

ACTION PLAN

Report Heading:		Internal Audit Self Assessment – Code of Practice for IA in Local Government				File Ref:	
Ref	Recommendations	Priority	Officer Responsible	Agreed	Planned Action Date	Comments	Self Assess Form Ref
1.	Update the Internal Audit Terms of Reference to include the following:	M	CIA	Y	31/03/2008	<i>Update TOR/Charter, combine the two docs.</i>	1.1.1.
1.a.	A definition of the role of Internal Audit in any fraud-related or consultancy work undertaken.					<i>Ensure approved by A&RM Committee.</i>	1.1.1.g.
1.b.	An explanation of how the Internal Audit Section's resource requirements will be met.					<i>Publicise TOR on Intranet and email all to alert.</i>	1.1.1.h
2.	Ensure that the 'organisation' is advised of the content and the need for regular reviews of the Internal Audit Terms of Reference.	M	CIA	Y	31/03/2008	<i>Report to A&RM Committee.</i>	1.1.2.
3.	Ensure that the Internal Audit Terms of Reference are reviewed annually.	M	CIA	Y	Immediate		1.1.4.
4.	Consideration should be given to allowing the Chief Internal Auditor to report to the Audit and Risk Management Committee in his own name.	M	DOF	Y	31/03/2008		2.2.3.
5.	Internal Audit staff should be regularly reminded of their ethical responsibilities.	M	CIA	Y	Immediate	<i>Staff advised via April 2007 team brief.</i>	3.1.1.
6.	The Chief Internal Auditor should establish an environment of trust and confidence.	M	CIA	Y	Immediate	?????????????	3.2.1.
	A time period should be set for staff where they	M	CIA	Y	31/03/2008	<i>Prepare note for inclusion in TOR and</i>	3.3.3

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7.	do not undertake an audit in areas where they have had previous operational roles.					<i>Audit Manual</i>	
8	The Chief Internal Auditor should participate in the Audit Committee's review of its own remit and effectiveness.	M	DOF/CIA	Y	31/03/2008	<i>Await CIPFA guidance and act accordingly.</i>	4.2.3.b.
9.	Consideration should be given to providing the Chief Internal Auditor with the opportunity to meet privately with the Audit Committee.	M	DOF	Y	31/03/2008		4.2.5.
10.	A protocol that defines the working relationship that exists between Internal Audit and other parties including external auditors, other regulatory and inspection bodies and elected Members should be prepared.	M	CIA	Y	31/03/2008	<i>Include note in TOR.</i>	5.1.2.
11.	Internal Audit should seek to establish a dialogue with all of the regulatory and inspection agencies that interact with the Council.	M	CIA	Y	31/03/2008	<i>Memo to all CO's regarding this.</i>	5.5.1.
12.	The Terms of Reference for Internal Audit should define the channels of communication with Members, describing how such relationships should operate.	L	CIA	Y	31/03/2008	<i>Include in revision of TOR.</i>	5.6.1.
13.	The structure of the Internal Audit Section	M	DOF	Y	31/03/2008	<i>See DOF and Deputy DOF.</i>	6.1.1.

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	should be reviewed to ensure that it is appropriately staffed to achieve its objectives.						
14.	The Chief Internal Audit should formalise the skills and competencies required for each level of auditor and share with the Deputy Director of Finance.	M	CIA	Y	31/03/2008	<i>Exercise already taking place.</i>	6.2.1.a.
15.	The Training and Development programme should be regularly reviewed and monitored.	M	CIA	Y	Immediate	<i>Instruct individual members of staff.</i>	6.2.2.
16.	An Internal Audit Strategy for delivering the service should be prepared and approved by Committee, kept up to date and include:	M	CIA	Y	31/03/2008	<i>Maybe utilise and develop PIMS.</i>	7.1.1.
16.a	a. Internal Audit objectives and outcomes.	M	CIA	Y	31/03/2008	<i>Document strategy.</i>	7.1.2.a
16.b	b. How the CIA will form and evidence his opinion on the control environment.	M	CIA	Y	31/03/2008		7.1.2.b.
16.c	c. How audit work will identify and address local and national issues.	M	CIA	Y	31/03/2008		7.1.2.c.
16.d	d. How the service will be provided.	M	CIA	Y	31/03/2008		7.1.2.d.
16.e	e. Resource & skills required to deliver service	M	CIA	Y	31/03/2008		7.1.2.e.
17.	The Internal Audit Section should have a	L	CIA	Y	Immediate	<i>Include in Audit Manual.</i>	8.3.6.

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	clearly defined access policy for audit files and documents.					<i>Completed May 07.</i>	
18.	The Chief Internal Auditor should prepare a document that set out the requirements for all audit staff regarding the following: a. Disclosure of material facts known to them which, if not disclosed, could distort their reports or conceal unlawful practice. b. Not using information they gain in the course of their duties for personal use.	M	CIA	Y	31/03/2008	<i>Prepare note on this and email all staff, advise at Team Brief and include on web page and in Audit Manual.</i>	9.1.2.g. 9.1.2.i.
19.	The process for prioritising recommendations according to risk should be updated.	M	CIA	Y	31/03/2008	<i>Document existing and include in Audit Manual.</i>	10.2.3.
20.	A mechanism should be in place to update the Risk Register following audits.	M	CIA	Y	31/03/2008	<i>Maybe consider copying audit reports to RM Improvement Group. Or include ref in all audit reports requesting clients to advise RM Group of all High priority risks identified.</i>	10.2.9.b.
21.	A formal document should be prepared and publicised that identifies the escalation	M	CIA	Y	31/03/2008	<i>Document existing arrangements and</i>	10.3.2.

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	procedure to be followed when audit recommendations are not implemented.					<i>include in Audit Manual.</i>	
22.	The Annual IA Report should include:					<i>Largely doing this, maybe need to develop 'other assurance bodies' bit.</i>	
22.a	A summary of the audit work from which the opinion was derived, including reliance placed on work by other assurance bodies.	M	CIA	Y	31/03/2008		10.4.2.c.
22.b	Comparison of the actual to planned work undertaken and a summary of the performance of IA against measures and targets.	M	CIA	Y	31/03/2008	<i>Need to strengthen this.</i>	10.4.2.e
22.c	Communicate the results of the IA Performance Management and Quality Assurance programme.	M	CIA	Y	31/03/2008	<i>Need to do this in more detail</i>	10.4.2.g
23.	A Performance Management and Quality Assurance programme should be in operation and include the following:	M	CIA	Y	31/03/2008	<i>Performance – yes Quality – needs some work</i>	11.3.1.
23.a	A periodic review of the service against the strategy and the achievement of its aims and objectives, the results of which should be used to inform future strategy.	M	CIA	Y	31/03/2008	<i>Undertake this exercise periodically.</i>	11.3.2.c
23.b	Periodic internal quality reviews to ensure compliance with the Code and IA Manual.	M	CIA	Y	31/03/2008	<i>Strengthen internal reviews by T/L's and CIA/DEP.</i>	11.3.2.d.

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23.c	An action plan to implement improvements.	M	CIA	Y	31/03/2008	<i>Like this one, if appropriate.</i>	11.3.2.e.
24.	The results of the Performance Management and Quality Assurance Program should evidence that the IA service is:					<i>Not sure that we do this totally effectively, needs some attention.</i>	11.3.4.
24.a	Meeting its objectives.	M	CIA	Y	31/03/2008		11.3.4.a.
24.b	Complying with the Code	M	CIA	Y	31/03/2008		11.3.4.b.
24.c	Meeting internal quality standards.	M	CIA	Y	31/03/2008		11.3.4.c.
24.d	Efficient, effective and continuously improving.	M	CIA	Y	31/03/2008		11.3.4.d.
24.e	Adding value and assisting the organisation in achieving its objectives.	M	CIA	Y	31/03/2008		11.3.4.e.

Responsible Officer:.....

Signature:

Date:.....