

Report to:	Audit Committee
Relevant Officer:	Tracy Greenhalgh, Chief Internal Auditor
Date of Meeting	24 November 2016

PUBLIC SECTOR INTERNAL AUDIT STANDARDS EXTERNAL ASSESSMENT

1.0 Purpose of the report:

1.1 To consider the findings of the Public Sector Internal Audit Standards External Assessment.

2.0 Recommendation(s):

2.1 The Committee is asked to consider the content of the report and the recommendations to be actioned.

3.0 Reasons for recommendation(s):

3.1 To ensure that the Council's internal audit team complies with the Public Sector Internal Audit Standards.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

N/a

4.0 Council Priority:

4.1 The relevant Council Priorities are

- "The economy: Maximising growth and opportunity across Blackpool"
- "Communities: Creating stronger communities and increasing resilience"

5.0 Background Information

- 5.1 The Public Sector Internal Audit Standards require that an external assessment of an organisation's internal audit function is carried out once every five years by a qualified, independent assessor or assessment team from outside the organisation.
- 5.2 The North West Chief Audit Executives Group has established a peer-review process that is managed and operated by the constituent authorities. This process addresses the requirement of external assessment through self-assessment with independent external validation and this report presents the summary of findings of the review carried out on behalf of Blackpool Council.
- 5.3 The peer review was carried out in June 2016 by the Heads of Internal Audit from Warrington Borough Council / Salford Council and Merseytravel / Liverpool City Region Combined Authority.
- 5.4 Following an on-site visit and a review of Blackpool Council's documentation the review team produced a summary of findings which was then subject to a detailed moderation process. The review team concluded that Blackpool Council conformed to the requirements of the Public Sector Internal Audit Standards.
- 5.5 The report includes a number of recommendations on how the Council can continue to improve the internal audit service delivered and these have been agreed and will feature in the Quality Assurance and Improvement Programme for 2016/2017. Progress against the recommendations will be reported to Audit Committee on an annual basis.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix 7(a): Peer Review of Internal Audit Against the UK Public Sector Standards.

6.0 Legal considerations:

- 6.1 All principal local authorities and other relevant bodies subject to the Accounts and Audit (England) Regulations 2015 (amended) must make provision for internal audit in accordance with the Public Sector Internal Audit Standards as well as the CIPFA Local Government Application Note.

7.0 Human Resources considerations:

- 7.1 None.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 All the recommendations will be implemented within the constraints of internal audits existing budget.

10.0 Risk management considerations:

10.1 A professional, independent and objective internal audit service is one of the key elements of good governance in local government.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 The Peer Review Team met officers and elected members as part of the review process including:

- Councillor Galley- Chairman of Audit Committee
- Neil Jack – Chief Executive
- Steve Thompson – Section 151 Officer
- Mark Towers – Monitoring Officer
- Tracy Greenhalgh – Chief Internal Auditor
- Gary Smith – Audit Manager
- Desmond O’Neill – Auditor

13.0 Background papers:

13.1 None.