

INFORMATION NOTE

Public Sector Internal Audit Standards - External Assessment

Peer Review

1. The Public Sector Internal Audit Standards require that an external assessment of an organisation's internal audit function is carried out once every five years by a qualified, independent assessor or assessment team from outside the organisation.
2. The Lancashire District Councils Audit Group (LDCAG) has established a system of peer reviews that is managed and operated by the constituent authorities. The agreed approach to these peer reviews is that each Internal Audit Service will undertake a self-assessment which will be validated by suitably qualified individuals or teams from other members of the group across a 5 year cycle.
3. The peer review of Fylde's internal audit service was carried out in November 2016 by the Heads of Internal Audit from Preston City Council, South Ribble Borough Council and Chorley Council.
4. A desktop review of the completed self-evaluation together with relevant evidence and supporting documentation was considered prior to the on-site review. The supporting evidence included:

♦ The Corporate Plan	♦ Internal Audit Code of Ethics
♦ Internal Audit Annual Report	♦ Quality Assurance Improvement Plan
♦ Internal Audit Annual Plan	♦ Strategic Risk Register
♦ Client Feedback Surveys	♦ Annual Governance Statement
♦ Internal Audit Charter	♦ Internal Audit Register of Interests
5. A customer survey form was issued to key personnel within the Council who were subsequently interviewed during the on-site phase. The personnel interviewed were:

♦ Chief Executive	♦ Chair of the Audit & Standards Cttee
♦ Section 151 Officer	♦ Head of Governance
♦ Monitoring Officer	♦ Head of Internal Audit
♦ Director of Development Services	♦ Senior Auditor
6. Following the on-site visit the review team produced their report (attached as an Appendix). It concluded that Fylde Council conformed to the requirements of the Public Sector Internal Audit Standards.
7. The report included positive observations, together with a number of minor observations and advisory points on how the internal audit service might continue to improve. These will constitute the Quality Assurance and Improvement Programme for 2017/2018. Progress on these points will be reported to the Audit and Standards Committee on an annual basis.

FURTHER INFORMATION AVAILABLE FROM

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