

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

23rd September 2016

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVID REES

SECTION A - MATTER FOR DECISION

ALL WARDS

INTERNAL AUDIT SERVICE – EXTERNAL REVIEW

Purpose of the Report

1. To obtain approval for the required external assessment of the Internal Audit Service to be undertaken by way of peer review.

Background

2. The Public Sector Internal Audit Standards (PSIAS) require that at least once every 5 years all internal audit services must undergo an external assessment. The external assessment must be carried out by a qualified independent assessor or assessment team from outside the organisation.

Following consultation with other Heads of Internal Audit within South Wales it has been proposed that the reviews are carried out by way of peer review. This approach has the benefit of the service being assessed by another local authority internal audit team who fully understand the range of diverse audit assignments undertaken and the governance arrangements particular to local authorities. This will have a nil cost other than the time of the Head of Internal Audit and the Audit Manager.

The proposal is that the assessments be undertaken by self-assessment with independent external validation. If approved this authority's internal audit service will be assessed by Blaenau Gwent CBC Internal Audit Service and this authority's internal audit service will assess Monmouthshire CC Internal Audit Service.

Financial Impact

3. There is no direct financial impact associated with this report.

Equality Impact Assessment

4. There is no equality impacts associated with this report.

Workforce Impacts

5. There are no workforce impacts associated with this report.

Legal Impacts

6. There are no legal impacts associated with this report.

Risk Management

7. There are no risk management impacts associated with this report.

Consultation

8. There is no requirement under the Constitution for external consultation on this item.

Recommendation

9. That the proposed peer review methodology in respect of the required external assessment as detailed in this report be approved by members.

Reason for Proposed Decision

10. To ensure compliance with the Public Sector Internal Audit Standards.

Appendices

11. None.

Background Papers

13. None

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