

Wednesday, 24 April 2024

Report of the Audit Manager

Public Sector Internal Audit Standards/Quality Assurance & Improvement Programme

Exempt Information

None.

Purpose

To report to the Audit & Governance Committee on Internal Audit's compliance with the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP).

Recommendations

It is recommended that that committee endorses:

1. Internal Audit's assessment of compliance with the PSIAS (**Appendix 1**);
2. The QAIP (**Appendix 2**); and
3. The External Quality Assessment Action Plan (**Appendix 3**).

Executive Summary

The PSIAS has been in place since April 2013. Internal Audit's compliance with the PSIAS is required under the Accounts & Audit Regulations 2015. The PSIAS require that Internal Audit comply with professional best practice and assess themselves against the requirements on an annual basis and that an External Quality Assessment (EQA) should be completed at least every 5 years.

An EQA was last completed in January 2023 and reported to this committee on 22nd March 2023 and was linked into the QAIP for 2023/24. An overview of compliance is attached at **Appendix 1** which shows that Internal Audit operations have been self-assessed as conforming to the standards.

Part of the requirement of the PSIAS is for the 'Chief Audit Executive' to develop a QAIP. Under the QAIP, quality should be assessed at both individual audit engagement level as well as a broader operational level. A well developed QAIP is to ensure quality is built in to, rather than on to, the way Internal Audit operates. Attached at **Appendix 2** is the Quality Assurance & Improvement Programme (QAIP).

At the conclusion of the EQA, an Action Plan was developed and the actions were scheduled for completion by 31st March 2024. **Appendix 3** shows the actions developed following the EQA and confirmation that all recommendations have been actions and completed.

Options Considered

None.

Resource Implications

None.

Legal/Risk Implications Background

Non-compliance with the PSIAS means that an effective system of Internal Audit is not in place and therefore we are not fully complying with the Accounts and Audit (England) Regulations 2015.

Equalities Implications

None.

Environment and Sustainability Implications (including climate change)

None.

Background Information

None.

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List of Background Papers

Appendices

Appendix 1 – Public Sector Internal Audit Standards Compliance Overview

Appendix 2 – Quality Assurance & Improvement Programme

Appendix 3 – External Quality Assessment Action Plan 2023/24