

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
SHARED HEAD OF INTERNAL AUDIT	AUDIT AND STANDARDS COMMITTEE	13 JUNE 2019	5
REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report relates to the results of the self-assessment as a means of assessing the effectiveness of Internal Audit.

RECOMMENDATIONS

That the Committee notes the results of the self-assessment as part of the Audit and Standards Committee's consideration of the system of internal control.

SUMMARY OF PREVIOUS DECISIONS

None

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

BACKGROUND

1. The Accounts and Audit (England) Regulations 2015 requires the relevant body, at least once in each year, to conduct a review of the effectiveness of its system of internal audit. The purpose behind the review is to ensure that the opinion in the annual report by the Head of Audit can be relied upon as a key source of evidence in the Annual Governance Statement
2. With effect from 1 April 2013, the Code of Practice for Internal Audit in Local Government in England and Wales was replaced by the Public Sector Internal Audit Standards (PSIAS). These standards are applicable to the whole of the public sector, although a Local Government Application Note (LGAN) was produced by CIPFA in collaboration with the Chartered Institute of Internal Auditors as a sector specific requirement within the PSIAS framework. The LGAN was re-issued in 2019.

3. One of the Attribute Standards refers to a Quality Assurance and Improvement Programme (QAIP) which must comprise both internal and external assessments. Internal assessments are both ongoing and periodic, whilst an external assessment must be undertaken at least once every five years.
4. The LGAN states that if the periodic assessment is in the form of a self-assessment, the checklist contained within the guidance should be used for assessing conformance as it covers both the PSIAS and the LGAN

ASSESSMENT

5. In order to meet the requirements of the Accounts and Audit Regulations therefore, a self-assessment has been carried out by the Head of Audit using the checklist contained within the revised LGAN. This assessment was presented to the Corporate Governance Group and was challenged. They concluded that the section is effectively demonstrating compliance with the Standards and there is no evidence of non-conformance. The updated checklist is attached at **Appendix A**.
6. In keeping with the requirements of the QAIP, an external assessment was carried out in December 2016. The review comprised an external validation of the self-assessment. Progress on the actions emanating from the review is included with the Internal Audit Annual

IMPLICATIONS	
Finance	None arising from this report
Legal	There are no legal implications arising from this report, however the provision of an Internal Audit Service is a requirement of the Accounts and Audit Regulations 2015.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Local Government Application Note	2019	Internal Audit Office, Town Hall

Attached documents

Appendix A – Self Assessment –May 2019