed on determining the strengths and weaknesses of SCAS and assessed the Service against the four broad themes of Purpose and Positioning; Structure and Resources; Audit Execution; and Impact.

3,2   SCAS provided a comprehensive range of documents that they used as evidence to support their self-assessment, and these were available for examination prior to and during this validation review. These documents included the:

- self-assessment against the standards;
- quality assurance and improvement plan (QAIP);
- evidence file to support the self-assessment;
- the audit charters;
- the annual reports and opinions for the main clients;
- the audit plans and strategies for the main clients;
- audit procedures manual;
- a range of documents and records relating to the team members; and
- progress and other reports to the respective Audit Committees.

All the above documents were examined during this EQA.

3.3   The main phase of the validation process was carried out from the 15th to the 19th of November 2021, and involved interviews with the key personnel from SCAS, plus a sample of key stakeholders from SCAS's customer base, made up of members of the senior management teams and chairs of Audit Committees. Overall, the feedback from the interviewees was positive with clients valuing the professional and objective way SCAS delivered services.

3.4   A questionnaire was sent to a range of other key stakeholders as part of the assessment process and the results analysed during the review. A summary of the survey results is shown at appendix A of the report. Overall, the analysis of the completed questionnaires showed that officers and members of the Council had a positive perception of SCAS with clients valuing the professional and objective way they delivered services.

3.5 The assessor also reviewed examples of completed audits, covering all SCAS's main clients, to confirm his understanding of the audit process used and how SCAS has applied the PSIAS in practice.

4. Opinion

> **It is our opinion that Shropshire Council's Audit Service's self-assessment is accurate and as such we conclude that they FULLY CONFORM to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.**

4.1 The table below shows Shropshire Council's Audit Service's level of conformance to the individual standards assessed during this external quality assessment:

Standard / Area Assessed	Level of Conformance
Mission Statement	**Fully Conforms**
Core principles	**Fully Conforms**
Code of ethics	**Fully Conforms**
Attribute standard 1000	**Fully Conforms**
Attribute standard 1100	**Fully Conforms**
Attribute standard 1200	**Fully Conforms**
Attribute standard 1300	**Fully Conforms**
Performance standard 2000	**Fully Conforms**
Performance standard 2100	**Fully Conforms**
Performance standard 2200	**Fully Conforms**
Performance standard 2300	**Fully Conforms**
Performance standard 2400	**Fully Conforms**
Performance standard 2500	**Fully Conforms**
Performance standard 2600	**Fully Conforms**

4.2 During this EQA of Shropshire Council's Audit Services we have identified many areas of notable good practice. In particular, we feel the following are good examples of best practice that would benefit any modern internal audit function:-

- the comprehensive audit charter;
- detailed Pentana user guide, audit manual and procedure notes;

- full utilisation of the 'three lines' model of assurance that underpins the work of the Service;

- use of computer assisted audit techniques to audit large and complex data sets;

- the direction of travel box/table for audit assurance opinions included in audit reports; and

- the comprehensive audit control sheet and Pentana checklist.

5. Areas of full conformance with the Public Sector Internal Audit Standards

5.1 Mission Statement and Definition of Internal Audit

The mission statement and definition of internal audit from the PSIAS are included in the audit charter.

5.2 Core Principles for the Professional Practice of Internal Auditing

The Core Principles, taken as a whole, articulate an internal audit function's effectiveness, and provide a basis for considering the organisation's level of conformance with the Attribute and Performance standards of the PSIAS.

The clear indication from this EQA is that the Core Principles are embedded in the audit manual and the Pentana audit management application, and that Shropshire Council's Audit Services is a competent and professional service that conforms to all ten elements of the Core Principles.

5.3 Code of Ethics

The purpose of the Institute of Internal Auditors' Code of Ethics is to promote an ethical culture in the profession of internal auditing, and is necessary and appropriate for the profession, founded as it is on the trust placed in its objective assurance about risk management, control, and governance. The Code of Ethics provides guidance to internal auditors and in essence, it sets out the rules of conduct that describe behavioural norms expected of internal auditors and are intended to guide their ethical conduct. The Code of Ethics applies to both individuals and the entities that provide internal auditing services.

The clear indication from this EQA is that Shropshire Council's Audit Services conforms to the Code of Ethics, and this is embedded in their audit manual and the Pentana audit management application. It is part of their overarching culture and underpins the way the Service operates.

5.4 Attribute Standard 1000 – Purpose, Authority and Responsibility

The purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing). The internal audit charter must be reviewed regularly and presented to senior management and the audit panel for approval.

Shropshire Council's Audit Services has one uniform audit charter that applies to all its clients. We reviewed this document found the audit charter to be a comprehensive and well written document and a model example of how a good audit charter should look. We are therefore satisfied that SCAS conforms to attribute standard 1000 and the LGAN.

5.5 **Attribute Standard 1100 – Independence and Objectivity**

Standard 1100 states that the internal audit activity must be independent, and internal auditors must be objective in performing their work.

The need for independence and objectivity is covered in Shropshire Council's Audit Services' audit manual and is an integral part of their culture. The Service reports in its own name and directly to senior management and the Audit Committees at all its clients. All employees sign a declaration of interest each year and declare any potential impairment to independence or objectivity for each audit they undertake.

We have reviewed the Service's audit manual and their standard documentation, and their quality assurance and improvement plan and the sample of completed audit files used to support their self-assessment. We have also reviewed their reporting lines and SCAS' positioning in the organisations they work with. We are satisfied that Shropshire Council's Audit Services conforms with attribute standard 1100 and the LGAN.

5.6 **Attribute Standard 1200 – Proficiency and Due Professional Care**

Attribute standard 1200 requires Shropshire Council's Audit Services' engagements are performed with proficiency and due professional care, having regard to the skills and qualifications of the staff, and how they apply their knowledge in practice.

It is evident from this EQA that Shropshire Council's Audit Services has a professional and experienced, workforce who all either hold, or are working towards obtaining, relevant professional qualifications. The Head of Audit holds a CCAB qualification, and the three Principal Auditors are either accountants or chartered Internal Auditor.

The Service is fortunate in having two qualified IT auditors amongst the team members. These and other members of the team are experienced in analysing data by using the IDEA software application, and the Microsoft Power BI application. SCAS has produced a data analytics strategy and have made presentations to management on the use of data analytics, and all auditors are encouraged to consider the use of IDEA when planning their audit engagements. Whilst SCAS has made very good use of data analytics and the IDEA application, they are also keen to expand the range of systems and processes that can be audited by electronic means. This will require them to develop further IDEA test scripts which can be a timing consuming process. To facilitate this process and ease the pressure on staff resources we have made one suggestion for the Head of Audit to consider, and this is set out in the action plan at section 9 of the report.

It is evident from this review that the Service's employees are experienced and well qualified and perform their duties with due professional care. We are satisfied that Shropshire Council's Audit Services complies with attribute standard 1200 and the LGAN. We have made one suggestion to strengthen the services they provide to their clients that we have set this out in section 8 of this report.

5.7 **Attribute Standard 1300 – Quality Assurance and Improvement Programmes**

This standard requires the Head of Audit to develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.

Shropshire Council's Audit Services has developed a robust and effective quality assurance process that ensures engagements are performed to a high standard within the available resources. It is effective and feeds into SCAS's quality assurance and improvement programme. We have examined the supporting evidence provided by SCAS during the EQA and are satisfied that Shropshire Council's Audit Services conforms to attribute standard 1300 and the LGAN.

5.8 **Performance Standard 2000 – Managing the Internal Audit Activity**

The remit of this standard is wide and requires the Head of Audit to manage the internal audit activity effectively to ensure it adds value to its clients. Value is added to a client and its stakeholders when internal audit considers their strategies, objectives, and risks; strives to offer ways to enhance their governance, risk management, and control processes; and objectively provides relevant assurance to them. To achieve this, the Head of Audit, Anti-Fraud and Assurance must produce an audit plan for each client, and communicate this and the Service's resource requirements, including the impact of resource limitations, to senior management and the Audit Committees at each client for their review and approval. The Head of Audit must ensure that SCAS's resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

The standard also requires the Head of Internal Audit, Anti-fraud and Assurance to establish policies and procedures to guide the internal audit activity, and to share information, coordinate activities and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimise duplication of efforts.

Last, but by no means least, the standard requires the Head of Audit to report periodically to senior management and the Audit Committees on internal audits activities, purpose, authority, responsibility, and performance relative to its plan, and on its conformance with the Code of Ethics and the Standards. Reporting must also include significant risk and control issues, including fraud risks, governance issues and other matters that require the attention of senior management and/or the audit panels.

Shropshire Council's Audit Services has a comprehensive range of procedures in place, including an audit manual, procedure notes, a detailed Pentana user guide, supervision and quality assurance processes that are easily accessible by the staff and fully meet the requirements of the PSIAS. They have developed comprehensive planning processes that follow best practice and the "three lines model" by taking into consideration the client's known risks and objectives; and their risk management and governance frameworks; any other relevant and reliable sources of assurance that are available to the client; any key issues identified by the client's managers; SCAS's own risk and audit needs assessments; emerging risks identified through horizon scanning and networking; and the resources that are available to undertake the audits. From this information, SCAS produces risk-based audit plans that are designed to enhance the client's risk management, governance and control frameworks; objectively provide them with relevant assurance and add value to their operations. These audit plans are reviewed and approved by the senior management and the Audit Committees at each client.

Details of the completed audits and the risk and control issues found, together with the progress being made on delivering the audit plans and the performance of SCAS, is regularly reported to the relevant Audit Committees, with an annual report and opinion being issued for each client at the end of the year.

The clear indication from this EQA is that Shropshire Council's Audit Services is effectively managed and conforms to standard 2000 and the LGAN.

5.9 **Performance Standard 2100 – Nature of Work**

Standard 2100 covers the way the internal audit activity evaluates and contributes to the improvement of the organisation's risk management and governance framework and internal control processes, using a systematic, disciplined and risk-based approach.

This is the approach adopted by Shropshire Council's Audit Services and is set out in their audit manual, the Pentana audit management system, and their working methodologies. During this EQA, we reviewed the sample of audits used to support SCAS' self-assessment and examined them to see if they conformed to standard

2100 and the Service's own methodologies. We found that all the evidence that we examined complied with both.

Internal audit's credibility and value is enhanced when auditors are proactive, and their evaluations offer new insights and consider future impact on the organisation. Overall SCAS's clients value the work the Service does in this area and often turn to them for advice and guidance when faced with emerging risks or are developing or changing systems. Several clients confirmed to us that they valued the support provided by SCAS during the early phases of the COVID-19 pandemic.

The clear indication from this EQA is that Shropshire Council's Audit Services conforms to performance standard 2100 and the LGAN.

5.10   **Performance Standard 2200 – Engagement Planning**

Performance standard 2200 requires internal auditors to develop and document a plan for each engagement, including the engagement's objectives, scope, timing and resource allocations.   The plan must consider the organisation's strategies, objectives, and risks relevant to the engagement.

As mentioned in section two of this report, Shropshire Council's Audit Services has an audit manual, supervision and quality assurance processes in place that covers engagement planning in detail and meets the requirements of the PSIAS. We found that all the evidence that we examined during this EQA conformed to standard 2200, the LGAN, and the Service's own audit procedures, and therefore we conclude that Shropshire Council's Audit Services conforms to performance standard 2200 and the LGAN.

5.11   **Performance Standard 2300 – Performing the Engagement**

Performance standard 2300 seeks to confirm that internal auditors analyse, evaluate and document sufficient, reliable, relevant, and useful information to support the engagement results and conclusions, and that all engagements are properly supervised.

As mentioned above, Shropshire Council's Audit Services has an audit manual, Pentana user guides, supervision and quality assurance processes in place that meets the requirements of the standards.   During this EQA, we reviewed the evidence provided in support of the Service's self-assessment to see if they conformed to the standards.   We found that all the evidence conformed to the standards and Service's own audit manual and methodologies, and therefore we conclude that Shropshire Council's Audit Services conforms to performance standard 2300 and the LGAN.

5.12   **Performance Standard 2400 – Communicating Results**

This standard requires internal auditors to communicate the results of engagements to clients and sets out what should be included in each audit report, as well as the annual report and opinion.   When an overall opinion is issued, it must take into account the strategies, objectives and risks of the clients and the expectations of their senior management, the audit panels and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant, and useful information. Where an internal audit function is deemed to conform to the PSIAS, reports should indicate this by including the phrase "conducted in conformance with the International Standards for the Professional Practice of Internal Auditing".

The audit manual, Pentana user guides, supervision and quality assurance processes cover the communication of results in detail and meet the requirements of the PSIAS. During this EQA, we reviewed the evidence provided in support of the Service's self-assessment to see if they conformed to the standards.   We found that all the evidence conformed to the standards and Service's own audit manual and methodologies.

We also reviewed the progress and annual reports to the Audit Committees and found that these also conformed to the standards and SCAS's own internal procedures.

We therefore conclude that Shropshire Council's Audit Services conforms to performance standard 2400 and the LGAN.

5.13 **Performance Standard 2500 – Monitoring Progress**

There is a comprehensive follow-up process in place at all SCAS's clients, the objective of which is to monitor the client's progress towards the implementation of agreed actions. The results of the follow-up reviews are reported to the relevant Audit Committees. From this EQA, it is evident that Shropshire Council's Audit Services conforms to performance standard 2500 and the LGAN.

5.14 **Performance Standard 2600 – Communicating the Acceptance of Risk**

Standard 2600 considers the arrangements which should apply if the Head of Audit has concluded that a client's management has accepted a level of risk that may be unacceptable to the organisation. Situations of this kind are expected to be rare, consequently, we did not see any during this EQA. From this external quality assessment, it is evident that Shropshire Council's Audit Services conforms to performance standard 2600 and the LGAN.

6. Areas of partial conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

6.1 There are no areas of partial conformance with the Public Sector Internal Audit Standards.

7. Areas of non-conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

7.1 There are no areas of non-conformance with the Public Sector Internal Audit Standards.

8. Survey results

8.1 The results of the survey of key stakeholders from SCAS' clients are shown in appendix A of the report. The number of returned questionnaires was twenty which is a reasonable response rate and sufficient to provide a meaningful analysis. Overall, most of the responses were positive with respondents valuing the services provided by SCAS. There are however a small number of negative responses to some questions that the Head of Audit may wish to explore further to establish if there are any underlying issues that may need to be addressed.

9.   Action Plan

1. Explore the merits of the 'SmartAnalyser' add on tool for IDEA (Advisory)	
Rationale	**Agreed Action**
Whilst SCAS has made very good use of data analytics and the IDEA application, they are also keen to expand the range of systems and processes that can be audited by electronic means. This will require them to develop further IDEA test scripts which can be a timing consuming process. To facilitate this process and ease the pressure on staff resources we suggest that the Head of audit looks at the 'SmartAnalyser' add-on tool for IDEA. This tool comprises a collection of pre-written test scripts covering the core financial, HR and asset management processes found in any large organisation that could be applied to the corresponding processes within the Council.	Internal Audit upgraded to IDEA Version 11 in July 2020 and within this release the scripts available in the Smart Analyser tool are included. In addition, this version also includes IDEA Lab where further IDEA related resources are available. We have developed bespoke testing scripts covering elements based around some of our fundamental systems in place at SC, to inform our audit programmes. This is an ongoing piece of work which is being rolled out as part of our delivery of the Data Analytics Strategy as audit areas come up in the plan. Future developments identified include experimenting with some of the AI (artificial intelligence) tools available in the IDEA Lab and implement these where they add value to Internal Audit client activities.
Action Responsibility	**Head of Audit**
Deadline	**March 2024**

10. Definitions

Fully Conforms	The internal audit service complies with the standards with only minor deviations. The relevant structures, policies, and procedures of the internal audit service, as well as the processes by which they are applied, at least comply with the requirements of the section in all material respects.
Partially Conforms	The internal audit service falls short of achieving some elements of good practice but is aware of the areas for development. These will usually represent significant opportunities for improvement in delivering effective internal audit and conformance to the standards.
Does Not Conform	The internal audit service is not aware of, is not making efforts to comply with, or is failing to achieve many/all of the elements of the standards. These deficiencies will usually have a significant adverse impact on the internal audit service's effectiveness and its potential to add value to the organisation. These will represent significant opportunities for improvement, potentially including actions by senior management or the board.

Action Priorities	Criteria
High priority	The internal audit service needs to rectify a significant issue of non-conformance with the standards. Remedial action to resolve the issue should be taken urgently.
Medium priority	The internal audit service needs to rectify a moderate issue of conformance with the standards. Remedial action to resolve the issue should be taken, ideally within six months.
Low priority	The internal audit service should consider rectifying a minor issue of conformance with the standards. Remedial action to resolve the issue should be considered but the issue is not urgent.
Advisory	These are issues identified during the course of the EQA that do not adversely impact the service's conformance with the standards. Typically, they include areas of enhancement to existing operations and the adoption of best practice.

Ray Gard, CPFA, FCCA, FCIIA, DMS

9th December 2021

This report has been prepared by CIPFA at the request of the Shropshire Council's Audit Services' Head of Audit, the terms for the preparation and scope of the report have been agreed with him. The matters raised are only those that came to our attention during our work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, we have only been able to base findings on the information and documentation provided. Consequently, no complete guarantee can be given that this report is necessarily a comprehensive statement of all the issues that exist with their conformance to the Public Sector Internal Audit Standards that exist, or of all the improvements that may be required.

The report was prepared solely for the use and benefit of the Shropshire Council's Audit Services, including the senior management and boards of Shropshire Council's Audit Services' clients, and to the fullest extent permitted by law, CIPFA accepts no responsibility and disclaims all liability to any other third party who purports to use or rely, for any reason whatsoever on the report, its contents, conclusions, any extract, and/or reinterpretation of its contents. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Summary of Survey Results

As part of the EQA process, CIPFA used a questionnaire to obtain the views of the key stakeholders from Shropshire Council's Audit Services' main clients. A total of twenty completed questionnaires were returned.

Customer Survey – Shropshire Council's Internal Audit Service

1. Standing and Reputation of Internal Audit: The internal audit service is seen as a key strategic partner throughout the organisation.

More Details   Insights

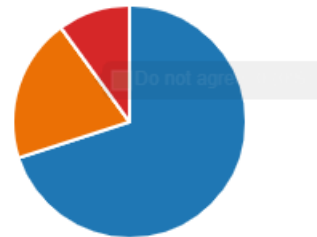|		
●	Agree	14
●	Partially agree	4
●	Do not agree	1
●	Not applicable	1

2. Standing and Reputation of Internal Audit: Senior managers understand and fully support the work of internal audit.

More Details   Insights

●	Agree	14
●	Partially agree	4
●	Do not agree	0
●	Not applicable	2

3. Standing and Reputation of Internal Audit: Internal audit is valued throughout the organisation.

More Details   Insights

●	Agree	9
●	Partially agree	9
●	Do not agree	1
●	Not applicable	1

4. Standing and Reputation of Internal Audit: The internal audit service is delivered with professionalism at all times.

More Details

🔵	Agree	20
🟠	Partially agree	0
🟢	Do not agree	0
🔴	Not applicable	0

5. Impact on Organisational Delivery: The internal audit service responds quickly to changes within the organisation

More Details   💡 Insights

🔵	Agree	15
🟠	Partially agree	3
🟢	Do not agree	0
🔴	Not applicable	2

6. Impact on Organisational Delivery: The internal audit service has the necessary resources and access to information to enable it to fulfil its mandate.

More Details   💡 Insights

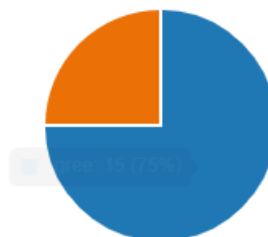|		
🔵	Agree	10
🟠	Partially agree	7
🟢	Do not agree	1
🔴	Not applicable	2

7. Impact on Organisational Delivery: The internal audit service is adept at communicating the results of its findings, building support and securing agreed outcomes.

More Details   💡 Insights

🔵	Agree	15
🟠	Partially agree	5
🟢	Do not agree	0
🔴	Not applicable	0

8. Impact on Organisational Delivery: The internal audit service's findings and recommendations consider the wider impact on the organisation.

More Details   💡 Insights

🔵	Agree	13
🟠	Partially agree	6
🟢	Do not agree	0
🔴	Not applicable	1

9. Impact on Organisational Delivery: The internal audit service ensures that recommendations made are proportionate, commercial and practicable in relation to the risks identified.

More Details   💡 Insights

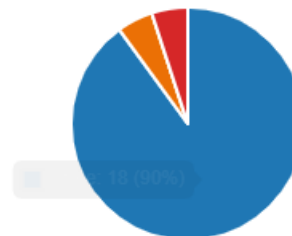|		
🔵	Agree	9
🟠	Partially agree	10
🟢	Do not agree	0
🔴	Not applicable	1

10. Impact on Organisational Delivery: There have not been any significant control breakdowns or surprises in areas that have been positively assured by the internal audit service.

More Details   💡 Insights

🔵	Agree	18
🟠	Partially agree	1
🟢	Do not agree	0
🔴	Not applicable	1

11. Has Internal Audit had a positive impact on Governance, Risk and Control? The internal audit service includes consideration of all risk areas in its work programme.

More Details   💡 Insights

🔵	Agree	18
🟠	Partially agree	1
🟢	Do not agree	0
🔴	Not applicable	1

12. Has Internal Audit had a positive impact on Governance, Risk and Control? Internal audit advice has a positive impact on the governance, risk management, and the system of control of the organisation.

More Details   Insights

● Agree	18	
● Partially agree	1	
● Do not agree	0	
● Not applicable	1	

13. Has Internal Audit had a positive impact on Governance, Risk and Control? Internal audit activity has enhanced organisation-wide understanding of governance, risk management, and internal control.

More Details   Insights

● Agree	15	
● Partially agree	3	
● Do not agree	1	
● Not applicable	1	

14. Has Internal Audit had a positive impact on Governance, Risk and Control? The internal audit service asks challenging and incisive questions that stimulate improvements in key risk areas.

More Details   Insights

● Agree	16	
● Partially agree	3	
● Do not agree	0	
● Not applicable	1	

15. Has Internal Audit had a positive impact on Governance, Risk and Control? The internal audit service raises significant control issues at an appropriate level and time in the organisation.

More Details   Insights

● Agree	16	
● Partially agree	2	
● Do not agree	0	
● Not applicable	2	

16. Has Internal Audit had a positive impact on Governance, Risk and Control? The organisation accepts and uses the business knowledge of internal auditors to help improve business processes and meet strategic objectives.

More Details   💡 Insights

🔵 Agree	15	
🟠 Partially agree	5	
🟢 Do not agree	0	
🔴 Not applicable	0	

17. Has Internal Audit had a positive impact on Governance, Risk and Control? Internal audit activity influences positive change and continuous improvement to business processes, the management of risks and accountability within the organisation.

More Details   💡 Insights

🔵 Agree	17	
🟠 Partially agree	3	
🟢 Do not agree	0	
🔴 Not applicable	0	

18. Has Internal Audit had a positive impact on Governance, Risk and Control? Internal audit activity promotes appropriate ethics and values within the organisation.

More Details   💡 Insights

🔵 Agree	16	
🟠 Partially agree	2	
🟢 Do not agree	2	
🔴 Not applicable	0	

Below are some comments extracted from completed surveys that management may wish to consider:

- Overall, I am very happy with the level of service provided by Ceri and her team.
- The Audit is a positive experience and is used to generate improvement activity.
- Internal audit have a better understanding of the governance of the Council than any other part of the organisation.
- The whole of the audit team have professional integrity and are prepared to raise contentious issues even when this is difficult to do. The audit team are always fair but thorough in their work.

- The audit team provides a highly professional service and delivers insightful commentary and useful recommendations to help identify and clarify risks and set out mitigations. In a couple of cases relating to the Culture, Leisure, Tourism team the findings and recommendations have not fully reflected issues with IT, which impact on the way in which CLT can deliver and monitor its services. It is important that such realities of each situation are understood and acknowledged in reaching a judgement on performance. The teams dealing with service delivery are not always as fully in control of all variables as they would like to be.

- Internal Audit provide a valuable and professional service across the Organisation.

- Experience of some very positive and helpful audits, but also some which have had a very risk averse approach/not understood the area being audited which has given rise to challenge on some recommendations. Overall though the audit team are professional and very approachable to discuss issues.

- Where I have put "partially agree" to other questions it is because many members, especially those new to the Council in May this year, simply do not understand the role of Audit nor are sufficiently concerned to make themselves familiar with the principles of Audit. There is still a widespread perception that Audit is solely about money and the understanding that Audit is about risk and governance is only appreciated by few members.

- As s151 Officer for the authority I have great confidence in the Internal Audit Team under the leadership of the Head of IA. The Audit Cttee is very well served by the team and similarly valued. The wider organisation is supportive of the team and generally have a good understanding of their remit and purpose, which is improving under Ceri's guidance.

- On occasion the audit programme will place pressure on service delivery with a significant number of audits on one area. It may be beneficial to review the forward plan programme to ensure there is not a continued pressure on one particular area.