

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**AUDIT COMMITTEE**

**7<sup>th</sup> July 2016**

**REPORT AUTHOR: Internal Audit Manager**

**SUBJECT: External Quality Assessment – Follow up**

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**REPORT FOR: Information**

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**1.0 INTRODUCTION**

- 1.1 The Public Sector Internal Audit Standards (PSIAS) require that an external quality assessment (EQA) is undertaken on an internal audit function at least once in every five year period. In November 2014, KPMG were commissioned to undertake a review which found that the audit service were mostly compliant with the 209 professional standards, but that there were 17 areas that could be implemented to raise compliance.
- 1.2 KPMG were commission to undertake a follow-up report to provide an assessment of the progress that has been made in implementing these recommendations and the impact that this has had on the Service's compliance with the standards.

**2.0 OUTCOME**

- 2.1 A detailed report was released in April 2016 that is attached in appendix A.
- 2.2 The follow-up assessment found that of the 17 recommendations raised, 11 have been fully implemented with the remaining six being in progress. Where recommendations are in progress the remaining actions to be taken generally require input and action from the wider Council and are no longer solely within the control of the Service.
- 2.3 Therefore, the overall conclusion was that the Internal Audit Service has made substantial progress towards the implementation of those recommendations raised in the November 2014 report.
- 2.4 The Strategic Director (Resources) and the Head of Professional Services are currently exploring alternative delivery models for Internal Audit.

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
The report and appendix on the external quality assessment be considered and noted and that a detailed action plan be provided to the committee once there is clarity on the impacts of alternative delivery models.	To comply with the Public Sector Internal Standards and to contribute to effective governance arrangements.

<b>Relevant Policy (ies):</b>			
<b>Within Policy:</b>	<b>Y / N</b>	<b>Within Budget:</b>	<b>Y / N</b>

<b>Relevant Local Member(s):</b>	<b>N/A</b>
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<b>Person(s) To Implement Decision:</b>	
<b>Date By When Decision To Be Implemented:</b>	

<b>Contact Officer Name:</b>	<b>Tel:</b>	<b>Fax:</b>	<b>Email:</b>
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