



NEWCASTLE·UNDER·LYME
BOROUGH COUNCIL

Action Plan 2017-18: Compliance with the Public Sector Internal Audit Standards and the Local Government Application Note Self-Assessment 2016-17

This action plan has been produced following the completion of the checklist that was developed to satisfy the requirements set out in PSIAS 1311 and 1312 for periodic self-assessments and externally validated self-assessments as part of the Quality Assurance and Improvement Programme. The action plan identifies those areas where at present Internal Audit do not fully meet the requirements of the standards and as such a programme of work is now required to ensure compliance.

Key to Terminology used in the document;

PSIAS	Public Sector Internal Audit Standards	LGAN	Local Government Application Note
CIPFA	Chartered Institute of Public Finance & Accountancy	AAT	Association of Accounting Technicians
ACCA	Association of Certified Chartered Accountants	CPD	Continuing Professional Development
A&R	Audit and Risk Committee	EMT	Executive Management Team
WMT	Wider Management Team	HoS	Heads of Service
BM	Business Managers	SCAG	Staffordshire Chief Auditors Group
SCFOG	Staffordshire Chief Financial Officers Group	AGS	Annual Governance Statement
WP	Working Papers	CAE	Chief Audit Executive
CFO	Chief Finance Officer	QAIP	Quality Assurance Improvement Programme
GRACE	Councils Risk Management System		

Ref	Conformance with the Standard	Y	P	N	Action Required	Target Date
LGAN	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?			N	An assurance mapping process needs to be developed	March 2017 To be carried forward to 2017/18
	Does the internal audit activity evaluate and contribute to the improvement of the above using a disciplined and systematic approach and is this evidenced?			N	An assurance mapping process needs to be developed	March 2017 To be carried forward to 2017/18
	For significant consulting engagements, has this understanding been documented?			N	Evidence of the assurance mapping process will be documented.	March 2017 To be carried forward to 2017/18

Ref	Conformance with the Standard	Y	P	N	Action Required	Target Date
	Where significant consulting opportunities have arisen during an assurance engagement, was a specific written understanding as to the objectives, scope, respective responsibilities and other expectations drawn up?		P		<p>This would normally be in the form of email correspondence.</p> <p>A formal process will be defined along similar lines to the audit briefs that are produced for the audit areas contained within the audit plan.</p> <p>This will be looked at as par to of the new audit system</p>	<p>March 2017</p> <p>To be carried forward to 2017/18</p>
	Do internal auditors report that engagements are “conducted in conformance with the PSIAS” only if the results of the QAIP support such a statement?		P		<p>Where additional issues arise that require consideration – Head of Audit & Elections will consult with management – dependent upon the issues that have been identified these will either be reviewed at the time as an additional piece of work or will be included in next year’s audit plan. Resources within a small team do not allow every issue to be reviewed.</p>	<p>March 2017</p> <p>To be carried forward to 2017/18</p>
				N	<p>Internal Audit reports do not state that they have been conducted in accordance with the PSIAS standards. The Head of Audit & Elections will review the report template and look to include a suitable form of words that will cover this.</p> <p>This will be considered with the implementation of the new system.</p>	<p>March 2017</p> <p>To be carried forward to 2017/18</p>