

**Name of meeting: CORPORATE GOVERNANCE & AUDIT COMMITTEE**

**Date: 10 FEBRUARY 2023**

**Title of report: PUBLIC SECTOR INTERNAL AUDIT STANDARDS  
FIVE YEARLY EXTERNAL REVIEW**

**Purpose of report.**

**To provide summary background information, and the assessors report**

<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>not applicable</b>
<b>Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)</b>	<b>not applicable</b>
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	<b>not applicable</b>
<b>Date signed off by Strategic Director &amp; name</b>	<b>not applicable</b>
<b>Is it also signed off by the Service Director for Finance IT and Transactional Services?</b>	<b>not applicable</b>
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning Support?</b>	<b>not applicable</b>
<b>Cabinet member portfolio</b>	<b>not applicable</b>

**Electoral wards affected: All**

**Ward councillors consulted: None**

**Public or private: Public**

**Have you considered GDPR? Yes**

## **1. Summary**

- 1.1 Local authority internal audit is required to be provided in accordance with a set of arrangements called the Public Sector Internal Audit Standards (PSIAS). These are a local authority interpretation, by CIPFA, of the international internal audit standards promoted by the Institute of Internal Auditors.
- 1.2 An obligation of these standards is that every 5 years an external review of the operation takes place to determine if the requirements of the standard are being met. There are 3 standards; the lowest is not compliant, the middle partially compliant, and the third (highest standard) is generally compliant.
- 1.3 The review must be carried out by an appropriately skilled, experienced and competent person. There are two general approaches- the use of a contractor, and the use of peer review. It was agreed previously that Kirklees would join peer review

arrangements, and through a group of peers, the Head of Internal Audit at Doncaster City Council, Mr Peter Jackson, was appointed to carry out the review.

- 1.4 Mr Jackson and one of his colleagues have carried out interviews of various council role holders and members of the audit team and reviewed work against the standards during the autumn of 2022.
- 1.5 He has now completed his report, which is attached.
- 1.6 Officers consider that the report is thorough and helpful and identifies areas for improvement. A (draft) action plan has been completed
- 1.7 He will attend the meeting to describe his findings to the Committee.

## 2. **Information required to take a decision**

- 2.1 The assessors report is attached as an appendix.

## 3. **Implications for the Council**

- 3.1 **Working with People** – None directly
- 3.2 **Working with Partners** – None directly
- 3.3 **Place Based Working** – None directly
- 3.4 **Improving outcomes for children**– None directly
- 3.5 **Climate change and air quality**- None directly
- 3.6 **Impact on the finances of local residents**- None directly
- 3.7 **Other (e.g., Legal/Financial or Human Resources)**- Although each of the sub categorisations above suggest no direct implications, the work of internal audit covers all aspects of the Council's operations,

## 4. **Consultees and their opinions**

- 4.1 There are no formal consultees to this report although the assessor consulted directors, heads of service and others as a part of his review.

## 5. **Next steps and timelines**

- 5.1 None directly (subject to the action plan)

## 6. **Officer recommendations and reasons**

- 6.1 Members are asked to note the Assessors report.
- 6.2 Members are asked to consider, and if they consider appropriate, approve the Action Plan.

## 7. **Contact officer**

Martin Dearnley, Head of Risk & Internal Audit (01484 221000 x73672)

## 9. **Background Papers and History of Decisions**

None

## 10. **Service Director responsible**

Not applicable