



Internal Audit Report
Tees Valley Audit and Assurance Service (TVAAS)
Public Sector Internal Audit Standards(PSIAS) Review
Report Issued:
9th May 2018

Internal Audit is an independent appraisal function that reviews the Council's activities, both financial and non-financial. Internal Audit provides a service to the whole Council in order to provide assurance on the arrangements for risk management, internal control and corporate governance, and to provide advice to support achievement of best practice.

All audit work has been carried out in accordance with the CIPFA Code of Practice for Internal Audit in Local Government in the UK, as reflected in the Internal Audit Manual.

The auditors involved in the work have no links to the subject matter of this audit or relationships with the clients that could compromise the impartiality or objectivity of the work undertaken.

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Audit Summary and Opinion

The overall opinion is that **Satisfactory Assurance** can be provided that the TVAAS conforms with the PSIAS. This opinion is based on a desk top review carried out by the Head of Audit and Governance of Hartlepool Borough Council. As part of this review key documents were reviewed in line with the requirements of the PSIAS and best practice. As part of the review, listed below are suggested recommendations that although relatively minor in nature, would enhance TVAAS compliance with PSIAS, and it is recommended that TVAAS consider their implementation over the course of the next financial year.

Standard 1100	Organisational Independence	Level of Conformity	Recommendation
	Does the board approve the internal audit budget and resource plan.	Mostly Conforms	Role of the Audit Committee to include explicit approval of TVAAS budget.
	Does the board approve decisions relating to the appointment and removal of the CAE	Partially Conforms	Role of the Audit Committee chair includes confirming appointment and removal of the CAE.
	Is feedback sought from the chair of the audit committee for the CAE's performance appraisal?	Partially Conforms	Role of the Audit Committee chair includes commenting on performance of the CAE.
Standard 2050	Co-ordination	Level of Conformity	Recommendation
	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?	Partially Conforms	TVAAS completes assurance mapping exercise.
Standard 2210	Engagement Objectives	Level of Conformity	Recommendation
	Have internal auditors carried out a preliminary risk assessment of the activity under review?	Does Not Conform	TVAAS considers carrying out risk review as part of the audit planning process.
Standard 2420	Quality of Communications	Level of Conformity	Recommendation
	Are communications timely?	Partially Conforms	TVAAS consider enforceable deadlines for client response times.