Huntingdonshire
DISTRICT COUNCIL

Internal Audit Quarterly Update Report

November 2023

Contents:

1.   Resources and Team Update

Our first Trainee Internal Auditor (Claire) returns in December following maternity leave, although the requirement to take annual leave will mean her return to work will be nearer the end of the financial year. She returns on a part time basis of three days per week. Claire is studying directly with the IIA for the professional level qualification CMIIA with the Institute of Internal Auditors.

Our Second Trainee Internal Auditor (Laura) is confirmed onto the apprenticeship programme which will initially be a Level 4 apprenticeship with an approximate duration of 15 months. Laura will initially study for the IIA's Certificate in Internal Audit & Business Risk, and the IIA's Practitioner qualification. The plan is for her then to move on to the Professional level to achieve (CMIIA).

Our intention is to have all the team professionally trained and qualified. This will take some time, and we will need to make provision in future years' budget to accommodate this. However, longer term we are planning for resilience, quality provision, and succession planning.

IT audit resources: Following appointment, audit provider BDO and the HDC ICT Service have assessed areas for the Audit Plan. As this covers all three councils in the ICT shared service, the proposed areas for review have been shared with the audit manager of the partner councils and will be send to the Shared Service Board for its consideration/approval.

See below for proposed audits to be added to the plan in relation to ICT.

2.   Progress against the Internal Audit Plan

The Plan enables me to provide an independent opinion on the adequacy and effectiveness of the systems of internal control in place (comprising risk management, corporate governance and internal control). This opinion will inform the Annual Governance Statement for the year.

The risk-based Internal Audit Plan was agreed at CGC in July 2023. It was anticipated that revision of the Plan would be made once Services had identified and assessed their inherent risks. This intention remains. Any additions or deletions will be provided in the progress reports.

Proposed Audits added to Plan 23/24
IT Audit: Critical Applications: controls
IT Audit: Remote Working
IT Audit: IT Strategy & Governance

No audits have been removed from the Plan at this time.

Audit Reviews and Reports issued:

Report Area/Title	Status	Assurance Opinion	Summary of key findings
Code of Financial Management	In progress		
Scheme of Delegations	In progress		
Corporate Health & Safety: Safeguarding	In progress		
Creditors (Accounts Payable) Key controls	In progress		
Debtors (Accounts Receivable) Key controls	In progress		
Management of Trees	In progress		
Council Tax and Non Domestic Business Rates – Key controls	Planned for quarter 4		
Procurement – Staff Training & Code Awareness	Planned for quarter 4		

Since the last report, a number of reviews have started but have not yet been closed. Full audit reports and position statements will be provided to Committee members.

Limited opinion reports sent to SLT for notification purposes:

- Risk Management
- Position Statement for Business Continuity Planning (no opinion given)
- Position Statement for People Capacity (no opinion given)

3. Significant Issues & Updates

Risk Management
The Risk Management Strategy was approved by Cabinet at its November meeting. Work has already commenced reviewing the risk register with services alongside the new strategy, ensuring risks are consistently defined and removing any duplicated risks. A communication plan will be developed to encourage the embedding of Risk Management across the organisation so that it becomes integral to our culture.

Business Continuity Plan

Following the Audit report, the BCP review preparation has been initiated and most Services have submitted their BCPs for review and challenge, including assurance

that manual workarounds are viable should we lose our IT systems. The Internal Audit Manager attends regular meetings with the Chief Operating Officer and the Emergency Planning Officer to keep engaged with progress.

For our Business Continuity Emergency Report Plan – HDC plans to scenario stress test it and use Plan-in-a-box.

There are six trained senior officers who provide 24/7 cover 365 days a year for Emergency Incidents. This will be increased to 8 when further roles at SLT are filled and people are trained. This gives a high level of resilience for these roles. Further consideration of whether to return to formally splitting cover to a rota of Gold (Directors) and Silver (other senior staff) will be conducted once all posts in SLT are filled.

HDC attended the County debrief on Covid which will establish lessons learnt and support our future continuity planning.

Scheme of Delegations

A lite-touch audit review was planned to seek assurance that our Scheme of Delegations was being complied with, specifically that documents signed on behalf of HDC were done so legally with authorised authority. This has highlighted that staff find it difficult to use our existing Scheme (changed in 2015). The review found many local authorities have recently revised the format of their Scheme of Delegations back to a fuller and simpler format. The Chief Executive has already expressed support for the Scheme being presented into a clearer format, and a full scale review of the Constitution undertaken in 2026.

4.   Tracking of Audit Actions

The 4Action software continues to be used for real-time management and reporting on the implementation of audit actions.

Performance statistics as at November 2023:

- 23 (previously 26) overdue actions are still to be implemented
- 10 actions have been implemented and closed in last 30 days.
- 16 actions closed in the last 90 days.
- 61 audit actions have been closed in last year.
- 40 audit actions remain open.

The table below shows audit actions that management has agreed to undertake but are currently overdue having missed their agreed implementation date. The table presents the action owner's update as to progress towards the action.

The 23 open actions are residual actions from ten separate audits, with the other actions arising from those audits having been closed already or are not yet due. Increasingly, it is being found that completing the proposed audit action will not resolve the issue/risk uncovered and, rather than implementing an inappropriate action, a more effective solution is being applied. However, this make take more

time than was originally envisaged. Consideration is being given to how this can be more effectively managed moving forward through:

- SLT having oversight of completed Internal Audits and viewing proposed actions from a strategic perspective, and
- Implementing an action change control process to demonstrate where managers have requested an action be superseded, what is proposed and what the timelines for completion are.

Information requested by CGC:

Debtors Action:
At the last meeting, CGC requested an update on outstanding audit action Ref 1638: Debtors Action - *Monthly management information and debt collection performance data will be prepared and reviewed to support the ongoing monitoring of activity and workload.*

The Service has confirmed this action is now implemented and the action has been closed. The Service advised that a report has been created for the quarterly finance report prepared for Overview and Scrutiny. Monthly aged debt reports and reconciliations are produced on a monthly basis and reviewed by the Chief Finance Officer. Accounts Receivable tasks have been redistributed across the team and completion of these is being monitored.

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4. Overdue Audit Actions and the Service Progress Update @ 06/11/23

Ref	Agreed Action	Agreed Action	Agreed Implement-ation Date	Service Area	Priority Level	Last Update on	Last Update from Service	Months late
1568	Land Charges 18.19 / 3	Written procedures should be in place to support how the costs and calculation process is carried out.	30/06/2021	Corporate Resources	Amber	06/11/2023	We continue to work with the Land Charges team. Time recording exercise has now been completed and we are working through anomalies which have arisen. We are currently working to complete and sign off this action by the corporate deadline for Fees and Charges for the 2024/25 budget & MTFS of 1 December 2023, and will provide a further update then.	28
1610	Small Works Contract 21.22 / 1	A dedicated small works contract or framework agreement will be tendered and formalised for use across the authority.	30/04/2022	Corporate Resources	Amber	17/11/2023	Discussions with external specialists on retendering these works have identified creating a "Small works contract" is unlikely to be the most optimal solution for covering these procurement needs, with a preference to moving to "area based rates" indicated. Quotations have been sought to define the technical aspects of the procurement documentation, with further information sought from services that are likely to use the new contract. Attention is also being given to the Social Value and Environment aspects of the procurement to ensure these are maximised.	18
1611	Small Works Contract 21.22 / 2	Staff responsible for procurement will be made aware of the contract, its use mandated, and details of pricing / rates and staff responsibility will be communicated.	31/05/2022	Corporate Resources	Amber	17/11/2023	This action will be implemented once the revised procurement is completed	17

1612	Small Works Contract 21.22 / 3	Formal contract management monitoring arrangements will be established, including review of spend, spot checking procurements and routine liaison meetings with service users and the supplier.	30/11/2022	Corporate Resources	Amber	14/06/2023	This action will be implemented once the revised procurement is completed	11
1613	Small Works Contract 21.22 / 4	Spend outside of the contract will continue to be monitored.	30/11/2022	Corporate Resources	Amber	14/06/2023	This action will be implemented once the revised procurement is completed	11
1650	Corporate Enforcement Policy 21.22 / 2	Reminder to all officers that case notes should cover: all discussions and decisions made on a case; explanation as to why cases have been closed; notes detailing the outcome of a case; provide updates for reasons why cases are not going to be investigated; explain any potential delays to an investigation; any previous investigations or enforcement action taken on an individual. Managers/Team leaders should also discuss with teams whether they need further training and support in case management and whether the case management system supports the notes function or if improvements could be made.	30/12/2022	Chief Operating Officer	Amber	05/11/2023	Following a change in the legal support provided, a 'critical friend' stage has been implemented amongst teams. This includes officers' reviewing each others case files and the processes that have been followed. This will take into account how notes and records and being kept on Tascomi to ensure consistency.	10

1654	Corporate Enforcement Policy 21.22 / 6	Managers to review a percentage of open and closed cases each month to ensure that the cases are progressing or being closed where necessary.	30/12/2022	Chief Operating Officer	Amber	05/11/2023	The reviews are to be carried out as part of the new processes agreed with Legal. We will shortly agree the process but this demonstrates significant progress and an opportunity to ensure that all investigations and associated files/ records are of a consistently high standard.	10
1643	Payroll - Payments 22.23 / 3	Create formal process notes to cover all elements of the Payroll process including dates of when processes need to be completed; details of officer responsibility; Payslip processes for those that can't access them online; where to save all information and confirmation emails	31/03/2023	Corporate Resources	Amber	06/11/2023	Work continues on documenting in detail all the individual processes required for payroll payments and processes. It wouldn't be appropriate to upload everything here, but an example is attached for info. The example is for HMRC payments due, which is a key process and shows the detail of the process note. This format is being followed for all guidance notes.	7
1658	Shadow IT / Service-Procured Systems 21.22 / 1	The Council's Procurement Lead should review and, where necessary, update the Council's Code of Procurement so that it establishes a requirement for the procurement of any service to include the involvement of all relevant stakeholders, including the procurement of any IT system requiring the involvement of the ICT Service. This should be approved, in consultation with various key stakeholders across the Council, communicated to members of staff and reviewed on a routine basis or following any significant changes to the Council's operations.	31/03/2023	3C ICT	Amber	03/11/2023	SY is working with the Democratic Services Officer to make sure the Code of Procurement and the Constitution are updated and aligned.	7

| 1661 | ICT Procurement and Contract Management 21.22 / 1 | Note: 2 responsible owners; This action is assigned to Alex Young and Sarah Youthed.

The ICT Service and the Council's Procurement Lead should review and, where necessary, update the Council's contract register so that it is aligned to the Council's Application Support Matrix and includes, but is not limited to:

• Supplier identification and contact details
• The products and services they deliver
• Contract start and end dates and contract duration
• Whether they process personal data or provide IT services on which critical services rely and an assessment of the data protection risk associated with the supplier.

The register should be updated on a regular basis to ensure that it accurately reflects the Council's ICT supplier landscape. | 31/03/2023 | 3C ICT | Amber | 03/11/2023 | Andrew Howes is currently working with the Procurement Support Assistant. Regular meetings and correspondence is in place to make sure all ICT software contracts are stored in the HDC Contracts Register. Procurement meets monthly with the other Councils, Andrew Howes and Paul Ashbridge discussing this topic amongst other ICT related contracts. i.e Evergreen contracts. | 7 |
| 1675 | Social Value in Procurement 22.23 Action 5 | A series of Lunch and Learn sessions, covering key aspects of social value, contracting and procurement will be developed and delivered. Training will be supported by signposting to key documents / sources of information. | 30/04/2023 | Corporate Resources | Amber | 03/11/2023 | SY is working with Anglia Ruskin on Sustainability in Procurement. A course is currently being devised by AR and to be agreed with Procurement. | 6 |

1649	Corporate Enforcement Policy 21.22 / 1	Community Support, Public Safety, Food Hygiene, Licensing and Planning Enforcement teams to produce procedure notes. Procedure notes should include, but not be limited to, opening notes and checks, when to close a case and what enquires can be made using legislations. Procedure notes should be produced and saved where all officers have access to them.	31/05/2023	Chief Operating Officer	Amber	05/11/2023	Some procedure notes are complete but it is necessary to review and update them again following upgrades to Tascomi. A review of where Planning Enforcement are at with their notes will be carried out.	5
1671	Social Value in Procurement 22.23 Action 1	An outline Business Case will be developed through commissioned discovery and quantification work, which identifies areas of highest value and best use of resource, and involves key officer stakeholders. Consideration will be given to using Blue Light Commercial to support and direct this work. Results of the review will be reported back to the Outcomes Board.	30/06/2023	Corporate Resources	Amber	16/06/2023	Additional resource has been recruited for the Procurement team to allow capacity to progress this.	4
1682	Fuel Usage and Payments 22.23 Action 6	The Velocity fuel card contract will be reviewed in terms of value and compliance with the code of procurement.	30/06/2023	Operations	Amber	02/11/2023	Procurement has started, awt pricing from framework on TPPL. The organisation that supplied the initial price is not on the framework, currently awaiting official pricing. Anticipate completion by end of Dec-23	4
1690	Debtors Continuous Auditing 22.23 / 1	Review and update the Debt Management Policy. Obtain appropriate approval of the revised policy.	30/06/2023	Corporate Resources	Amber	06/11/2023	This piece of work has been started, investigation into other council's debt policies and how ours should reflect current practices of our partner councils.	4
1694	Debtors Continuous Auditing 22.23 / 5	Month end reporting to include aged debt reports and write off levels.	31/07/2023	Corporate Resources	Amber	06/11/2023	This has now been started, but not quite finalised. all documentation will be kept in the Income drive under Month End	3

1672	Social Value in Procurement 22.23 Action 2	The Council's Social Value Policy and Framework document will be reviewed and updated to ensure it reflects existing corporate aims and values, and also is aligned with the decisions made as a result of the Business Case document. The policy will clarify coverage of Social Value in procurement, including minimum points available for in tender assessment, and contracting documentation. Any related documentation and templates will be updated as a result of the revised policy.	30/09/2023	Corporate Resources	Amber	16/11/23	The SVP policy is yet to be updated as insight is being sought from external bodies, such as Anglia Ruskin University, to develop a policy that considers wider options and meets the needs of the organisation.	1
1673	Social Value in Procurement 22.23 Action 3	An action plan will be devised to support the introduction of contract management processes which are proportionate to the nature and value of procurement exercises undertaken, and which address social value obligations where relevant.	30/09/2023	Corporate Resources	Amber	16/11/23	This will be produced once the revised SVP Policy is approved.	1
1674	Social Value in Procurement 22.23 Action 4	Social Value guidance, information and signposting will be shared with local businesses through existing engagement channels, forums and networks accessed by the Economic Development (ED) team. (ED to circulate on provision from Procurement Lead)	30/09/2023	Corporate Director - Place	Amber	29/09/2023	News feature in the Economic Development newsletter dated 21.9.23 included the above event. This will remain in the ED newsletter until the date of the event. See attached pdf extract of the newsletter.	1

1678	Fuel Usage and Payments 22.23 Action 2	Once the decision on fuel has been made, the fuel contract will be re-let and listed in the contracts register to allow for corporate oversight by the Procurement Lead.	30/09/2023	Operations	Amber	31/10/2023	HVO Trial is about to start (Mid November), with a plan in place to complete by Mid April 2024. The decision will then need to be made on whether we continue with HVO or revert to standard fossil diesel. We are benefiting from the terms of the ESPO fuel contract, even though we haven't committed to a term. We are suffering no negative consequences in terms of the audit action, other than the process taking longer than anticipated.	1
1680	Fuel Usage and Payments 22.23 Action 4	The need for the spare 50,000 litre tank will be reviewed in terms of cost and value, and the decision to continue or otherwise made at SLT. It will be made clear to SLT that only limited controls can be applied to this part of the fuel supply.	30/09/2023	Operations	Amber	31/10/2023	Delay in audit action 2, has directly affected this, decision delayed until we are clear on HVO outcome. We are using the spare tank to facilitate the HVO trial in the short term. We cannot take a decision as proposed until the HVO trial is completed and further action decided. Anticipate Aug-2024	1
1691	Debtors Continuous Auditing 22.23 / 2	Review suite of accounts receivable procedure notes and update / fill in gaps where necessary. To include MCOL and the tasks undertaken by the Credit Control Manager.	30/09/2023	Corporate Resources	Amber	06/11/2023	In progress. There exists a suite of current AR procedures which are up to date, these are held in the financial services drive under Tech One. MCOL notes are currently in progress. The role of the Credit Control Manager is to support both AR and AP teams. With the handover of the Estates work to the Rents Officer, there has been a significant amount of time given back to the CC Mgr. to focus on improving current processes within the team.	1

| 1713 | Risk Management 22.23 / 3 | Regular reminders are issued to management re their risk management responsibilities via:
• Quarterly compliance task list
• Monthly management meetings | 30/09/2023 | Corporate Resources | Amber | The revised RMS was approved by cabinet on 14.11.2023. The action to communicate and implement this across the organisation can now commence and will be reflected in the next compliance task list. | 1 |

TOTAL OVERDUE = 23 (LAST REPORT 26)

5. Governance updates

National Fraud Initiative (NFI)

Brief explanation: every 2 years the Council provides data to the NFI which is run by the Cabinet Office for the purpose of data matching and to help prevent and detect fraud.   Govt NFI Report 2022

The Council provided its data files from payroll, housing benefits and suppliers back in October 2022 and the matching data results were provided back to HDC for analysis in January 2023.

The Fraud Team has undertaken the review checks on the housing benefit and council tax support matches. They found a recoverable £18k. Whilst this significantly less than in previous years, and it has not identified a large volume of errors or frauds, this is likely because most instances had already been either picked up or customers had declared the information. It shows our data appears to be up to date even where that of other matching organisations' data is not e.g., matching against licensing and housing waiting lists can be out of date.

Internal Audit is currently undertaking the work on the matches relating to Procurement – people on our payroll matched to Companies House entries. This covers both officers and Members. It has identified some potential interests that have not been declared and those officers or Members it concerned will be contacted.

The Finance team will investigate the matches identified on the supplier file.

CGC Effectiveness Review

CGC Members met in September and undertook an effectiveness review using CIPFA's self-assessment tool. This highlighted areas where committee members felt improvements may be made. It has been decided that this will be shared with the wider committee to obtain more comments on its effectiveness and improvement before any action plan is agreed.

Members who attended the above also received a presentation from the Council's Cyber & Information Security Lead, which was found to be useful for understanding the Council's position on assurance in this area.

The expectation is that the self-assessment will produce a gap analysis and suggest skills/training that may enhance Committee's collective knowledge. Committee's Terms of Reference is also planned to be reviewed following the review outcome to ensure it remains current and fit for purpose. A closed session is being considered to further this review.

6.   Peer Review on Governance - Action Plan update @ Nov 2023

Suggestions - Peer review Internal Audit Huntingdonshire District Council March 2023

Ref	Suggestion	Comment by HDC	Proposed Action (Mgt)	Due Date	Audit Action Taken
1.	Internal Audit Manager to facilitate or feed into a CIPFA Corporate Governance Committee self-assessment exercise and help to develop a training programme for members.	An effective CGC needs to have a balance of skills across the key elements of Risk Management, Finance and Audit and, where these skills are identified as missing or skewed, appropriate training is proposed to correct this.	IAM to facilitate a self-assessment exercise for committee members, feedback outcomes at a subsequent meeting with proposed actions for members to decide upon.	Feedback to CGC at Jan 2024 meeting.	In progress. A self-assessment exercise was carried out in September. This used the CIPFA checklist rather than the extensive toolkit as an initial indicator and included a discussion on skills based around those attending the session. The assessment is to be shared with whole committee and include all members' comments the committee's effectiveness. To be effective, the assessment needs to be completed by all members.
2.	The Terms of Reference for the Corporate Governance Committee to be regularly/annually reviewed against CIPFA best practice standards and other example of best practice from across the sector to ensure continuous improvement.	To ensure the Council's ToR reflect current legislation and chartered body recommendations, they should be reviewed on an annual basis.	The IAM to review ToR against CIPFA best practices and propose changes to the Deputy Monitoring Officer (DMO) to reflect any updates which are necessary.	Review of ToR to be presented to CGC in Q4 of each financial year, in preparation for the new financial year. March 24	Still to be done. This has been deferred to after the self-assessment by committee has been completed so any additional responsibilities or changes can be made.

3.	Further questions for consideration by the CGC: • Could the MO/Deputy MO be more involved with the Corporate Governance Committee, by presenting the Annual Governance Statement, Corporate Code of Governance?	The AGS and Code of Corporate Governance were drafted by the S151 Officer in collaboration with the MO.	No further action required.	Ongoing control.	.
	• There are no declarations of interest recorded for the last 12 months. Are there are any that have gone unrecorded? Is advice of the MO being taken on interests by the committee?	Declarations of interest are requested at the start of all meetings and recorded in minutes.	DMO to ensure new members are briefed on what is a declaration of interest as part of induction process.	Ongoing control.	Internal Audit has checked declarations made at meetings against those on declarations register. No anomalies were found.
	• Could task groups or working groups of the committee be set up to give additional capacity to review areas of risk/financial strain in more detail?	Would this be beneficial to CGC members?	CGC to consider this	TBD	CGC will consider working groups as and when the need arises.
4.	The Corporate Governance Committee to consider receiving a briefing on CIPFA's Internal Audit Untapped Potential report highlighting areas for action.	This was the basis of the Peer Review and has already been made available to members. The Peer Review feedback, and this action plan accomplishes the action	Action complete	N/A	Completed
5.	Consider a review the role of the Corporate Governance Committee within the Constitution, to ensure the role of committee is clear and transparent.	This should be part of the review linked to action 2.	Per action 2	Per action 2	

6.	Governance review suggestions. - Internal Audit Manager, the Monitoring Officer and Director of Finance and Corporate Resources to consider regularly meeting to raise and resolve concerns. - Carrying out a governance review (stock take) as part of establishing the new management team. - Joint training for members and officers on good governance.	The IAM and S151 already meet on a regular basis, with the DMO being invited as needed. We assume this relates to CLT recruitment, which is ongoing, and will be assessed once recruitment is complete. The self-assessment exercise for members in Action 1 should be extended to CLT as well, with similar follow up training.	No further action Undertake self-assessment exercise for CLT once recruitment is complete, link in with member training for Action 1 where possible or organise additional training if the specific need has already been covered.	Ongoing control. To be completed within three months of all CLT members being recruited and employment commencing	
7.	Senior management and internal audit to work together to consider whether internal audit is best placed to undertake additional tasks outside of its core purpose such as Annual Governance Statement, Code of Corporate Governance review.	It is important the IAM has the opportunity to feed into the AGS and Code of Corporate Governance, but this has been drafted by the S151 Officer recently and will continue as such.	No further action	Completed	Completed
8.	Consideration be made to keeping the Internal Audit Manager informed of the outcomes of Management Team meetings or invited where relevant to observe discussions relating to key transformation projects to enhance strategic approach to auditing.	The IAM is already able to discuss ongoing projects/programmes with the relevant managers, and the risks arising.	Service management team meetings will be asked to update the IAM with any changes to service risks discussed. The IAM will engage with the PMO regarding current projects/programmes.	With immediate effect	

9.	The Internal Audit Manager to discuss key strategic risks from the register with each service area and devise an assurance plan covering the management of key risks.	The IAM has full access to all risks on the Council's 4Risk system and should use these to develop the action plan going forward.	Future IA plans to be linked to the Council's risk registers.	With immediate effect	The Risk Register has been used to formulate the Internal Audit plan. It is still the intention to review the operational audits in the Plan once Services have completed their risk register.
10.	Conducting a risk maturity assessment would be a good way to provide advice and increase the chances that the risk register can be relied on for planning purposes as maturity increases.	Once the Council's Risk Management Strategy has been approved and distributed, this will be the next stage of developing its risk management robustness.	A risk maturity exercise to be undertaken.	Within six months of the revised Risk Strategy being approved.	Risk Management Strategy was approved on 14th November, the risk maturity assessment can now commence.
11.	Internal Audit considers areas in the assurance plan where a 'position statement' style approach could be used to provide advisory support for new or developing areas.	IA is already developing this methodology and using it in specific areas across the Council.	No further action required.	With immediate effect.	Completed
12.	A calculation of auditor's chargeable time (i.e. available audit days minus annual leave, management commitments, training days and ad-hoc/investigatory work) to be undertaken. In addition, a skills and knowledge assessment of the audit team to be undertaken once an assurance plan for 2023/24 has been devised. If a shortfall is identified, this to be reported to senior management and CGC for resolution.	The methodology for calculating the number of audit days available has been developed as part of the planning for 2023/24. The skills and knowledge assessment can be undertaken once the current recruitment exercise for IA has been completed.	The calculation of available days to continue to be used as a measure of IA capacity. Undertake skills and knowledge assessment of IA team	With immediate effect. Within three months of current recruitment exercise completing.	The resource plan has been designed. The skills and knowledge assessment is still to be undertaken but a skills matrix has been started to capture the qualifications, experience, skills and preferences for each auditor.

13.	The internal assessment to reference available evidence to support conformance for each standard in preparation for a full External Quality Assessment.	The Council has a statutory duty to undertake an External Quality Assessment every five years. The internal assessment, and collection of evidence is the initial stage of this, to identify area of non-compliance.	IAM to undertake internal assessment of IA and to develop a plan for achieving areas of non-compliance.	To be completed by 31st March 2024	
14.	A detailed QAIP to be developed shared and discussed with senior management and the CGC. QAIP to include; • Areas of all perceived partial conformance with PSIAS and LGAN with actions to develop into conformance with a timeframe and responsible officer allocated for each. • Team training requirements; covering areas of emerging risk such as climate, artificial intelligence, cyber security, culture, data analytics. Performance metrics measured by the team with stretching targets to demonstrate a commitment to continuous improvement. These should be agreed with the CGC and Senior Management and reported at least annually.	This is a follow on from action 13 and is the detailed plan for achieving compliance.	IAM to develop internal assessments outcomes into a QAIP, including training needs and performance metrics.	To be completed by 30th June 2024.	Development of the QAIP has commenced.

15.	Internal Audit to continue to look for opportunities to carry out data analytics and invests in skills in this area for the future. In the meantime, the team can suggest data maturity enhancements in each area audited if full population testing cannot be carried out.	These are key tools to complement the work of the IA team and their deployment is key to maintaining the effectiveness of the team. However, this is an action that should follow the development and implementation of the QAIP.	Following completion of the QAIP, the IAM to consider how these skills can be developed and implemented within the team.	To be completed by 31st December 2024.	
16.	Internal Audit to consider its approach to supporting the Assurance Board forward plan and Terms of Reference review in addition to supporting the CGC in areas such as; • Statutory Compliance Framework • Health and Safety assurance • Best Interest Reports Lessons Learnt • Governance Stocktake; • Covid Review • Counter Fraud and Whistleblowing Strategy, Actions, Resources, Review of risks, • Strategic/Complex Partnerships/Collaborations review.	The IAM sits on the Assurance Board and is able to request items to be covered at the board. A forward planner for items to be discussed is being formulated and the opinion of the IAM should be sought as part of this.	No further action required.	Completed.	

17.	The Director of Finance and Corporate Resources and Internal Audit Manager to work together to formally appoint the outsourced IT audit provider so that assurance can be provided to support the opinion.	A tender was run, and a contract offered to the successful bidder. However, the provider declined the offer due to internal pressures on their side. The provider that was runner up to the tender has been approached.	To appoint the provider that was runner up, or to re-run the tender process.	Update to be provided to CGC at 12th July 2023 meeting.	Complete - contract signed and audit plan for IT areas assessed/ suggested, subject to agreement. 3 reviews are proposed for 2023/24 although ICT have stated they may not be able to accommodate.

7. External Governance Developments

- **Public Sector Internal Audit Standards** - *the Standards Board expects to publish a digital version of the new Global Internal Audit Standards™ in January 2024 and a print version in March 2024.*

- **Best Value Statutory Guidance for Local Authorities** – *consultation July 2023.*

- **Updated CIPFA Statement on the Role of the Chief Financial Officer** - *This report builds heavily on CIPFA's Statement on the Role of The CFO in Public Services and applies the principles and roles set out in that document to local government. This Statement sets out how the requirements of legislation and professional standards should be fulfilled by CFOs in the carrying out of their role.*

- Forthcoming Changes to **CIPFA's guidance on Annual Governance Statements**

- New Performance Body for local Government; **the Office for Local Govt (OfLoG)** - *to provide authoritative and accessible data and analysis about the performance of local government, and support its improvement.*

- **Improvement & Assurance Framework for Local Authorities** - *aim to map the various elements that provide assurance of the performance of local government and to demonstrate how they all fit together.*