

## **Report of the Internal Auditor**

### **Internal Audit External Assessment 2017/18 Update Report**

#### **Purpose of Report**

1. To provide the Committee with an update from the Head of Internal Audit Shared Service in regard to the implementation progress made against the Internal Audit External Assessment that took place during the 2017/2018 financial year.

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#### **Recommendation**

*The Treasurer recommends that the report is noted.*

#### **Introduction and Background**

##### **External Assessment**

3. The Authority is required under Regulation 5 of the Accounts and Audit Regulations 2015 to “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.
4. Although not a statutory requirement all Internal Audit Services are obliged to comply with the Public Sector Internal Audit Standards 2013 as amended and undergo an independent external assessment every 5 years to ensure compliance with the Standards.
5. The independent assessor was procured after using a soft marketing and competitive quotation approach. Peers were consulted and references taken up in regard to any previous assessment work that had been undertaken in other authorities and the outcome in regard to the successful bid. Tilia Solutions were appointed for the Worcestershire Internal Audit Shared Service Assessment. The review was undertaken by the independent assessor during early October 2017 and a report was produced identifying areas which would enhance the Internal Audit Service provision overall. The final report was presented on the 20<sup>th</sup> October 2017.
6. The report was presented to the Client Officer Group during November 2017. The key outcomes of the assessment were:
  - The Service is solid and reliable
  - Nothing wrong

- No areas of non compliance were identified

7. The report identified a number of recommendations, compliance and suggestions to further enhance the Service. These have been accepted by the Head of Internal Audit, discussed with the Client Officer Group and an action plan formulated in order to satisfy all the points rather than solely the recommendations. It was decided, after due consideration, by addressing all the points it would benefit the Service overall. An action plan was formulated using an extract of the report as the basis to work. Reasonable progress has been made to date in order to satisfy a number of the points with others progressing well. It is planned that progress against the report will be reported before Committee twice a year until all the points identified have been satisfied.
8. A copy of the Tilia Solutions report can be found at Appendix A.
9. An extract of the report, action plan and progress to date can be found at Appendix B.

### Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	H&WFRS joined the Shared Service as a full partner in April 2016. The financial details are not fully detailed in this report. As a Partner performance and development of the Shared Service is an important facet of good governance.
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	The Service provides independent assurance that risks associated with strategic policy are being mitigated.
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	The recommendations are not addressed sufficiently to satisfy requirements thus impacting on the service provision in the longer term.
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	N/A – no policy change is recommended
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

## **Supporting Information**

Appendix A - The report of the independent assessor; 'Tilia Solutions External Assessment Report'.

Appendix B – Extract of report with action plan

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