

Audit Committee

27 March 2024

Internal Audit Quality Assurance & Improvement Programme

Report from: James Larkin, Head of Audit & Counter Fraud Shared Service
(Chief Audit Executive)

Summary

This report presents for approval the Internal Audit Quality Assurance & Improvement Programme (QAIP) for 2024-25.

1. Recommendations

- 1.1. The Committee is requested to approve the QAIP presented at Appendix 1 for use in 2024-25.

2. Budget and policy framework

- 2.1. Council delegates responsibility for the oversight and monitoring of the effectiveness of the Internal Audit & Counter Fraud Shared Service to the Audit Committee.

3. Background

- 3.1. The Public Sector Internal Audit Standards (Standards) require that: The Chief Audit Executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. On 16 March 2023, the Audit Committee approved the Quality Assurance & Improvement Programme (QAIP) prepared to meet this requirement for 2023-24.

4. Review of the Quality Assurance & Improvement Programme (QAIP)

- 4.1. The QAIP for 2023-24 was designed to meet the requirements of the Standards and CIPFA's Local Government Application Note to the Public Sector Internal Audit Standards and also reflect the shared service arrangements with Gravesham Borough Council, since the creation of the shared service.

4.2. Following the annual review, we have concluded that there is no need for any material amendment at this time, although reference to the latest external quality assessment has been added to section IV. External Assessments.

4.3. A copy of the proposed Internal Audit QAIP for 2024-25 presented at Appendix 1.

5. Risk management

5.1. The Public Sector Internal Audit Standards require that: The Chief Audit Executive (CAE) must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. A Quality Assurance & Improvement Programme (QAIP) has been prepared to meet this requirement. The QAIP is intended to ensure that the service is developed in line with the aspirations of those charged with governance at Medway Council and Gravesham Borough Council.

6. Climate change implications

6.1. There are no climate change implications in this report.

7. Financial implications

7.1. An adequate and effective Internal Audit function provides the council with assurance on the proper, economic, efficient, and effective use of council resources in delivery of services.

8. Legal implications

8.1. The Accounts & Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. These Standards are also supported by CIPFA's Local Government Application Note to the Public Sector Internal Audit Standards. The Section 151 Officer of a local authority is responsible for establishing the internal audit service. Gravesham Borough Council has delegated this responsibility to the Section 151 Officer of Medway Council to deliver internal audit services through the Shared Service to both authorities.

Lead officer contact

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Appendices

Appendix 1 – Draft Internal Audit Quality Assurance & Improvement Programme
2024-25

Background papers

None