



Quality Assurance Improvement Programme (2024/25)

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1.0 Introduction

The purpose of this document is to outline the Quality Assurance Improvement Programme (QAIP) to be undertaken by TVBC's Internal Audit function. A QAIP is designed to enable evaluation of the Internal Audit activity's conformance with the Public Sector Internal Audit Standards and application of the Code of Ethics <http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>. It also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

2.0 Requirements of the Public Sector Internal Audit Standards (PSIAS)

The headings below set out the QAIP requirements as detailed in the Public Sector Internal Audit Standards 2017.

- (i) 1300 - The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.

Appendix 1 shows a graphical representation of how the Authority has input into the Quality Assurance of the Internal Audit service at Test Valley Borough Council. While independent, an effective Internal Audit function should acquire feedback from the organisation it serves to aid in the decision making of the chief audit executive and the audit team in both audit planning and audit execution.

- (ii) 1310 - The quality assurance and improvement programme must include both internal and external assessments.

TVBC commissioned an external assessment in March 2024 with the next due in March 2029. In interim years, robust self-assessments are scheduled with the results communicated to the s151 Officer, Chief Executive, and the Audit Committee.

- (iii) 1311 - Internal assessments must include ongoing monitoring of the performance of the internal audit activity, and periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of internal audit practices.

TVBC Internal Audit monitor the performance of the internal activity via Audit plan monitoring, audit assignment monitoring, staff 1-2-1's and quality assurance checks on all final reports which are issued. TVBC has opted for self-assessments as there was not deemed to be an officer within the Council with sufficient knowledge regarding recent Internal Audit Practice and PSIAS to be able to undertake the internal assessment.

- (iv) 1312 - External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The chief audit executive must discuss with the board: the form of external assessments; the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest

External Assessment are scheduled to take place every five years. External assessment proposals are discussed with the S151 Officer and Audit Committee.

- (v) 1320 - The chief audit executive must communicate the results of the quality assurance and improvement programme to senior management and the board.

A Quality Assurance and Improvement Plan Report is to be submitted to the Audit Committee on an annual basis as part of the Internal Audit Annual Report.

- (vi) 1321 - The chief audit executive may state that the internal audit activity conforms with the International Standards for the Professional Practice of Internal Auditing only if the results of the quality assurance and improvement programme support this statement.

This is included within the Internal Audit Annual Report when the service is deemed to be conforming.

- (vii) 1322 - When non-conformance with the Definition of Internal Auditing, the Code of Ethics or the Standards impacts the overall scope or operation of the internal audit activity, the chief audit executive must disclose the non-conformance and the impact to senior management and the board.

Any areas of non-conformance to be reported to the Audit Committee as part of the Internal Audit Annual Report and considered for inclusion in the Annual Governance Statement.

Where the Standards refer to a chief audit executive, that role is undertaken by the Internal Audit Manager.

2.0 Application of the Standards at TVBC

The internal audit team undertake various activities to fulfil the requirements of the Standards in relation to quality assurance and improvement. This document sets out those activities and how they are monitored and reported. The QAIP is designed to provide reasonable assurance to TVBC stakeholders that Internal Audit:

- Perform its work in line with the Audit Charter. The charter incorporates and is consistent with the definition of internal auditing as set out in the PSIAS.
- Operates in an effective and efficient manner.
- Is perceived by its stakeholders as adding value to TVBC.

The Internal Audit Manager is responsible for the development, annual review, and implementation of the QAIP.

3.0 Internal Assessments

In accordance with PSIAS Standard 1300, internal assessments are undertaken through both ongoing and periodic reviews. Continual assessments of quality are conducted through:

Ongoing Reviews:

- Management supervision of all engagements.
- Structured, documented reviews of working papers and reports by Internal Audit management.
- A standard methodology used for each engagement to ensure consistency and quality.
- Feedback from audit clients/senior management obtained by annual questionnaire.
- Review and approval of all plans and reports and levels of assurance by the Internal Audit Manager.
- Weekly Progress meetings with all members of the internal audit team to discuss audit planning and progress.

Periodic Reviews:

- Annual review of Internal Audit KPIs and approval of targets by the Audit Committee (to be introduced as part of this QAIP).
- Quarterly reports to the Audit Committee on progress against the Annual Audit Plan, level of assurance for each audit and forward planning.
- Annual risk assessments for the purposes of annual audit planning.
- Annual review of the effectiveness of internal audit by the Internal Audit Manager.
- Annual review of the skills of the team through Performance Development Discussions (PDDS) with appropriate personal development plans established.
- Annual review of compliance with the requirements of the Quality Assurance Improvement Programme. Reporting of the outcomes from this review to the Audit Committee as part of the Internal Audit Annual Report.

- Reporting of any areas of non-conformance with the PSIAS (following the above review) to the Audit Committee together with a development plan to address these areas.
- Regular follow up reviews of all actions agreed with management to address control weaknesses identified.

4.0 External Assessments

External assessments are conducted at least every 5 years in accordance with the PSIAS. These appraise and express an opinion about internal audit's conformance with the PSIAS and Code of Ethics and include recommendations for improvement as appropriate. These are reported to the Audit Committee in the same way as the internal self-assessments.

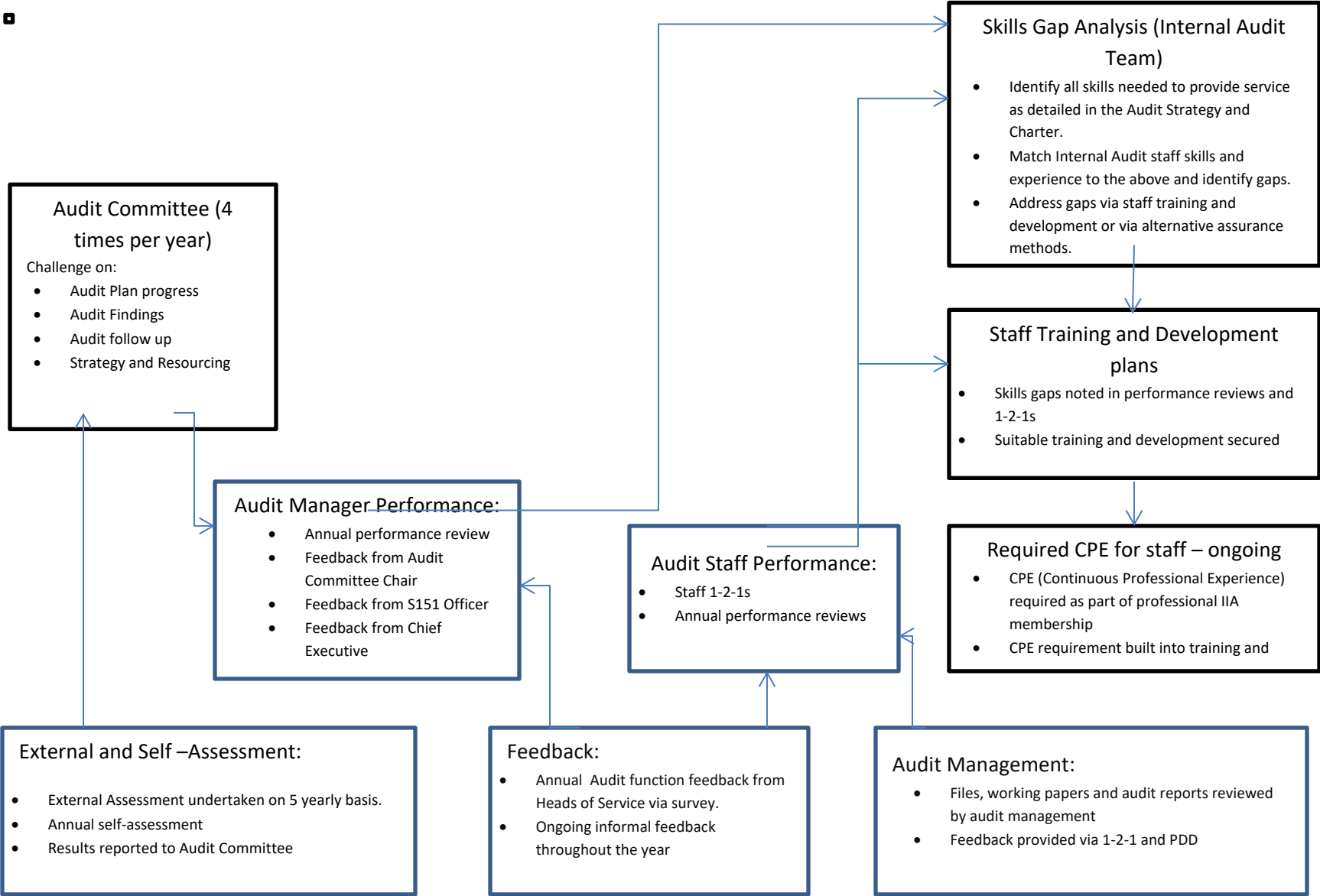
The scope of External Assessments consists of:

- Review and assessment of conformity of TVBCs internal audit function with the Institute of Internal Auditors' Code of Ethics and International Standards for the Professional Practice of Internal Auditing (IIA Standards).
- Evaluation of the role, reputation, and impact of Internal Audit in the organisation and its independence and objectivity.
- Provision of an independent opinion on the current quality and value provided by the internal audit function in supporting key business strategy and objectives, and
- Benchmarking the internal audit function against IIA standards and industry best practice highlighting areas for improvement.

5.0 Review of the QAIP

The QAIP will be reviewed on an annual basis and will be updated to reflect any changes to the PSIAS.

APPENDIX 1 - QUALITY ASSURANCE IMPROVEMENT PROGRAMME



Appendix 2 – Internal Audit Key Performance Indicators

The following Key Performance Indicators (KPI) have been defined to measure the performance of the Internal Audit function:

KPI	Description	Target
Completion of Annual Audit Plan	Percentage of the Annual Audit Plan completed	90%
Audit Days	Audits are delivered within the allocated number of days set out in the individual Audit Plan.	90%
Final Report	Final reports are issued within 14 days of management comment/exit meeting.	90%
Customer Satisfaction	A high and consistent level of customer satisfaction is maintained from annual feedback questionnaires.	
PSIAS Compliance	A “Generally Conforms” rating is achieved from annual assessments.	100%

Appendix 3 – Annual Feedback Questionnaire

“Your feedback is essential to enable us to continuously improve the internal audit service. Please complete this short survey, to help us understand from your perspective how well the internal audit team performed in regards to the planning, conduct and reporting of the audits undertaken within your Service during the year 20XX/20XX”:

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
Audit Scope:					
Auditors clearly communicated the purpose and scope of the audits.					
The agreed scope addressed the key areas of risk within the function.					
Auditors considered your staff commitments and work schedules when programming the timing of the reviews.					
Audit Process:					
Auditors demonstrated a professional approach and engaged with you and your managers throughout the process.					
Auditors demonstrated sufficient knowledge of the service area being reviewed and its risks and controls.					
Agreed actions in the audit reports were relevant, practical and will effectively mitigate the risks identified in the audit findings.					
Audit Outcomes:					
Reports were clear, concise, accurate, relevant and timely.					
The audit report met your assurance needs.					

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Overall Satisfaction:					
Overall, were you satisfied with the audit the way it was conducted and the outcome.					
Any further comment to help us develop the internal audit service:					

Appendix 4 – Development Plan – March 2024 External Assessment:

KEY	
Enhance	The internal audit service must enhance its practice to demonstrate transparent alignment with the relevant PSIAS standards in order to demonstrate a contribution to the achievement of the organisation’s objectives in relation to risk management, governance and control.
Review	The Internal audit service should review its approach in this area to better reflect the application of the PSIAS.
Consider	The internal audit service should consider whether revision of its approach merits attention to improve the efficiency and effectiveness of the delivery of services.
Suggested Enhancements	Current processes would benefit from adopting best practice seen elsewhere in the delivery of internal audit services and where it is felt these would be beneficial to delivery, and/or the new Global Internal Audit Standards (GIAS), which apply from 1 April 2025, will require enhancement of existing processes in order to demonstrate compliance.

Key:	Issue identified:	Recommendation:	Action Planned:	Target Date:
	RESOURCES:			
	<p>Internal Audit Charter (IAC) The IAC contains detailed commentary regarding the recognition of the Council's objectives and risks and the development of Audit Plans without directly linking to the process for delivery of an Annual Assurance Opinion regarding Governance, Risk Management and Control.</p>	<p>Review the wording of the development of the annual internal audit plan to reflect the objective being to deliver appropriate assurance regarding significant risk to support the Head of Internal Audits Annual Opinion. PSIAS 1000/2450</p>	<p>Audit Charter wording updated.</p> <p>The Audit Charter to be presented to Audit Committee in March 25 alongside the Annual Audit Plan.</p> <p>To review Audit Charter against the Global Standards</p>	31/03/25
	<p>Internal Audit Charter The Audit Charter is updated annually and reported to the Audit Committee.</p>	<p>Review the Audit Charter to ensure compliance with the new GIAS and present annually to the AC along with either internal audit plans for the forthcoming year or the Head of Internal Audit Annual Report. PSIAS 1000</p>		
	<p>Quality Assurance Improvement Programme (QAIP) The IAC contains reference to the Quality Assurance Improvement Programme (QAIP) including review of performance against the Annual Plan. In practice, the team undertakes a wide range of other activities which also contribute to the development of the service including PDR's, 121's, weekly progress reviews, training, and client surveys. A number of these are detailed in an existing Internal Audit Quality Assurance Plan. A number of these activities are also already reflected in the Head of Internal Audit's Annual Report.</p>	<p>Consolidate all aspects of the quality assurance processes into a single QAIP policy and ensure that commentary in the Head of Internal Audit Annual Report confirms completion of processes, reports on performance and reflects on further planned developments which will enhance the service. Consider developing a limited schedule of meaningful quantitative and qualitative key performance indicators to support the QAIP. An example QAIP policy has been provided. PSIAS 1300</p>	<p>This QAIP consolidates all aspects of the quality assurance processes into a single policy. It includes KPIs which will be implemented during 24/25. The QAIP to be presented to Audit Committee Sept 24 and annually thereafter as part of Annual report in June.</p>	Complete 30/09/24

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	RESOURCES (CONT):			
	<p>Training and development</p> <p>The standards require Internal Auditors to “possess the knowledge, skills and other competencies needed to perform their individual responsibilities”.</p> <p>Members of the internal audit team maintain CPD records regarding training which they have undertaken.</p> <p>Job descriptions contain competency criteria regarding a range of professional or managerial expectations.</p>	<p>Existing practices would be enhanced by:</p> <ul style="list-style-type: none"> • Developing a training matrix of relevant professional, technical and operational experience required to be attained by each auditor relevant to their level of seniority. • Aligning future individual training programmes with the matrix; and • Evaluating the matrix on an annual basis with regard to anticipated training needs to be desirable in order to deliver the assurance requirements of the Council in future plans. <p>PSIAS 1200</p> 	<p>Training Matrix produced and skills gaps identified.</p> <p>To arrange training to meet skills gaps.</p> <p>Review matrix annually as part of Audit Planning process.</p>	<p>Complete 30/09/24</p> <p>30/01/25</p>
	COMPETENCY:			
	<p>Audit Universe</p> <p>The current planning model reflects identification of an audit universe although this does not directly support internal audit plans which are constructed based upon professional judgement of risk from an internal audit perspective, which is communicated with and consulted upon with the views of the with Heads of Service.</p> <p>The Internal Audit Manual (5.1/5.2) states that assessment is based upon consideration of income, expenditure, assets, vulnerability and the control environment although in practice risk assessment and therefore content of the annual operational plan is less formal.</p> <p>Further development of this approach based upon the formal TVBC view of significant risk would enhance internal audit’s ability to demonstrate a commitment to helping the Council achieve its objectives.</p>	<p>The continuing development of a comprehensive internal audit plan that reflects the significant risks that are recorded within the TVBC risk management system, at both a strategic and operational level, is an essential feature internal audit planning as it acts as a basis for ensuring attention on significant risks on a priority basis as well as providing indication of the resources required to provide continuous independent assurance over the life of a three year strategic internal audit plan.</p> <p>It would be beneficial to increasingly align development of the internal audit planning system with the Council’s risk management processes to ensure that resources were consistently focused on areas where assurance is required. The internal audit plan is currently an annual plan; the GIAS suggests that a three-year strategic plan is more appropriate, albeit the initial year may need to flexibly respond to a changing risk environment on a quarterly basis.</p> <p>PSIAS 2000/2010</p>	<p>To update Audit Universe to align with Corporate and Service Risk Registers</p> <p>To develop a 3-year strategic audit plan.</p>	<p>30/01/25</p>

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	COMPETENCY (CONT)			
	<p>Management objectives The standards require that engagements should recognise what management are trying to achieve within the area under review. Current practice tends to reflect a focus on a number of control areas and a statement to record whether the audit area is considered high, medium or low risk without explanation. Audits then focus on those controls expected to be operational within in each area.</p>	<p>Commence each audit by agreeing management's objectives with the client and support this with an assessment of the significant risks to which that area is exposed. Complete the review by focusing only on those risks which are regarded as significant and through identification and review of the current controls and assurances that mitigate the risk and support the assessment of residual (current) risk within risk registers. This process would align with the current practice of grading control weaknesses in terms of impact and likelihood, PSIAS 2010</p>	<p>Planning template produced for each audit assignment: This incorporates meeting first with the manager to agree the objectives, risk assessment and scope of the audit. To base testing schedules on significant risks only.</p>	<p>Complete 30/06/2024</p>
	<p>Significant Risk A focus of the PSIAS is recognition of significant risk regarding which internal audit has developed its own approach in order to grade control weaknesses in terms of impact and likelihood, which is regarded as good practice as it helps to explain outcomes to clients within the report clearance process. The Council risk management process does not define significance – although this is likely reflected in the individual gradings relating to Catastrophic and Critical impact risks within the Risk Management matrix. Unlike elsewhere in the sector, no further guidance is offered to managers regarding what constitutes a risk at these levels. Without such definition greater reflection on determination of significant risks and relevant key controls could beneficially be included in any update of the Internal Audit Manual.</p>	<p>It would be beneficial to align future thinking regarding what the Council regards as significant risk in its risk management processes with internal audit planning and when reporting as this would then be a focus for communication when considering the content of internal audit annual and engagement plans, aligning scope with management objectives and providing assurance opinions. Alignment of the understanding of significance would promote an understanding of 'what matters most' throughout the Council. In the absence of corporate guidance, the Internal Audit Manager should develop a risk impact matrix to guide future assessment of significant risk when scoping and reporting upon reviews. Use of this approach would represent a firm basis for discussing control weaknesses and opinions through agreement of the potential impact. Final gradings would therefore reflect an agreement with management regarding likelihood. PSIAS 2201</p>	<p>Risk Impact Scoring Matrix produced. This has been included in the Risk Management Strategy and agreed by MT 03/09/24 Updated Risk Management Strategy reported to September Audit Committee as part of 6 monthly risk management update. Audit Manual and report scoring to be updated.</p>	<p>Complete 31/07/24 30/09/24 30/09/24</p>

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	<p>COMPETENCY (CONT)</p> <p>Internal Audit Engagement Planning Whilst internal audit planning is being increasingly based upon a risk model as required by the PSIAS, the process largely depends upon discussions with the management in pre-audit meetings and the maturity of the current risk management processes.</p> <p>The degree to which the internal audit methodology then allows a focus on significance, as opposed to covering 'all controls within each area' is determined by knowledge and experience.</p> <p>The ability of the internal audit team to target areas of greatest potential risk exposure may be better informed by assessment in terms of 'Control Risk', being the difference in the value between inherent and residual risk values and therefore an assessment of the existing control environment.</p> <p>However internal audit practices and risk management strategies appear largely focused on residual risk at the exclusion of an assessment of the inherent risks to which the Council is exposed because of its established objectives and activity.</p>	<p>Engagements should be increasingly constructed to reflect assessment of 'Control Risk' in relation to the achievement of Management Objectives to focus reviews upon:</p> <ul style="list-style-type: none"> • Those risks where the assessment is that the combined impact/likelihood score has decreased most and where if assumptions are incorrect critical business risk exposure may exist, • Risks where the value of 'Control Risk' is limited or zero and as a result suggesting the controls may be insufficient or ineffective, and • Key Controls (rather than a wider view of all controls which may have little impact on risk reduction or the achievement of business objectives). • By focusing on Management Objectives, significant risks, key controls and those assurances available there may be efficiencies to be gained within assignments through targeting resources to issues of greatest importance or concern. <p>PSIAS 2010</p>	<p>Linked to Competency 2 above re management objectives</p>	

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	COMPETENCY (CONT)			
	<p>Internal Audit Risk Based Strategy The strategic plan process contains the team's approach to recognising the risk level perceived to relate to an engagement. This may not align with the Councils view of risk. Audit Engagement Reports contain an explanation of how the Internal Audit Team relate risk evaluation to grading of control weaknesses and the overall opinion which has been reached without direct alignment with the Council's risk appetite matrix. Internal Audit uses the following criteria: Control Weaknesses:</p> <ul style="list-style-type: none"> • High – major issues for management attention. • Medium – other issues for management action • Low – minor matters <p>Opinions:</p> <ul style="list-style-type: none"> • Full – Sound system • Substantial – some identified weaknesses • Limited – weaknesses put systems objectives at risk • No assurance – open to significant errors or abuse 	<p>Definitions of the grading of risks and the basis for reaching overall opinions could beneficially be more formally aligned to TVBC definitions. Current practice recognises the combination of impact and likelihood within the broader risk appetite of the Council which is:</p> <ul style="list-style-type: none"> • Red risks – high priority and must be addressed immediately and then reviewed every 3 months • Amber risks – medium priority and must be addressed as soon as possible and then reviewed every 3 months • Green risks – judged to be adequately controlled currently but must be reviewed every 3 months. <p>Transparency could then be applied to the basis of assurance opinions using the established matrix but recognising that the terms catastrophic and critical are relevant at both inherent and residual risk levels. As internal audit delivers a risk- based approach it would be more appropriate to recognise the significance or risk rather than priority as a basis for reporting upon control weaknesses. PSIAS 2450</p>	Update Audit report template risk scoring and opinion to align with corporate definitions.	30/09/24
	<p>Limited Assurance opinions As stated above, negative opinions are provided where the level and volume of control weaknesses point towards a review demonstrating that system objectives are threatened, or a system is open to significant error. In terms of delivering a risk-based opinion it would be more appropriate to relate a negative opinion to any circumstance where a recommendation is graded red.</p>	<p>In a situation where a 'red risk' is identified this indicates that the area is assessed to be subject to catastrophic or critical risk and it is therefore recommended that this should automatically result in a 'limited assurance' opinion. PSIAS 2450</p>	Only give limited assurance opinions which a "red" risk is identified. (Review as part of risk scoring of Audit Report template above)	30/09/24

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	DELIVERY:			
	<p>Audit Matrix template Review of the completion of the template (Business Risk Control Matrix – (BRCM)) is undertaken as part of the closure process of each review although evidence of review is not consistently recorded. Evidence of review is contained within the draft report process through raising of review points on the report. Supervision of progress is also recorded on weekly progress meeting records.</p>	<p>It will be beneficial to review internal audit documentation in the light of this report and the new GIAS. As part of this process consider utilisation of a single template to reflect progress throughout the entirety of the review including scope, risk assessment, fieldwork and review. An example template has been provided. PSIAS 2340</p>	<p>Develop and implement single template using example template provided</p>	<p>Complete 30/06/24</p>
	<p>Governance The standards require the Chief Audit Executive (CAE)) to provide an annual opinion regarding the effectiveness of governance arrangements, which is recognised within the IAC. Current planning includes various aspects of the governance process including Ethics, Conflicts of Interests and Members expenses.</p>	<p>In Local Government, each Council establishes a Code of Governance in accordance with CIPFA SOLACE. It would be beneficial to map internal audit plans and activity to the Code to provide assurance at a level which contributes directly to the Annual Governance Statement through the Internal Audit Annual Report. Extend the explanation regarding the internal auditor's responsibility regarding assurance on Governance processes in the IAC to define how the opinion is derived in practice. PSIAS 2110</p>	<p>Map Audit Plan and audit activities to the CIPFA code. Produce a checklist to feed into the Annual Report and AGS</p>	<p>31/12/24</p>
	<p>Risk Management Internal Audit reviewed risk management as an assignment in 2019/20 providing a 'Substantial' assurance opinion, which is consistent with the PSIAS and would support an opinion provided in the Annual Report. The opinion relating to risk management is achieved by consideration of review of the process at a strategic level supported by the conclusions in individual engagements. The Internal Audit Manager has an active role in TVBC risk management processes; to demonstrate independence, it would be</p>	<p>The standards require an annual opinion to be made in the Head of Internal Audit's Annual Report regarding the adequacy and effectiveness of the Councils risk management processes. It would therefore be beneficial to support the opinion by adding further clarification in the IAC as to how in practice this is achieved through the combination of external and internal reviews, whilst also ensuring independence regarding the responsibilities of the Internal Audit Manager. PSIAS 2120</p>	<p>To be reviewed and Internal Audit Charter to be updated to reflect this.</p>	

	beneficial to consider how such an opinion is reached in future.			
Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	DELIVERY (CONT):			
	<p>Audit of financial systems Internal Audit plans provide for annual review of core financial systems which is inconsistent with a risk-based approach. Recognising that other areas of the Councils activity likely give rise to more significant risk and therefore a need for assurance, it would be beneficial to reflect the true risk in financial management areas within future internal audit plans and engagements.</p>	<p>Consideration should be given of the need for the Council to demonstrate compliance with the CIPFA Code of Financial Management and the assurance available as a result Internal Audit activity can then focus on significant financial aspects where further independent assurance may be required and or where planned developments may expose the Council to additional risks. PSIAS 2200</p>	<p>Review CIPFA Code of Financial Management re compliance. Focus core financials on the significant risks and financial aspects.</p> <p>This will free up additional time in the Audit Plan so do this alongside Competency 1 above.</p>	30/10/24
	<p>Annual Report The Annual Report currently states that the opinion regarding governance and is principally based on the year's work. This is not the case in practice as the Annual Plan is devised to provide continuous assurance regarding Council objectives and perceived risks following consultations with Heads of Service.</p>	<p>In practice the opinion is based upon a much broader knowledge of the client, gained through previous years programmes and that gained within and provided for within the internal planning cycle, including discussions with management and reference to risk management processes. It would be good practice to support the comprehensive assurance opinion in relation to risk management, governance and control with broader reference to significant risks and other sources of assurance that are available, including reference to those within the risk management process and any future assurance mapping objectives. In this form, the opinion would also better expressed in relation to governance, risk management and control and as a result align with the required content of the Annual Governance Statement. PSIAS 2450</p>	<p>The opinion expressed in the Annual Report has been reviewed and updated and will form part of the next Annual Report in June 2025</p>	30/06/25

Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	OTHER SUGGESTED ENHANCEMENTS:			
	<p>Internal Audit Manual The Internal Audit Manual represents a comprehensive analysis of the PSIAS and its relevance to TVBC and the approved Internal Audit Charter. The methodology includes completion of a series of templates to evidence the process which has been followed during each engagement</p>	<p>Consideration could be given to strengthening the expectations regarding completion of the Audit Matrix (BRCM) and its alignment with other aspects of planning and reporting in order to ensure a consistent approach. PSIAS 2040</p>	<p>Update Audit Manual re completion of Audit Matrix (BRCM) and its alignment with other aspects of planning and reporting.</p>	<p>31/10/24</p>
	<p>Assurance Mapping Some progress has been made regarding the value of recognising other sources of assurance both internal and external to TVBC, although existing processes within the Council do not appear to highlight the benefit of obtaining assurance regarding the existing second line of defence.</p>	<p>Continuing to develop the direction of travel regarding formal identification and assessment of the first and second lines of defence within both risk management procedures and internal audit planning would enable greater alignment with the basis for the Annual Governance Statement and will be required by the new GIAS in which the Internal Audit Manager is envisaged to play an increasingly lead role in co-ordinating sources of assurance PSIAS 2050</p>	<p>Produce Assurance Map</p>	<p>31/10/24</p>
	<p>Confidentiality and Limitation of Liability Current reporting regarding engagements and to the Audit Committee fails to recognise the sensitivity and confidentiality of the matters being raised.</p>	<p>The Internal Audit Team should consider the need to include appropriate confidentiality and limitation of liability clauses in reports this is particularly relevant regarding those which are shared with third parties directly or in published AC papers. An appropriate statement may be: "This report provides an opinion on the effectiveness of internal controls and may provide reasonable, but not absolute assurance. This report has been prepared solely for the managers listed above and as such should not to be circulated beyond those named above without the express permission of the report author. No liability is therefore offered to third parties receiving a copy of the report. All or part of this document may be released under Freedom of Information Act 2000". PSIAS 2440</p>	<p>Confidentiality clause added into Audit reports. Reports are not issued to third parties so no need to include liability clause.</p>	<p>Complete. 29/04/24</p>

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Key:	Issue Identified:	Recommendation:	Action Planned:	Target Date:
	OTHER SUGGESTED ENHANCEMENTS:			
	<p>IT Audit The Internal Audit Manager is currently examining the potential to acquire support in this area from Hampshire County Council where specialist expertise is available.</p>	<p>As the Council is exposed to significant risk in relation to this technical and complex area engagement of specialist support will be critical if the internal audit team are to satisfy the requirement for risk-based audit and observe the mandate within the GIAS regarding risk exposure in this area. PSIAS 2120</p>	<p>In process of agreeing approach and cost with HCC SIAP. Will be in place for 24-25 planned IT audits</p>	<p>In progress. MoU to be drafted.</p>