

Report to:	AUDIT COMMITTEE
Relevant Officer:	Tracy Greenhalgh, Head of Audit and Risk
Date of Meeting	24 September 2020

PUBLIC SECTOR INTERNAL AUDIT STANDARDS SELF-ASSESSMENT

1.0 Purpose of the report:

1.1 To consider the self-assessment of the internal audit team against the Public Sector Internal Audit Standards.

2.0 Recommendation(s):

2.1 The Audit Committee is asked to consider the self-assessment of the internal audit team against the Public Sector Internal Audit Standards.

3.0 Reasons for recommendation(s):

3.1 Prior to undertaking the external assessment, a full self-assessment must be carried out and considered by senior managers and the Audit Committee.

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 priority is: Maximising growth and opportunity across Blackpool.

5.0 Background Information

5.1 The Public Sector Internal Audit Standards (PSIAS) 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. External assessments can be in the form of a full external assessment or a self-assessment with independent external validation.

In June/July 2019 the Corporate Leadership Team and the Audit Committee approved that Blackpool Council participate in the peer review process developed by the Lancashire Districts Chief Auditor Group (LDCAG) which will address the requirement of a self-

assessment with independent external validation.

In preparation for the external assessment the internal audit team have undertaken a self-assessment which needs to be considered by the Corporate Leadership Team and Audit Committee prior to the external validation exercise.

The Public Sector Internal Audit Standards (PSIAS) set out a range of criteria which must be met. The self-assessment has identified that the Council continues to conform to the vast majority of these requirements and has identified some best practice recommendations on how to make further improvements.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix 7(a) - PSIAS Self-Assessment 2020

6.0 Legal considerations:

6.1 The Accounts and Audit (England) Regulations 2011 state that *'A relevant body must 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.'*

Section 151 of the Local Government Act 1972 states that every local authority in England and Wales should *'make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs'*. The Chartered Institute of Public Finance and Accountancy (CIPFA) has defined *'proper administration'* in that it should include *'compliance with the statutory requirements for accounting and internal audit'*.

7.0 Human Resources considerations:

7.1 The resources required for the implementation of the recommendations will be met from the existing resources in the internal audit team.

8.0 Equalities considerations:

8.1 None

9.0 Financial considerations:

9.1 The recommendations will be delivered in line with the previously approved internal audit budget.

10.0 Risk management considerations:

10.1 The self-assessment has identified that the internal audit service is effectively delivering a risk based audit service.

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 None

13.0 Background papers:

13.1 None