

NEATH PORT TALBOT CBC PSIAS EXTERNAL VALIDATION ACTION PLAN

Ref	Standard	Action to address non or partial compliance	Who is responsible for implementing the action	Timescale
Rec 1	<p>1000 Purpose, Authority and Responsibility</p> <p>Does the Internal Audit Charter establish the organisational independence of Internal Audit?</p>	<p>The Internal Audit Charter should clearly outline the other services that the Head of Financial Services is responsible for and describe the management arrangements put in place to manage audits of those services.</p>	Audit Manager	Will be updated and taken to Audit Committee on 27 th June '18 for approval.
Rec 2	<p>Does the Internal Audit Charter recognise the mandatory nature of the PSIAS?</p>	<p>The Internal Audit Charter should state that compliance with the PSIAS is mandatory</p>	Audit Manager	As above
Rec 3	<p>Does the Internal Audit Charter include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities?</p>	<p>The Internal Audit Charter should outline the arrangements in place for Internal Audit administering the on-line bank account and how any impairment of independence will be managed.</p>	Audit Manager	As above
Rec 4	<p>1100 Organisational Independence</p> <p>Does the Chief Executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the Head of Financial Services?</p>	<p>Consideration should be given to the Chief Executive having a role in the Head of Financial Services' performance appraisal.</p>	<p>Head of Financial Services will recommend to the Director of Finance and Corporate Services that he and the Head of HR consider the recommendation for inclusion in the ongoing Performance & Development Appraisal</p>	End of March 2018

				Review	
Rec 5	Is feedback sought from the Chair of the Audit Committee for the Head of Financial Services performance appraisal?	Feedback should be sought from the Chair of the Audit Committee as part of the Head of Financial Services' performance appraisal.		As above	As above
	1200 Proficiency and Due Professional Care				
Rec 6	Does the Head of Financial Services periodically assess individual auditors against the predetermined skills and competences?	A formal corporate performance review scheme should be developed and utilised to assess individual auditor's skills and competences.		Head of Financial Services	As and when the Corporate Performance & Development Review is complete
Rec 7	Do internal auditors undertake a program of continuing professional development?	A formal corporate performance review scheme should be developed and utilised to evidence a program of continuous professional development..		Head of Financial Services	As above
	1300 Quality Assurance and Improvement Programme				
Rec 8	Has the Head of Financial Services developed a Quality Assurance and Improvement Programme that covers all aspects of the internal audit activity and enables conformance with all aspects of the PSIAS to be evaluated?	A formal Quality Assurance and Improvement Programme document should be developed and reported to the Audit Committee		Head of Financial Services	30.06.2018
Rec 9	Does the organisation conduct a review of the effectiveness of its internal audit at least annually?	An internal self-assessment exercise should be undertaken annually.		Head of Financial Services	30.06.2018
	2000 Managing the Internal Audit Activity				
Rec 10	Does the risk-based plan incorporate or is linked to a strategic or high-level statement of: a) How the Internal audit service will be delivered? b) How the internal audit service will be	The Head of Financial Services should develop a strategic or high-level statement as part of the preparation of the risk-based plan.		Head of Financial Services	Partially complete. Fully completed by 30.06.2018

	developed in accordance with the internal audit charter? c) How the internal audit service links to organisational objectives and priorities?			
Rec 11	Has the Head of Financial Services carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?	The Head of Financial Services should complete a formal assurance mapping exercise to identify where reliance can be placed on assurance provided by other sources	Head of Financial Services	31.05.2018
Rec 12	2400 Communicating Results Does the annual report incorporate the following: g) A statement on conformance with the PSI/AS? h) The results of the QAIP? i) Progress against any improvement plans resulting from the QAIP?	The annual report of the Head of Financial Services should be expanded to include a statement on Neath Port Talbots conformance with the PSI/AS. The report should advise recipients on the results of Internal Audits QAIP and progress made against any improvement plans resulting from it.	Head of Financial Services	Now that we have undergone the external review we will include in Annual report for 16/17 going to Audit Committee in June 2018

