

## Report to Audit Committee

# Public Sector Internal Audit Standards (PSIAS) External Quality Assessment (EQA) 2022/23

**Portfolio Holder:** Councillor Abdul Jabbar MBE, Cabinet Member for Finance and Corporate Resources

**Officer Contact:** John Miller – Head of Audit and Counter Fraud

**Report Author:** John Miller – Head of Audit and Counter Fraud

**Contact:** [john.miller@oldham.gov.uk](mailto:john.miller@oldham.gov.uk)

**27 June 2023**

---

### Reason for Decision

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 1<sup>st</sup> 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 (EQA), 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 every 5 years from 1 April 2013.

This report details the outcome of the external assessment undertaken during March 2023. In previous years the Audit Committee has undertaken a self-assessment of the System of Internal Audit using a Balanced Scorecard approach.

### Executive Summary

Oldham's first independent external assessment was conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) during 2017/18, and the second, and latest, review has been conducted in March 2023, again by CIPFA.

There are three overall opinions on which the External Assessor can conclude. These are that the Service either:

- Generally Conforms to the Standard;
- Partially Conforms to the Standard; or,
- Does not Conform to the Standard.

The overall opinion of the latest external assessment of the Internal Audit Service at Oldham, undertaken by CIPFA, is that the service Generally Conforms to the Public Sector Internal Audit Standards.

The assessor also highlights that there are no areas where Oldham's Audit Service partially conforms with the standard, or where the Audit Service does not conform with the standard.

The full Revised Draft Report is reproduced as Appendix 1 to this report:

- **Appendix 1:** External Quality Assessment of Conformance to the Public Sector Internal Audit Standards, Oldham Metropolitan Borough Council's Internal Audit Service. Revised Draft Report 1 June 2023.

## **Recommendations**

Members are requested to note the the outcome of the most recent CIPFA PSIAS EQA assessment which concludes the Internal Audit Service Generally Conforms to the Standard.

**Public Sector Internal Audit Standards (PSIAS) External Quality Assessment (EQA) 2022/23**

**1. Background**

- 1.1 Internal audit within the public sector in the United Kingdom and how it undertakes its work is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1 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 (EQA), 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.
- 1.2 Oldham’s Internal Audit Service undertakes an annual self-assessment of its conformance with the PSIAS Standards. This has previously been undertaken via a Balanced Scorecard approach and reported to the Audit Committee. This approach will be reviewed going forward in line with any future developments to the PSIAS requirements. Oldham’s first external assessment was conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) during 2017/18, and the second, and latest, review has recently been conducted in March 2023, again by CIPFA.

**2 Current Position**

**Summary outcome of the CIPFA PSIAS EQA 2022/23**

- 2.1 There are three overall opinions available to the External Assessor. These are that the Service either:
  - Generally Conforms to the Standard;
  - Partially Conforms to the Standard; or,
  - Does not Conform to the Standard.
- 2.2 The overall opinion of the latest external assessment of the Internal Audit Service at Oldham, by CIPFA, is reproduced below:

**It is our opinion that the self-assessment for Oldham Metropolitan Borough Council’s Internal Audit Service is accurate, and we therefore conclude that the Internal Audit Service **GENERALLY CONFORMS** to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.**

- 2.3 In addition, the assessment also provides an opinion of the level of conformance with the PSIAS and LGAN in each of the areas assessed. The table below shows the Internal Audit Service’s level of conformance to the individual standards as assessed during EQA was:

Standard / Area Assessed	Level of Conformance
Mission Statement	<b>Generally Conforms</b>
Core principles	<b>Generally Conforms</b>

<b>Standard / Area Assessed</b>	<b>Level of Conformance</b>
Code of ethics	<b>Generally Conforms</b>
Attribute standard 1000 – Purpose, Authority and Responsibility	<b>Generally Conforms</b>
Attribute standard 1100 – Independence and Objectivity	<b>Generally Conforms</b>
Attribute standard 1200 – Proficiency and Due Professional Care	<b>Generally Conforms</b>
Attribute standard 1300 – Quality Assurance and Improvement Programmes	<b>Generally Conforms</b>
Performance standard 2000 – Managing the Internal Audit Activity	<b>Generally Conforms</b>
Performance standard 2100 – Nature of Work	<b>Generally Conforms</b>
Performance standard 2200 – Engagement Planning	<b>Generally Conforms</b>
Performance standard 2300 – Performing the Engagement	<b>Generally Conforms</b>
Performance standard 2400 – Communicating Results	<b>Generally Conforms</b>
Performance standard 2500 – Monitoring Progress	<b>Generally Conforms</b>
Performance standard 2600 – Communicating the Acceptance of Risk	<b>Generally Conforms</b>

2.4 The assessment goes on to conclude that there are no areas where Oldham’s Audit Service only partially conforms with the standard, and no areas where the Audit Service does not conform with the standard.

2.5 The assessment has made one Low Priority recommendation, and eight Advisory Points. How the Council should consider these priority levels is detailed below:

<b>Low priority</b>	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.
<b>Advisory</b>	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.

2.6 The only low priority recommendation and the proposed response is detailed in the table below. The Advisory Points are also summarised below, with the proposed response. The rationale behind the only Recommendation and the Advisory points are set out in the EQA report at Appendix 1.

Recommendation	Agreed Action
<p><b>All audits in the audit plan should be aligned to the Council’s objectives. (Low Priority)</b></p> <p>The Service publishes a risk-based operational audit plan that is designed to provide the Council with relevant assurance on their governance, risk management and control frameworks. Each audit in the published audit plan is categorised and prioritised, but they are not mapped or aligned to the Council’s priorities or corporate objectives, or the strategic risks, although this exercise has been carried out by the Service as part of their annual planning process. Cross referencing the audits in the published plan to the priorities and strategic risks would enhance transparency and demonstrate how Internal Audit fits into the Council’s governance framework.</p>	<p>This recommendation is accepted. Cross referencing of the published Annual Audit Plan to Corporate Objectives and Strategic Risks will be included from the 2024/25 plan to be taken to the Audit Committee from March 2024.</p>
Advisory Points	Agreed Action
<p><b>Add a statement on impairments to the annual report and opinion (Advisory)</b></p>	<p>The advisory point is accepted. The following sentence has been added to the Head of Internal Audit’s Annual Opinion Report for 2022/23, to be presented to the Audit Committee 27 June 2023.</p> <p>“There have been no impairments to the independence or objectivity of the HIA in arriving at this opinion.”</p>
<p><b>Consider obtaining and using a specialist data analytics software application (Advisory)</b></p>	<p>The Service already uses a variety of data analysis and reporting tools. These include MS Excel and also the inbuilt functionality available in the systems used by the Council, e.g. Mosaic, Agresso and iTrent. Whole population testing is undertaken using both Mosaic (e.g. workflow analysis) and Agresso (e.g. user access control</p>

	<p>testing). Data matching is undertaken regularly as part of the National Fraud Initiative and also as part of routine audit work, e.g. duplicate creditors and duplicate creditor payments.</p> <p>The Service accepts the principle of the advisory point and will review the packages available to enhance capabilities in this area.</p>
<p><b>Consider using the MS Power BI application for data analytics and reporting (Advisory)</b></p>	<p>The Service already uses a variety of data analysis and reporting tools. These include MS Excel and also the inbuilt functionality available in the systems used by the Council, e.g. Mosaic, Agresso and iTrent. Whole population testing is undertaken using both Mosaic (e.g. workflow analysis) and Agresso (e.g. user access control testing). Data matching is undertaken regularly as part of the National Fraud Initiative and also as part of routine audit work, e.g. duplicate creditors and duplicate creditor payments.</p> <p>The Service accepts the principle of the advisory point and will review the potential uses of MS Power BI to enhance the audit process.</p>
<p><b>Use of benchmarking data when scoping audits (Advisory)</b></p>	<p>The advisory point is accepted. Whilst currently benchmarking data is utilised in audit reviews, there are potential benefits of bringing the examination of this data forward to the planning stage. To enhance the process a pre-planning checklist has been developed and distributed to the Audit Team, and review of available benchmarking data is part of the checklist now in place.</p>
<p><b>Adopt a consistent approach to using Pentana that is aligned to the Service's audit methodologies (Advisory)</b></p>	<p>The advisory point is accepted. The Audit Team has established a common approach to the filing of documentation within Pentana.</p>
<p><b>Enhancements to the audit reports (Advisory)</b></p>	<p>The advisory point is accepted. The following two statements are now included in all Audit reports produced from April 2023:</p> <p>“This report is made solely as an internal management report to the Officers of the Council identified on the report distribution list as an aid to the effective management of Council resources, and for no other purpose. Our audit work has been undertaken in accordance with the Public Sector Internal Audit Standards (PSIAS) 2013 (Revised 2017), and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN). To the fullest extent permitted by law, we do not</p>

	<p>accept or assume responsibility to anyone, other than those Officers for whom the report was produced, for our audit work, for this report, or for the opinions we have formed.”</p> <p>“This review has been conducted in accordance with the Public Sector Internal Audit Standards (PSIAS) 2013 (Revised 2017), and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN).”</p>
<b>Consultation on the International Professional Practice Framework (IPPF) (Advisory)</b>	The advisory point is accepted. The Head of Internal Audit, supported by the Director of Finance, will continue to maintain a watching brief on developments to the Standards.
<b>Frequency of meetings for the Audit Committee (Advisory)</b>	<p>The advisory point is accepted subject to annual review. The Authority is in the process of undertaking a review of the Audit Committee’s effectiveness utilising Interactive Appendices E &amp; F from CIPFA’s Audit committees: practical guidance for local authorities and police 2022 edition – The audit committee member in a local authority. It is planned to report on this review to the September 2023 meeting.</p> <p>The current level of meetings reflects a previous operating environment of the Council where the early production of the Statement of Annual Accounts was a key priority. Going forward from the September 2023 review of the Audit Committee there will be engagement with Committee Services to agree the future dates for the Municipal Year.</p> <p>In agreeing the frequency of meetings the Council will need to be mindful of external matters outside its direct control such as the number of years accounts where an external audit opinion has not yet been given.</p>

2.7 A more detailed analysis of the outcomes of the external assessment is included as Appendix 1 to this report. Appendix 1 reproduces the full Revised Draft Report and Management Responses to the recommendation and advisory points contained in the Action plan at the back of the report. When CIPFA has received Management Responses to the Revised Draft report they will issue the Final Report. The final report will be the Revised Draft plus the Management comments received. Therefore, the report attached at Appendix 1 is, effectively, the final report.

### 3. Options/Alternatives

3.1 The Audit Committee can either choose to accept and note the contents of this report or choose to not do so and request an alternative approach.

4. **Preferred Option**

4.1 The preferred option is that the Audit Committee accepts and notes the Annual Report.

5. **Consultation**

5.1 N/A.

6. **Financial Implications**

6.1 N/A.

7. **Legal Services Comments**

7.1 N/A.

8. **Cooperative Agenda**

8.1 N/A.

9. **Human Resources Comments**

9.1 N/A.

10. **Risk Assessments**

10.1 N/A

11. **IT Implications**

11.1 N/A.

12. **Property Implications**

12.1 N/A.

13. **Procurement Implications**

13.1 N/A.

14. **Environmental and Health & Safety Implications**

14.1 N/A.

15. **Equity, Community Cohesion and Crime Implication**

15.1 N/A.

16. **Equality Impact Assessment Completed**

16.1 No.

17. **Forward Plan Reference**

17.1 N/A.



18. **Key Decision**

18.1 No.

19. **Background Papers**

19.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Background papers are included as Appendix 1

Officer Name: John Miller

Contact: john.miller@oldham.gov.uk

20. **Appendices**

20.1 The following Appendices are available to support this Report:

- **Appendix 1:** External Quality Assessment of Conformance to the Public Sector Internal Audit Standards, Oldham Metropolitan Borough Council's Internal Audit Service. Revised Draft Report 1 June 2023.

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

## Oldham Metropolitan Borough Council's Internal Audit Service

Revised Draft Report

Lead Associate: Ray Gard, CPFA, FCCA, CFIIA, DMS

Quality Assessment: Diana Melville, FCPFA

1 June 2023

# Oldham Metropolitan Borough Council's Internal Audit Service

## Table of contents

<b>Section</b>	<b>Title</b>	<b>Page</b>
1	Introduction	3
2	Background	3
3	Validation process	4
4	Opinion	4
5	Areas of full conformance	5
6	Areas of partial conformance	11
7	Areas of no conformance	11
8	Survey results	11
9	Issues for management action	11
10	Definitions	12
11	Disclaimer	13
	Appendix A - Summary of survey results	14
	Appendix B – Management action plan	15

## 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 1<sup>st</sup> 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 (EQA), 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 The Internal Audit Service provides internal audit, consultancy, counter-fraud, and direct payments audit services to Oldham Metropolitan Borough Council and the Council's wholly owned subsidiary company Miocare. The Chief Audit Executive is the Council's Head of Audit and Counter Fraud. He is supported by a team of ten staff made up of two Assistant Audit Managers (one for Internal Audit and one for Counter Fraud and Direct Payments Audits), three Senior Auditors, one Auditor, three specialist Direct Payments and Individual Budgets Auditors, and one Internal Audit apprentice.
- 2.2 The Head of Audit and Counter Fraud is an experienced internal audit professional who is a CCAB accountant (CIPFA). The two Assistant Managers are also experienced internal audit or counter fraud professionals. The Assistant Manager for Internal Audit is also a CCAB accountant (FCCA). The rest of the Team members either hold relevant accountancy or counter fraud qualifications, several of the team hold graduate and/or post graduate level qualifications, some of which are in relevant subjects.
- 2.3 From an operational perspective, the Internal Audit Service is part of the Finance Directorate and the Head of Audit and Counter Fraud reports directly to the Director of Finance, who is the Council's Section 151 Officer. The Head of Audit and Counter Fraud meets frequently with the Section 151 Officer and attends regular meetings of the Finance Directorate Management Team and attends meetings through the year with the External Auditor and the Council's Monitoring Officer. He attends all meetings of the Council's Audit Committee (currently seven planned meetings a year, increased to eight during 2022/23) and has direct access to the Chair of the Audit Committee. Regular reports on the audit plan, including progress on delivering the plan, and the annual opinion and outturn, are made to the Corporate Leadership Team and the Audit Committee.
- 2.4 The Internal Audit Service has been operating under PSIAS since its launch in 2013, and this is the second external quality assessment (EQA) that they have commissioned, the previous one being in 2018 and was also undertaken by CIPFA.
- 2.5 Internal Audit has an audit manual that provides the auditors with a comprehensive guide to all aspects of performing an internal audit, consultancy assignment, fraud investigation or a direct payments and individual payments audit. The Service uses standard templates for all the terms of reference, engagement working papers, testing schedules, and audit reports and these are embedded in their Pentana audit management application. Completed documents are held in the Service's Pentana system. Supervision of the engagements takes place at every stage of the process.
- 2.6 There is a quality assurance process in place that includes internal and external quality assessments of the Service, reviews of live engagements, a recently introduced post-audit client feedback survey, and final clearance of all completed reports by the Head of Audit and Counter Fraud, all of which feed into the Internal Audit Service's Quality Assurance and Improvement Programme (QAIP).

### 3. Validation Process

- 3.1 This validation of the Service's self-assessment comprised a combination of a review of the evidence provided by Internal Audit; a review of a sample of completed internal audits; a survey that was sent to and completed by a range of stakeholders; and interviews with key stakeholders, using MS Teams. The interviews focussed on determining the strengths and weaknesses of Internal Audit and assessed the Service against the four broad themes of Purpose and Positioning; Structure and Resources; Audit Execution; and Impact.
- 3.2 The Internal Audit Service 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 charter;
  - the annual report and opinions
  - the audit plan and strategy;
  - audit procedures manual;
  - a range of documents and records relating to the team members;
  - progress and other reports to the Audit Committee.
- All the above documents were examined during this EQA.
- 3.3 The main phase of the validation process was carried out during the week commencing 27 March 2023, with further work and interviews undertaken during the following weeks. This phase of the EQA involved a review of a sample of audit files and interviews with a wide sample of key stakeholders. Overall, the feedback from the interviewees was positive with clients valuing the professional, knowledgeable, and objective way the Internal Audit Service delivered their services.
- 3.4 A survey was sent to a range of key stakeholders and the results analysed during the review. Details of the survey findings have been provided to the Head of Audit and Counter Fraud and a summary table has been included in this report.
- 3.5 The assessor reviewed examples of completed audits, to confirm his understanding of the audit process used at the Council, and to determine how Internal Audit has applied the PSIAS and LGAN in practice.

### 4. Opinion

**It is our opinion that the self-assessment for Oldham Metropolitan Borough Council's Internal Audit Service is accurate, and we therefore conclude that the Internal Audit Service GENERALLY CONFORMS to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.**

- 4.1 The table below shows the Internal Audit Service’s level of conformance to the individual standards assessed during this external quality assessment:

Standard / Area Assessed	Level of Conformance
Mission Statement	<b>Generally Conforms</b>
Core principles	<b>Generally Conforms</b>
Code of ethics	<b>Generally Conforms</b>
Attribute standard 1000 – Purpose, Authority and Responsibility	<b>Generally Conforms</b>
Attribute standard 1100 – Independence and Objectivity	<b>Generally Conforms</b>
Attribute standard 1200 – Proficiency and Due Professional Care	<b>Generally Conforms</b>
Attribute standard 1300 – Quality Assurance and Improvement Programmes	<b>Generally Conforms</b>
Performance standard 2000 – Managing the Internal Audit Activity	<b>Generally Conforms</b>
Performance standard 2100 – Nature of Work	<b>Generally Conforms</b>
Performance standard 2200 – Engagement Planning	<b>Generally Conforms</b>
Performance standard 2300 – Performing the Engagement	<b>Generally Conforms</b>
Performance standard 2400 – Communicating Results	<b>Generally Conforms</b>
Performance standard 2500 – Monitoring Progress	<b>Generally Conforms</b>
Performance standard 2600 – Communicating the Acceptance of Risk	<b>Generally Conforms</b>

## 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 Internal Audit's procedures and working methodologies and they are a very competent, experienced and professional Service that generally 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 the Internal Audit Service conforms to the Code of Ethics, and this is embedded in their procedures, and their audit methodologies. The code of ethics 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.*

There is an audit charter in place, and this is reviewed on an annual basis. We reviewed this document and found it to be comprehensive and well written and contains all the elements that the PSIAS expects to be included in an audit charter. We are satisfied that the Internal Audit Service generally 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 an integral part of any Internal Audit Service's culture. The Head of Audit and Counter Fraud reports in his own name directly to the Corporate Leadership Team and to the Audit Committee. All employees declare any potential impairment to their independence or objectivity on an annual basis.

We have reviewed the Internal Audit Service's procedures and their standard documentation; their quality assurance and improvement plan; and a small sample of completed audit files. We have also reviewed their reporting lines and their positioning within the organisation. The Head of Audit and Counter Fraud has responsibilities for the Council's Counter Fraud and Direct Payments Audit functions, and these are set out clearly in the audit charter, along with the mechanism that will be followed when any of

these functions are being audited, to ensure the independence and objectivity of the Head of Audit and Counter Fraud and the Internal Audit Service as a whole are maintained. Where there have not been any impairments to the independence and objectivity of either the Head of audit and counter fraud, or the Service as a whole, it is good practice to include a statement confirming this in the Head of Audit and Counter Fraud's annual report.

We have made one advisory suggestion regarding these observations in Appendix A of this report. We are, however, satisfied that the Internal Audit Service generally conforms with attribute standard 1100 and the LGAN.

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

*Attribute standard 1200 requires the Internal 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 the Internal Audit Service has a professional, experienced, and suitably qualified workforce. The Head of Audit and Counter Fraud is an experienced internal audit professional who is a CCAB accountant (CIPFA). The two Assistant Managers are also experienced internal audit or counter fraud professionals. The Assistant Manager for Internal Audit is also a CCAB accountant (FCCA). The Assistant Manager for Counter Fraud and Direct Payments Audits holds a relevant Counter Fraud qualification (PinS). The three Senior Auditors all hold relevant accountancy or counter fraud qualifications (1 x ACCA, 1 x CIMA finalist and 1 x PinS counter fraud qualified). Most of the rest of the staff either hold relevant qualifications (mainly AAT), or are studying for one, and several of the team hold graduate and/or post graduate level qualifications.

The Service has a contract with another Greater Manchester Local Authority for specialist IT audit services, although, the Team members have sufficient knowledge of the operation of high-level IT controls that they can incorporate these in their testing for the audits they undertake.

The Standards require Internal Audit Services to consider the use of data analytics when performing their audit reviews. The individual Team members have access to software that can be used for a limited degree of data analysis, such as MS Excel, but the Service does not currently have access to a specialist data extraction and analysis tool, such as 'IDEA', 'ACL' or 'Arbutus', although there are members of the Team that have used IDEA in the past. The Service does not currently carry out much data analytics as part of their audit methodologies. Where they do so, it is performed by utilising MS Excel, however this application has a limited range of functionality compared to the specialist data analytics applications. Whilst we acknowledge that there is a cost attached to obtaining a specialist tool, we believe the Internal Audit Service should consider purchasing a suitable product as it would enhance their capabilities, such as undertaking data matching and data mining exercises, and developing the continuous auditing / monitoring of the key systems such as the fundamental financial systems. In addition, such an application would also enable the Service to provide enhanced assurance by testing the whole data population when carrying out audits with large quantities of electronically held data, such as the fundamental financial systems, rather than sample testing and extrapolating the results to the whole population. We have included this as an advisory action in Appendix B.

The Service should also consider using the powerful business reporting application MS Power BI for reporting purposes and analysing data from the Council's core systems. It is likely that the Council already has access to Power BI as it often comes with the MS Office 365 software package. We have also included this as an advisory action in Appendix B.



There is an opportunity to further broaden the use of data analytics by making use of external sources of data that can be used for benchmarking purposes, such as the local authority data held in the CIPFA statistics and 'Nearest Neighbour Model' applications, which the Council should already have access to. These are now adaptable tools that should not be overlooked, particularly when auditors are preparing the terms of reference for audits as benchmarking can highlight areas where there may be scope to add value to the Council's operations, or at least challenge the current thinking. We have included this as an advisory action for management to consider in Appendix B.

It is evident from this review that the Internal Audit Service's employees are experienced and well qualified and perform their duties with due professional care. We are, therefore, satisfied that the Internal Audit Service generally conforms with attribute standard 1200 and the LGAN.

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

*This standard requires the Head of Audit and Counter Fraud to develop and maintain a quality assurance and improvement programme that covers all aspects of the Internal Audit activity.*

The Internal Audit Service has developed a quality assurance process that feeds into their quality assurance and improvement programme and is designed to ensure engagements are performed to a high standard. Supervision of audit engagements is carried out at all stages of the audit process, and evidence is recorded in the audit files, although there is scope to enhance this as set out below in paragraph 5.8 - performance standard 2000. The Service has reintroduced the use of post audit client satisfaction surveys for every audit they undertake, and in addition to the quinquennial EQA, carry out annual self-assessments of their conformance to the Standards and the LGAN. All these sources of data feed into their quality assurance and improvement plan (QAIP). Updates on completing the actions in the QAIP are made to the Audit Committee.

We have examined the supporting evidence provided by the Internal Audit Service during this EQA and we are satisfied that they generally conform 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 Chief Audit Executive 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 Chief Audit Executive must produce an audit plan and communicate this and the Service's resource requirements, including the impact of resource limitations, to senior management and the Audit and Risk Committee for their review and approval. The Chief Audit Executive must ensure that Internal Audit's resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.*

*The standard also requires the Chief Audit Executive to establish policies and procedures to guide the Internal Audit activity, and to share information, co-ordinate 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 Chief Audit Executive to report periodically to senior management and the Audit Committees on Internal Audit's 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 committee.*

The Internal Audit Service has a comprehensive audit manual in place that covers all aspects of the Internal Audit Service's operations.

The Service have developed comprehensive planning processes that take into consideration the Council's risks and objectives; the risk management and governance frameworks; the Council's objectives and priorities; any other relevant and reliable sources of assurance that are available; key issues identified by managers during planning meetings; the Service's own risk and audit needs assessments; and any emerging risks identified through horizon scanning and networking with other organisations. The Service produces an audit strategy and a prioritised risk-based audit plan that is designed to provide the Council with relevant assurance on their governance, risk management and control frameworks. The Service maps the audits to the Council's priorities and the strategic risk register as part of their planning processes, and although the audit strategy sets out all the Council's priorities, none of the individual audits in the audit plan are cross referenced to them in the published plan. Cross referencing the audits in the published plan to the priorities and strategic risks would enhance transparency and demonstrate how Internal Audit fits into the Council's governance framework. The audit plan is reviewed and approved by the Corporate Leadership Team and the Audit Committee. We have included this as an action for the Head of Audit and Counter Fraud to consider.

Details of the completed audits, together with regular updates on the progress being made on delivering the audit plan and the performance of the Internal Audit Service, are reported regularly to the Corporate Management Team and the Audit Committee. An annual report and opinion are also issued at the end of the year and presented to the Corporate Management Team and the Audit Committee.

The indication from this EQA is that the Internal Audit Service is managed effectively and generally conforms to performance 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 the Internal Audit Service and is embedded in their working methodologies. During this EQA, we reviewed a sample of completed audits and examined them to see if they conformed to standard 2100, the LGAN and Internal Audit's own methodologies. The Service has introduced the Pentana audit management system as its main repository for all the audit documentation. During our review of the sample of audits we noted that Pentana is being used in an inconsistent way making it difficult to follow the audit trail and examine the supporting evidence for some audits. Regardless of this issue, we were able to find the evidence that we need to see and as such we can confirm that the audits conformed to the Standards and the LGAN, but not necessarily to the Service's own procedures. We have, therefore, included an action in Appendix B regarding this observation.

The indication from this EQA is that the Internal Audit Service generally 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.*

The Service has an audit manual and robust supervision processes in place that include engagement planning and meets the requirements of the PSIAS. From the sample of audit files that we examined during the EQA we found that they all conformed to performance standard 2200, and the LGAN, but conformance to the Service's own audit procedures could be enhanced. The main enhancement has already been mentioned in section 5.9 above. There is, however, another enhancement that should be considered and this is the introduction of a formal engagement planning schedule to provide greater consistency around this stage of the audit process.

The indication from this EQA is that the Service generally 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 we have mentioned above, the Internal Audit Service has an audit manual, sound supervision arrangements, and quality assurance processes in place that meet the requirements of the standards. We reviewed the evidence provided in support of the Service's self-assessment, together with a sample of audit files to see if they conformed to the standards, and Internal Audit's own working methodologies. We found that all the evidence we examined conformed to the standards and the LGAN but conformance to the Service's own audit procedures could be enhanced. The main enhancement has already been mentioned in section 5.9 above. We therefore conclude that Internal Audit generally 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 committee 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 Service's procedures and supervision processes cover the communication of results of individual audits and meet the requirements of the Standards and the LGAN. During the EQA we reviewed the evidence provided in support of the Service's self-assessment and the audit reports issued for a sample of audits to establish if they conformed to the Standards. We found that all the evidence we examined generally conformed to the standards and Internal Audit's own procedures and methodologies, although there are two enhancements to the reports that could be made. The first relates to the inclusion of a disclaimer and limitations of use statement in each report. The second relates to the inclusion of a statement in the reports to acknowledge that the work has been carried out in accordance with the PSIAS.

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

We therefore conclude that the Internal Audit Service generally conforms to performance standard 2400 and the LGAN.

### 5.13 Performance Standard 2500 – Monitoring Progress

There is a comprehensive follow-up process in place, 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 Audit Committee. From this EQA, it is evident that the Internal Audit Service 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 Chief Audit Executive has concluded that management at the client's services have 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 examples of this during this review. From this EQA, it is evident that the Internal Audit Service 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 or the CIPFA Local Government Application Note.

## 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 or the CIPFA Local Government Application Note.

## 8. Survey results

8.1 Overall, the results of the survey of key stakeholders were positive with respondents valuing the services provided by them. There were no 'do not agree' responses, and the number of "don't know" responses were low, with most respondents agreeing or partially agreeing with the survey statements. The detailed findings from the survey have been shared with the Head of Audit and Counter Fraud to enable them to explore the responses in more depth. A summary of the survey results is included in this report at Appendix A.

## 9. Issues for management action

9.1 From this EQA we have made one observation where conformance to the standards can be enhanced, and we have included this as an action in Appendix B.

We have also identified eight advisory issues from this EQA that need to be considered. Six relate to the operation of the Service and not their conformance to the standards. One is a generic issue relating to the future of the PSIAS for the Head of Audit and Counter Fraud to consider and one relates to the frequency of the Audit Committee Meetings. These are all set out in the management action plan at Appendix B.

The co-operation of the Head of Audit and Counter Fraud and the Assistant Manager in providing the information requested for the EQA, is greatly appreciated. Our thanks also go to the Chair of the Audit Committee and the key stakeholders that made themselves available for interview during the EQAs and/or completed the survey.

Ray Gard, CPFA, FCCA, FCIIA, DMS

1 June 2023

## 10. Definitions

Level of Conformity	Description
<b>Generally Conforms</b>	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 individual Standard, the element of the Code of Ethics, and the Local Government Application Note in all material respects. This means that there is general conformance to a majority of the individual Standards, elements of the Code of Ethics, or the Local Government Application note, and at least partial conformance to the others.
<b>Partially Conforms</b>	The Internal Audit Service is endeavouring to deliver an effective service however, they are falling short of achieving some of their objectives and/or generally conforming to a majority of the individual Standards, elements of the Code of Ethics, or the Local Government Application note and at least partial conformance to the others. There will usually be significant opportunities to improve the delivery of effective internal audit, and enhance conformance to the Standards, elements of the Code of Ethics, and/or the Local Government Application Note. The Internal Audit Service may be aware of some of these opportunities and the areas they need to develop. Some identified deficiencies may be beyond the control of Internal Audit and may result in actions for Senior Management or the Board of the organisation to address.
<b>Does Not Conform</b>	The Internal Audit Service is not aware of; not making efforts to comply with; or is failing to achieve many/all of the individual Standards, elements of the Code of Ethics, or the Local Government Application Note. These deficiencies will usually have a significant adverse impact on Internal Audit's effectiveness and its potential to add value and are likely to represent significant opportunities for improvement to Internal Audit. Some identified deficiencies may be beyond the control of Internal Audit and may result in recommendations to Senior Management or the Board of the organisation.

Action Priorities	Criteria
<b>High priority</b>	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.
<b>Medium priority</b>	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 a reasonable time scale, for example six months.

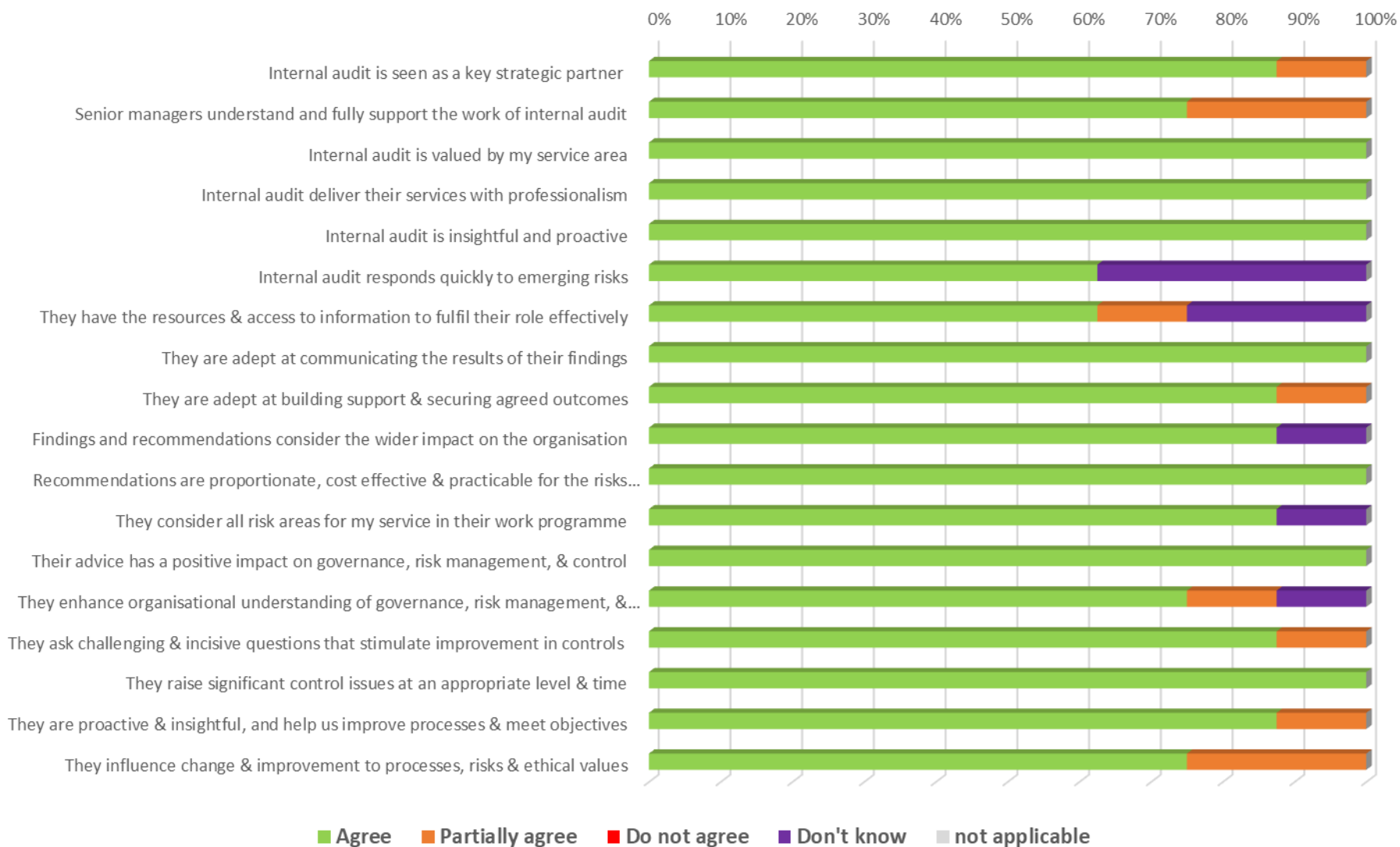
<b>Low priority</b>	The Internal Audit Service should consider rectifying a minor issue of conformance with the standards. Remedial action to resolve the issue should be considered but the issue is not urgent.
<b>Advisory</b>	These are issues identified during the course of the EQA that do not adversely impact the service's conformance with the standards. Typically, they include areas of enhancement to existing operations and the adoption of best practice.

## 11. Disclaimer

This report has been prepared by CIPFA at the request of Oldham Metropolitan Borough Council, and the terms for the preparation and scope of the report have been agreed with them. 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 to us. 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 Oldham Metropolitan Borough Council's Internal Audit Service, including the Officers and elected Members of the Council, 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.

### Oldham Metropolitan Borough Council's Internal Audit Service - EQA - Survey Responses



## Management action plan

1. Add a statement on impairments to the annual report and opinion (Advisory)	
Rationale	Agreed Action
<p>The audit charter includes a section on the independence and objectivity of the Internal Audit Service, including the process that will be followed should there be an impairment to the independence of the Head of Audit and Counter Fraud or the Service as a whole. The audit charter is, however, designed to be a forward-looking document, whereas the annual report and opinion is a reflection on the audit year that has just ended. It is, therefore, good practice to include a statement in the annual report confirming that there have not been any impairments to the independence or objectivity of the Head of Audit and Counter Frauds or the Internal Audit Service. If there has been an impairment, these should be included in the annual report, together with details of the action taken to resolve the issue.</p>	<p>The advisory point is accepted. The following sentence has been added to the Head of Internal Audit's Annual Opinion Report for 2022/23, to be presented to the Audit Committee 27 June 2023.</p> <p>"There have been no impairments to the independence or objectivity of the HIA in arriving at this opinion."</p>
Action Responsibility	Head of Internal Audit
Deadline	Complete



**2. Consider obtaining and using a specialist data analytics software application (Advisory)**

<b>Rationale</b>	<b>Agreed Action</b>
<p>The Service does not currently have access to a specialist data extraction and analysis tool, such as 'IDEA', 'ACL' or 'Arbutus'. While we acknowledge that there is a cost attached to obtaining such a tool, consideration should be given to purchasing a suitable product as it would enhance their capabilities, such as undertaking data matching and data mining exercise, and developing continuous auditing / monitoring of the key systems, such as the fundamental financial systems that are audited twice a year. In addition, such an application would also provide enhanced assurance as the whole data population can be tested when carrying out audits with large quantities of electronically held data, such as the fundamental financial systems, rather than sample testing and extrapolating the results to the whole population.</p>	<p>The Service already uses a variety of data analysis and reporting tools. These include MS Excel and also the inbuilt functionality available in the systems used by the Council, e.g. Mosaic, Agresso and iTrent. Whole population testing is undertaken using both Mosaic (e.g. workflow analysis) and Agresso (e.g. user access control testing). Data matching is undertaken regularly as part of the National Fraud Initiative and also as part of routine audit work, e.g. duplicate creditors and duplicate creditor payments.</p> <p>The Service accepts the principle of the advisory point and will review the packages available to enhance capabilities in this area.</p>
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>September 2023</b>

**3. Consider using the MS Power BI application for data analytics and reporting (Advisory)**

<b>Rationale</b>	<b>Agreed Action</b>
<p>The Service should consider using the powerful business intelligence and reporting application MS Power BI for reporting purposes and analysing data from the Council's core systems. It is likely that the Council already has access to Power BI as it often comes with the MS Office 365 software package.</p>	<p>The Service already uses a variety of data analysis and reporting tools. These include MS Excel and also the inbuilt functionality available in the systems used by the Council, e.g Mosaic, Agresso and iTrent. Whole population testing is undertaken using both Mosaic (e.g. workflow analysis) and Agresso (e.g. user access control testing). Data matching is undertaken regularly as part of the National Fraud Initiative and also as part of routine audit work, e.g. duplicate creditors and duplicate creditor payments.</p> <p>The Service accepts the principle of the advisory point and will review the potential uses of MS Power BI to enhance the audit process.</p>
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>September 2023</b>

<b>4. Use of benchmarking data when scoping audits (Advisory)</b>	
<b>Rationale</b>	<b>Agreed Action</b>
There is an opportunity to further broaden the use of data analytics by making use of external sources of data for benchmarking purposes, such as the local authority data held in the CIPFA statistics and 'Nearest Neighbour Model' applications, which the Council should already have access to. These are now adaptable tools that should not be overlooked, particularly when auditors are preparing the terms of reference for audits as benchmarking can highlight areas where there may be scope to add value to the Council's operations, or at least challenge the current thinking.	The advisory point is accepted. Whilst currently benchmarking data is utilised in audit reviews, there are potential benefits of bringing the examination of this data forward to the planning stage. To enhance the process a pre-planning checklist has been developed and distributed to the Audit Team, and review of available benchmarking data is part of the checklist now in place.
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>Complete</b>

<b>5. All audits in the audit plan should be aligned to the Council's objectives. (Low)</b>	
<b>Rationale</b>	<b>Agreed Action</b>
The Service publishes a risk-based operational audit plan that is designed to provide the Council with relevant assurance on their governance, risk management and control frameworks. Each audit in the published audit plan is categorised and prioritised, but they are not mapped or aligned to the Council's priorities or corporate objectives, or the strategic risks, although this exercise has been carried out by the Service as part of their annual planning process. Cross referencing the audits in the published plan to the priorities and strategic risks would enhance transparency and demonstrate how Internal Audit fits into the Council's governance framework.	This recommendation is accepted. Cross referencing of the published Annual Audit Plan to Corporate Objectives and Strategic Risks will be included from the 2024/25 plan to be taken to the Audit Committee from March 2024.
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>March 2024</b>

<b>6. Adopt a consistent approach to using Pentana that is aligned to the Service's audit methodologies (Advisory)</b>	
<b>Rationale</b>	<b>Agreed Action</b>
The Service needs to review the way that Pentana has been set up to ensure that it is aligned to the audit methodologies and ensure that all staff use the application in a consistent way. This may require changing the audit methodologies to fit in with the functionality of the application, rather than trying to change the way the application is designed to work.	The advisory point is accepted. The Audit Team has established a common approach to the filing of documentation within Pentana.
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>Complete</b>

7. Enhancements to the audit reports (Advisory)	
Rationale	Agreed Action
<p>There are two enhancements to the audit reports that the Head of internal audit should consider. The first relates to the inclusion of a disclaimer and limitations of use statement in each report.</p> <p>An example of such a statement would be “This report is confidential and has been prepared solely for use by officers named on the distribution list and, if requested, the Council’s External Auditor and its Audit Committee to meet legal and professional obligations. It would, therefore, not be appropriate for this report or extracts from it to be made available to third parties and it must not be used in response to FOI or data protection enquiries without the written consent of the Head of Internal Audit. We accept no responsibility to any third party who may receive this report, in whole or in part, for any reliance that they may place on it”.</p> <p>The second relates to the inclusion of a statement in the final audit reports to acknowledge that the work has been carried out in accordance with the PSIAS.</p>	<p>The advisory point is accepted. The following two statements are now included in all Audit reports produced from April 2023:</p> <p>“This report is made solely as an internal management report to the Officers of the Council identified on the report distribution list as an aid to the effective management of Council resources, and for no other purpose. Our audit work has been undertaken in accordance with the Public Sector Internal Audit Standards (PSIAS) 2013 (Revised 2017), and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than those Officers for whom the report was produced, for our audit work, for this report, or for the opinions we have formed.”</p> <p>“This review has been conducted in accordance with the Public Sector Internal Audit Standards (PSIAS) 2013 (Revised 2017), and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN).”</p>
Action Responsibility	Head of Internal Audit
Deadline	Complete

**8. Consultation on the International Professional Practice Framework (IPPF) (Advisory)**

<b>Rationale</b>	<b>Agreed Action</b>
<p>Management should be mindful of the fact that a consultation on revising the Institute of Internal Auditors global International Professional Practice Framework (IPPF) which is incorporated into the PSIAS, commenced on 1 March 2023. Whilst this will not impact on the Service's current level of conformance, any changes to the Standards arising from the consultation may affect the Service's conformance in the medium term. It is, therefore, suggested that the Head of Audit and Counter Fraud considers the contents of the consultation document and keeps a watching brief on the developments to the Standards and how this may impact the Service in the medium term.</p>	<p>The advisory point is accepted. The Head of Internal Audit, supported by the Director of Finance, will continue to maintain a watching brief on developments to the Standards.</p>
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>Ongoing in line with developments</b>

DRAFT

**9. Frequency of meetings for the Audit Committee (Advisory)**

Rationale	Agreed Action
<p>The Audit Committee currently has seven scheduled meetings a year, compared to other local authority audit committees where the average number of meetings tends to fall in the range of four to six meetings a year. Given the number of meetings per year is above the average, we suggest that the Council considers the guidance in the CIPFA Position Statement on Audit Committees, “authorities should conduct an assessment of their audit committees using the CIPFA Position Statement on Audit Committees in Local Authorities and Police (2022 edition) and the supporting guidance publication. This review should take into account the number and effectiveness of their meetings”.</p>	<p>The advisory point is accepted subject to annual review. The Authority is in the process of undertaking a review of the Audit Committee’s effectiveness utilising Interactive Appendices E &amp; F from CIPFA’s Audit committees: practical guidance for local authorities and police 2022 edition – The audit committee member in a local authority. It is planned to report on this review to the September 2023 meeting.</p> <p>The current level of meetings reflects a previous operating environment of the Council where the early production of the Statement of Annual Accounts was a key priority. Going forward from the September 2023 review of the Audit Committee there will be engagement with Committee Services to agree the future dates for the Municipal Year.</p> <p>In agreeing the frequency of meeting the Council will need to be mindful of external matters outside its direct control such as the number of years accounts where an external audit opinion has not yet been given.</p>
<b>Action Responsibility</b>	<b>Head of Internal Audit</b>
<b>Deadline</b>	<b>September 2023</b>

