

Report for:  
ACTION

<b>Contains Confidential or Exempt Information</b>	NO - Part 1
<b>Title</b>	2015/16 Shared Audit and Investigation Service Annual Report and Self-Assessment of Compliance with the Public Sector Internal Audit Standards
<b>Responsible Officer(s)</b>	Richard Bunn, Interim Head of Finance
<b>Contact officer, job title and phone number</b>	Catherine Hickman, Service Manager, Shared Audit and Investigation Service 07917 265742
<b>Member reporting</b>	Cllr Paul Brimacombe
<b>For Consideration By</b>	Audit and Performance Review Panel
<b>Date to be Considered</b>	28 June 2016
<b>Implementation Date if Not Called In</b>	Ongoing
<b>Affected Wards</b>	All
<b>Keywords/Index</b>	Audit and Investigation

### Report Summary

1. This report and supporting appendices summarise the Shared Audit and Investigation Service (SAIS) activity and outline the progress in achieving the 2015/16 Audit and Counter Fraud Plans as at 31 March 2016. In addition, it summarises the outcome of a self-assessment of the Internal Audit Service against the CIPFA/IIA Public Sector Internal Audit Standards (PSIAS). This report compliments the 2015/16 Interim Audit and Investigation Report presented to Audit and Performance Review Panel (A&PRP) on 10 December 2015.
2. The work of the shared Audit Investigation Service ensures the Council meets its legislative requirements, as well as the requirements of the A&PRP's Terms of Reference.
3. It recommends that Members note the activity of the Audit and Investigation Service during the 2015/16 financial year.

### If recommendation is adopted, how will residents benefit?

Residents will benefit through the Council's control environment (comprising risk management, control and governance) operating effectively and resources are being used economically, efficiently and effectively to their advantage.	Ongoing
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## 1. DETAILS OF RECOMMENDATION

### RECOMMENDED:

- i) That A&PRP note the Shared Audit and Investigation Service activity for the financial year ended 31 March 2016, progress in achieving the 2015/16 Internal Audit Plan and note the outcome of the self-assessment of the Shared Internal Audit Service against the PSIAS.

## 2. REASON FOR RECOMMENDATION AND OPTIONS CONSIDERED

- 2.1 Regulation 6 (1) of the Accounts and Audit (England) Regulations (2015) requires the Council to undertake an adequate and effective internal audit of its accounting records and the system of internal control in accordance with proper internal audit practices.
- 2.2 Proper practices for Internal Audit are defined in the CIPFA/IIA PSIAS and require that the 'Chief Audit Executive' (Service Manager, Shared Audit and Investigation Service) delivers an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement (AGS).
- 2.3 The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The Annual Report is required to incorporate:-
- The opinion.
  - A summary of the work that supports the opinion.
  - A statement on conformance with the PSIAS.
  - Whether there have been any restrictions imposed on the scope of the work of the Internal Audit function of the Shared Audit and Investigation Service.
- 2.4 The Annual Report, see [Appendix A](#) and the reports' supporting appendices cover these legislative requirements and those of the A&PRP Terms of Reference.

Option	Comments
Accept the Annual Report and the report recommendation. <b>Recommended</b>	This will ensure that the Council meets its statutory requirements and the A&PRP complies with the responsibilities set out within their Terms of Reference.
Accept this report with amendments.	Members may wish to request that this report be amended / altered if there are material issues which have not received sufficient emphasis or if there are specific issues the report is deficient in.
Not approve this report.	This may expose the Council to unnecessary risks by not having an adequate internal control framework leading to poor performance and poor outcomes for service users/residents.  It may result in a qualification in the External Auditors' Annual Management Letter.

### 3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be delivered
Residents have confidence that public funds are being used economically, efficiently and effectively and that Council assets and interests are being safeguarded from misappropriation/ loss.	Failure of the Council to meet its statutory requirements and failure of the A&PRP to discharge its responsibilities.	Council meets its statutory requirements to provide an adequate and effective internal audit of its accounting records and system of internal control. A&PRP discharges its responsibilities.	n/a	n/a	31 March 2016
Unqualified External Audit Financial Accounts and Management Letter.	Adverse comment and a qualified External Audit Management Letter if the Council fails to maintain an adequate Internal Audit function.	Unqualified External Audit Management Letter as Council meets its requirements to provide an adequate and effective Internal Audit function.	n/a	n/a	31 March 2016
Residents have confidence that public funds are being used economically, efficiently and effectively and that Council assets and interests are being safeguarded from misappropriation/ loss.	Loss of residents' confidence. Council reputation may be affected.	Gain residents' confidence. Council reputation protected.	n/a	n/a	31 March 2016

### 4. FINANCIAL DETAILS

#### a) Financial impact on the budget

Revenue – base budget costs for employees in the SAIS  
Capital – None.

#### b) Financial Background (optional) – N/a

## 5. LEGAL IMPLICATIONS

5.1 Internal Audit carry out their activities under:

- Regulations 6 (1), 6(3) and (4) of the Accounts and Audit (England) Regulations 2015.
- S151 Local Government Finance Act 1972.
- CIPFA/IIA Public Sector Internal Audit Standards 2013 (Revised 2016).

5.2 Investigatory activities are carried under:

- Fraud Act 2006
- Criminal Justice Act 1987
- Theft Act 1968
- Forgery and Counter Fraud Act 1981
- Social Security Administration Act 1992.
- Welfare Reform Act 2012.

## 6. VALUE FOR MONEY

6.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It assists the Council to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

6.2 Internal audit assists the Council in ensuring its assets are used economically, efficiently and effectively and that they are properly safeguarded against misappropriation and loss.

## 7. SUSTAINABILITY IMPACT APPRAISAL - N/a

## 8. RISK MANAGEMENT

Risks	Uncontrolled	Controls	Controlled Risk
Failure of the SAIS to adequately plan and undertake audit reviews leading to failure of the Council to meet its statutory requirements. The Council's key systems and services are consequently at risk of not achieving their objectives in the most economic, efficient and effective way thus being exposed to misappropriation/loss.	High	Ensure and demonstrate internal audit coverage and compliance with nationally recognised standards.  Provide a regular written progress report on the work of Internal Audit to those charged with governance.  Ensure and demonstrate that corporate investigations are undertaken in accordance with legislation and local approved governance arrangements.	Low

Failure to provide assurance that the work of the SAIS properly supports the governance framework and the content of the AGS and the requirement for additional External Audit work at an enhanced cost to the Council.	High	Internal audit coverage included as part of the governance assurance framework and informing the AGS.	Low
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## 9. LINKS TO STRATEGIC OBJECTIVES

9.1 The Strategic and Annual Internal Audit Plans, which are developed from the Council's Corporate Risk Register help the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

## 10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

N/a

## 11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

N/a

## 12. PROPERTY AND ASSETS

N/a

## 13. ANY OTHER IMPLICATIONS

N/a

## 14. CONSULTATION

14.1 Consultations were undertaken with internal stakeholders (Members of the A&PRP, Corporate Management Team, S151 Officer, Directorate Management Teams, Insurance and Risk Manager) and the key external stakeholder of External Audit, KPMG, in preparing the 2015/16 Internal Audit and Counter Fraud Plans.

14.2 Management and staff have been consulted prior to and during the course of the audit and investigation reviews to ensure that work is timed to suit both parties, to incorporate managements' priorities and to agree a course of action to implement the outcome of those reviews.

## 15. TIMETABLE FOR IMPLEMENTATION

15.1 The timetable for completion of the 2015/16 Internal Audit and Counter Fraud Plans was 31 March 2016.

## 16. APPENDICES

- Appendix A – 2015/16 Shared Audit and Investigation Service Annual Report
- Appendix A(I) – 2015/16 Internal Audit Plan Status as at 31<sup>st</sup> March 2016
- Appendix A(II) – 2015/16 Investigation Team Activity
- Appendix A (III) – Action Plan Arising from 2015/16 PSIAS Self – Assessment.

## 17. BACKGROUND INFORMATION

- 2015/16 Internal Audit and Counter Fraud Plans and working papers.

## 18. CONSULTATION (MANDATORY)

Name of Consultee	Post held and Department	Date sent	Date response received	See comments in paragraph :
Internal				
Cllr Paul Brimacombe	Chair of Audit and Performance Review Panel			
Corporate Management Team (CMT)	Managing Director, All Strategic Directors, Interim Head of Finance	11/06/2016	11/06/2016	MD - comments
External Audit	KPMG			

### Report History

Decision type:		Urgency item?	
Key decision entered into the Forward Plan		N/a	
Report no.	Full name of report author	Job title	Full contact no:
	Catherine Hickman	Service Manager, Shared Audit and Investigation Service	07917 265742

**2015/16 SHARED AUDIT AND INVESTIGATION SERVICE ANNUAL REPORT**  
**Service Manager, Shared Audit and Investigation Service**

**Introduction**

1. The 2015/16 Internal Audit Plan was approved by the Audit and Performance Review Panel on 17<sup>th</sup> February 2015. The emphasis on developing the Audit Plan is based on mandatory and legislative requirements and where possible audit place reliance on the risks set out in the Corporate Risk Register (CRR) which are in place to assist the Council in achieving its key objectives.
2. This report has been prepared to meet the requirements of the CIPFA/IIA Public Sector Internal Audit Standards (PSIAS), introduced with effect from 1 April 2013 (revised 2016), to deliver an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement (AGS). The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The Annual Report is required to incorporate:-
  - the opinion;
  - a summary of the work that supports the opinion;
  - a statement on conformance with the PSIAS; and
  - whether there have been any restrictions imposed on the scope of the work of the Internal Audit function of the Shared Audit and Investigation Service.
3. The body of this report also includes a summary of the performance of the Corporate Investigation Team.

**Internal Audit Opinion**

4. During the year, the Internal Audit Team has undertaken audits of key financial systems (in order to compliment the work of External Audit), as well as focusing, where appropriate, on the Council's identified key strategic and key operational risks, as identified in the CRR in addition to assurances required by the S151 Officer and the Service Manager, Shared Audit and Investigation Service.
5. The overall audit opinion, which is largely a reflection of the system and procedural controls against the identified risks and mitigating treatment measures, for the audits that have been completed and a final report issued, is that they are "Substantially Complete and Generally Effective" but with the exceptions as detailed below in paragraphs 13 to 16. Based on the above and taking into account other sources of assurance, including External Audit, most key controls are in place and are operating effectively, with the majority of residual risks being reduced to an acceptable level. It should be noted that the overall opinion is a statement of the audit view of whether the objectives are being met; it is not a statement of fact.
6. There have been no restrictions imposed on the scope of the work of the Internal Audit function of the Shared Audit and Investigation Service.

## PERFORMANCE SUMMARY

7. Key progress of the Shared Audit and Investigation Service during 2015/16 was:-
- Assurance given to management on the Council's key risks and further strengthening of the CRR through independent verification of risks and treatment measures.
  - Additional management requests for work to be undertaken using audit contingency demonstrating confidence in the work of Internal Audit.
  - Skills transfers taking place in relation to Agresso and Schools audits. There has been the ability to undertake direct comparisons between systems and identify existing best practices.
  - The audit process has continued to be refined using Lean principles.
  - On request of management and in specific audit areas, knowledge on common areas is being shared.
  - Development of areas of expertise is emergent.
  - Increased Audit and Investigation work has been undertaken for Bracknell Forest Council, Buckinghamshire County Council and Oxfordshire County Council, resulting in increased income for the Service and income targets for the year being exceeded.
  - Good results obtained for Investigation activity.
8. 92% of the approved Internal Audit Plan was achieved with the reviews at draft report stage or completed. The remaining 8% consisted of audit reviews with fieldwork in progress which are targeted to be completed early in the 2016/17 financial year, a vacant Auditor post early in the year, additional work within the area of Corporate Governance and an over allocation for Contingency.
9. Appendix A(I) presents the progress made against the 2015/16 Internal Audit Plan and Audit Opinions. It shows audits completed or at draft stage as at 31 March 2016.
10. For the reviews completed to final report stage, the following breakdown of classification is included table 1 below.

**Table 1 – Audit opinion classification**

Overall Audit Opinion	Summary of Audit Opinion	No of Audits (2015/16)	No of Audits (2014/15)
1	Complete and Effective	3	0
2	Substantially Complete and Generally Effective	16	17
3	Range of Risk Mitigation Controls is incomplete and risks are not effectively mitigated	3	4
4	There is no effective Risk Management process in place	0	2
<b>Total</b>		<b>22</b>	<b>23</b>



11. For those audit reviews categorised as an overall audit opinion of 2 there were some common themes identified which prevented the top audit opinion category from being awarded. These included;
  - Governance – Roles and Responsibilities, Policies and Procedures, Risk Management, Performance Management.
  - Reconciliations – Finance Systems
  - Business Continuity
  - Access controls
12. Management have agreed through countermeasure responses to concerns raised, those required to achieve the highest audit opinion category. In addition to this, from the 2016/17 financial year, the Shared Service has agreed with senior management to implement a new procedure within the audit process whereby management are given one month after the issue of the draft report to implement countermeasures and should audit find this to be the case, then an amended audit opinion will be awarded.
13. The three audit reviews receiving the third category of audit opinion (Range of Risk Mitigation Controls is incomplete and risks are not effectively Mitigated) completed to Final Report stage are summarised below. Management Action Plans have been agreed for each review.

#### Debtors

14. Since the last review, a Debt Recovery Strategy and Policy has been approved by Cabinet. The key opportunities for improvement include;
  - Training needs to be delivered to appropriate officers responsible for raising invoices and debt recovery.
  - Monitoring and chasing clients for payment.
  - Ownership of debt by service area.
  - Review of aged Sundry Debts required (including Social Care debts).
  - Reduced outstanding debts over 12 months old.

#### Health & Safety

15. Opportunities for improvement for this area include the following;
  - Governance, including awareness of Policy and Procedures and training.
  - Completion and review of self-assessments.
  - Undertaking of self-audits.
  - Action Plans in place that are regularly monitored.
  - Monitoring and reporting of health and safety incidents and near misses.

#### Commissioning

16. The findings from this audit were reported in the Interim Report.

## **Outstanding responses**

17. Responses remain outstanding in respect of the following audits:-
- 2014/15 Processing
  - 2014/15 Assessments
  - Technology Obsolescence
  - IT Infrastructure
  - Capital Programme
  - Adult Social Care Demographic Growth
18. Audit reports are presented using lean terminology, using the concern, finding, management action and management are given the opportunity to treat, tolerate, terminate or transfer the concerns and associated risks. Management Action Plans have been put in place to address issues identified during audit work and audit follow up verification will confirm whether agreed countermeasures for Extreme and Major concerns have been actioned within agreed timescales.
19. Where concerns are classified as being Extreme or Major that have been tolerated by management, these are highlighted to the Audit and Performance Review Panel. There have been no cases of Extreme or Major concerns being tolerated by management.

## **Additional Work Requested by Members / Management**

20. Contingency days have been used to respond to ten Management requests in respect of the following reviews.
- Health and Safety (Part II)
  - Commissioning
  - Homecare costs
  - IG Governance Toolkit
  - Local Enterprise Partnership
  - Department of Transport, Bus Operators and Delegated Schools Certification Grants
21. The reviews below have been reported in the 2015/16 Interim Audit Report
- Repairs and Renewal Grants
  - Mail Merge Errors
  - Pay Award Check
  - Planning Returns

## **Corporate Investigations**

22. The year 2015/16 was successful for the Corporate Investigations element of the Service with total potential financial savings identified of £265,465. This was comprised of £127,965 of actual overpayments that are potentially recoverable and £137,500 of notional savings identified (which are the value placed on the fraud) by the “Fighting Fraud and Corruption Locally” publication issued by the CIPFA Counter Fraud Centre and “Protecting the Public Purse”. A summary of the performance by the Corporate Investigations Team is shown in Appendix A(II).

23. In addition, Corporate Investigations have been involved in the following;
- Annual review of the Fraud Policies (Anti-Fraud and Anti-Corruption, Sanctions and Prosecutions, Anti Bribery, Anti Money Laundering, Regulation of Investigatory Powers Act).
  - Collation of Transparency Information on investigations to publish on RBWM's Website.
  - Fraud Awareness training prepared for the Senior Leadership Team programmed and delivered in April 2016.
  - Setting up processes for the reactive investigation of the Council Tax Reduction Scheme cases.
  - Development and delivery of pro-active fraud drives in new areas.

#### **Regulation of Investigatory Powers Act**

24. No investigations have been undertaken during 2015/16 that has required Regulation of Investigatory Powers Act surveillance approval to be requested.

#### **Public Sector Internal Audit Standards Self-Assessment**

25. A set of Public Sector Internal Audit Standards was introduced by CIPFA/IIA, which came into effect from 1 April 2013 (subsequently updated in March 2016). The Standards recognise that a professional, independent and objective internal audit service is one of the key elements of good governance and they encompass the mandatory elements of the Institute of Internal Auditors International Professional Practices Framework.
26. A self-assessment was undertaken to assess compliance with the Standards and an Action Plan has been developed for areas that require work to fully comply with them. Currently, the Internal Audit Team 'generally conforms'. The Action Plan accompanies this report at Appendix (III) and the self-assessment is available on request.

**2015/16 Royal Borough of Windsor and Maidenhead Internal Audit Plan Status  
(as at 31 March 2016)**

<b>AUDIT TITLE</b>	<b>DIRECTORATE</b>	<b>STATUS</b>	<b>OPINION</b>
<b><u>2014/15 Audits</u></b>			
<b><u>Key Operational Risks</u></b>			
<b>Transforming Social Care</b>	Adult and Community Services	FINAL	2
<b><u>Mandatory Key Systems</u></b>			
<b>Processing Assessments</b>	Operations	DRAFT	
<b><u>Management Request</u></b>			
<b>Health and Safety (Part I)*</b>	Corporate Services	FINAL	3
<b><u>2015/16 Audits</u></b>			
<b><u>Mandatory Key Systems</u></b>			
<b>Payroll</b>	Adult, Children & Health Services	DRAFT	
<b>Debtors</b>	Corporate & Community Services	FINAL	3
<b>Creditors</b>	Corporate & Community Services	DRAFT	
<b>General Ledger</b>	Corporate & Community Services	FINAL	2
<b>Cash &amp; Bank Reconciliation</b>	Corporate & Community Services	Draft Emerging Findings Memo	
<b>Cash &amp; Banking Arrangements</b>	Corporate & Community Services	FINAL	2
<b>Cash Flow, Investments, Loans (Treasury Management)</b>	Corporate & Community Services	FINAL	1
<b>Pensions Governance</b>	Corporate & Community Services	FINAL	1
<b>Pensions Payroll &amp; Administration incl. assurance for partners</b>	Corporate & Community Services	FINAL	1
<b>Capital Programme, Accounting, Expenditure Monitoring</b>	Corporate & Community Services	DRAFT	
<b>Housing Benefits/CTRS</b>	Operations & Customer Services	WIP	
<b>Council Tax</b>	Operations & Customer Services	DRAFT	
<b>NNDR</b>	Operations & Customer Services	DRAFT	
<b><u>Governance Building Blocks</u></b>			
<b>Health and Social Care Act</b>	Adult, Children & Health Services	DRAFT	
<b>Risk Management (follow up)</b>	Corporate & Community Services	DRAFT	
<b>Financial Management (including budget monitoring, budgetary control, Economy outside of MTFP and MTFP).</b>	Corporate & Community Services	DRAFT	

<b><u>Key Strategic Risks</u></b>			
<b>Projects fail to deliver planned benefits</b>	Corporate & Community Services	FINAL	2
<b>Computer Audit Contract including IT Data Security &amp; Data quality</b>	Corporate & Community Services	DRAFT	
<b>Technology Obsolescence</b>	Corporate & Community Services	DRAFT	
<b>Crime and Disorder including Security Threats</b>	Corporate & Community Services	FINAL	2
<b>Section 106 Agreements</b>	Corporate & Community Services	FINAL	2
<b><u>Key Operational Risks</u></b>			
<b>Customer Needs Assessment</b>	Adult, Children & Health Services	FINAL	2
<b>Adult Social Care - Demographic Growth</b>	Adult, Children & Health Services	DRAFT	
<b><u>Secondary, Special and Middle Schools</u></b>			
<b>Manor Green School</b>	Adult, Children & Health Services	FINAL	Exempt
<b>Adoption</b>	Adult, Children & Health Services	FINAL	2
<b>School Trips</b>	Adult, Children & Health Services	FINAL	2
<b>Borough Local Plan</b>	Corporate & Community Services	FINAL	2
<b>Commercial Rents</b>	Corporate & Community Services	FINAL	2
<b>Flooding</b>	Operations & Customer Services	DRAFT	
<b>IT Infrastructure</b>	Operations & Customer Services	DRAFT	
<b>Waste Management</b>	Operations & Customer Services	FINAL	2
<b><u>Auditor Judgement</u></b>			
<b>Wessex Primary School &amp; Nursery</b>	Adult, Children & Health Services	FINAL	Exempt
<b>The Royal (Crown Aided) School</b>	Adult, Children & Health Services	FINAL	Exempt
<b>Oldfield Primary School</b>	Adult, Children & Health Services	DRAFT	Exempt
<b>Kings Court First School</b>	Adult, Children & Health Services	FINAL	Exempt
<b>Contract Management</b>	Cross Cutting	Draft Emerging Findings Memo	
<b><u>Servicing the Business</u></b>			
<b>- Contingency</b>			
<b>Commissioning</b>	Adult, Children & Health Services	FINAL	3
<b>Homecare Costs</b>	Adult, Children & Health Services	FINAL	Exempt
<b>Delegated Schools Grant</b>	Adult, Children & Health Services	FINAL	Cert

<b>Local Enterprise Partnership</b>	Corporate & Community Services	FINAL	Cert
<b>Mail Merge Errors</b>	Corporate & Community Services	FINAL	Exempt
<b>Pay Award Check</b>	Corporate & Community Services	FINAL	Exempt
<b>Planning Returns</b>	Corporate & Community Services	FINAL	2
<b>Repairs &amp; Renewal Grant</b>	Corporate & Community Services	FINAL	Cert
<b>Health and Safety (Part II)*</b>	Cross Cutting	FINAL	3
<b>Information Governance Toolkit</b>	Operations & Customer Services	FINAL	Cert
<b>Department of Transport Grant Certifications</b>	Operations & Customer Services	FINAL	Cert
<b>Bus Operators Grant Certification</b>	Operations & Customer Services	FINAL	Cert

### Definitions

- 
- 1 Complete and Effective
  - 2 Substantially Complete and Generally Effective
  - 3 Range of Risk Mitigation Controls is incomplete and risk are not effectively mitigated
  - 4 There is no effective Risk Management process in place

Exempt = not subject to an assurance opinion.  
Cert = Grant Certification

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\*A second audit of this area was commissioned in 2015/16 and the findings of the two audits have been combined in to one report, which was issued in 2015/16.



**Appendix A(II)**

**Shared Audit and Investigation Service**

**Royal Borough of Windsor and Maidenhead  
2015/16 Investigation Team Activity**

<b>Royal Borough of Windsor &amp; Maidenhead</b>	
Council Tax Reduction Scheme	£9,972
Council Tax Discount/Exemption	£38,833
Business Rates Discount/Exemption	£64,532
Direct Payments	£7,490
Employee Fraud	£5,072
Blue Badges – return of seized badges issued by other local authorities	10
Blue Badges – Referred for cancellation	1 * Notional Value £500
<i>NFI Activity</i>	
Pension Overpayment	£2,066
Taxi Licence revoked	1
Blue Badges - Referred for cancellation	274 * Notional Value £137,000
Bus Passes – Referred for cancellation	271
<i>Other</i>	
2 Employee Fraud Investigations	
1 Disciplinary Investigation	
1 Fact Finding Investigation	
1 Social Care investigation – ongoing with TVP	
Grievance Investigation – ongoing	
<b>Actual Overpayments Identified</b>	<b>£127,965</b>
<b>Notional Savings Identified</b>	<b>£137,500</b>
<b>Total Financial Savings Identified for 2015/16</b>	<b>£265,465</b>

\* The Audit Commission estimate the notional value of a Blue Badge as £500 per annum.

**Shared Audit and Investigation Service**  
**PSIAS Self-Assessment**

**Action Plan Arising From 2015/16 Self-Assessment**

*Note that for the purposes of this self-assessment the Service Manager, Shared Audit & Investigation Service (SAIS), fulfils the role of the Chief Audit Executive (CAE).*



Action number	Ref.	Action Required	Responsible Officer	Target Date
1	2.1	Internal Audit Team to undertake refresher training with regards the Bribery Act prior to the External Assessment.	Team Manager, Internal Audit	July 2016
2	2.4	Internal Audit Team to maintain CPD schemes for individuals, to improve their proficiency, effectiveness and quality of service.	Team Manager, Internal Audit	June 2016
3	2.5	Auditors need to be reminded of their requirement to have regard to the Standards of Public Life's Seven Principles of Public Life.	Service Manager, (SAIS)	Completed
4	3.3	Audit Charter to include arrangements for avoiding conflicts of interest if Internal Audit undertakes non-audit activities.	Service Manager, (SAIS)	September 2016
5	3.3	Audit Charter to be updated to ensure that it makes reference to all of the points set out in Attribute Standard 1000 – Purpose, Authority and Responsibility.	Service Manager, (SAIS)	September 2016
6	8.5 & 20.14	Annual declarations of interest made by members of the Shared Service to be reviewed by the Service Manager, (SAIS) to consider the impact, if any, they may have on the service being provided.	Service Manager, (SAIS)	May 2016
7	8.6	Approved Audit Protocol for the Shared Service to set out guidelines for gifts and hospitality in line with Corporate Governance policies. See Action Point 3 above.	Team Manager, Internal Audit	September 2016
8	8.6	Internal Audit Team to be reminded of the guidelines relating to offers of Gifts and Hospitality.	Team Manager, Internal Audit	Completed
9	9.4	Job descriptions to be reviewed and each auditor is issued with a current job description which is in line with their grade.	Team Manager, Internal Audit	September 2016
10	9.8 20.14 b 28.4	An Information Technology (IT) Needs Assessment to be undertaken to determine whether current staff have the necessary knowledge relating to IT risks and controls.	Service Manager, (SAIS)	September 2016
11	11.2	Mechanism to be put in place to carry out periodic assessments for individual auditors against defined skills and competencies as part of the annual appraisal process.	Service Manager, (SAIS)	August 2016
12	11.4	Professional Development logs to be maintained by individual auditors.	Team Manager, Internal Audit	September 2016
13	12.1	Quality Assurance Improvement Programme (QAIP) to be implemented for the Shared Service.	Service Manager, (SAIS)	August 2016

14	16.1	Results of the QAIP to be reported to the Audit and Performance Review Panel.	Service Manager, (SAIS)	June 2017
15	28.3	Internal audit activity to evaluate the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities.	Service Manager, (SAIS)	September 2016
16	35.3	Consideration to be given to reviewing and approving the Control Evaluation Sheets (CES) prior to the auditors commencing fieldwork.	Service Manager, (SAIS)	May 2016
17	39.3	Access to internal audit records on the network should be restricted in accordance with expectations of the Service Manager and Team Manager.	Team Manager, Internal Audit	June 2016
18	39.5	Updated Archiving Policy for the Shared Service to be approved and adopted.	Team Manager, Internal Audit	June 2016
19	40.2	Audit engagement supervision to be recorded and retained for the Shared Service where applicable (Terms of Reference, CES, Review Sheet, Draft Report, Final Report).	Team Manager, Internal Audit	May 2016
20	45.1	Auditors to report that engagements are "conducted in conformance with the PSIAS" when they comply/are applicable.	Service Manager, (SAIS)	July 2016