

Committee: **Governance and Audit Committee**  
Date of meeting: **21st September 2022**  
Report Subject: **Quality Assurance Improvement Programme**  
Portfolio Holder: **Cllr Steve Thomas – Leader, Executive Member  
Corporate Overview & Performance**  
Report Submitted by: **Richard Jenkins – Senior Auditor**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance & Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	Virtual		21.09.22					

1. **Purpose of the Report**

- 1.1 The purpose of this report is to present the Governance and Audit Committee with a formalised document that incorporates all Internal and External Assessments into one Quality Assurance Improvement Programme for the Internal Audit Service (attached at Appendix A) for consideration and agreement.

2. **Scope and Background**

- 2.1 The report provides the Quality Assurance and Improvement Programme, in accordance with the Public Sector Internal Audit Standards.
- 2.2 The Public Sector Internal Audit Standards (PSIAS) came into force from 1st April 2013. The Standards have been adopted by the Internal Audit Service and guide the procedures and processes by which the Section operates.
- 2.3 The PSIAS includes Performance and Attribute Standards that the Authority is required to meet. Attribute standard 1300 - Quality Assurance and Improvement Programme (QAIP) states that: *'The Chief Audit Executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.'*
- 2.4 In accordance with the PSIAS, the QAIP must include both internal and external assessments. Internal assessments includes on-going monitoring of the performance of the internal audit activity, this forms part of the day-to-day supervision, review and measurement of the internal audit activity. The Governance and Audit Committee receive quarterly reports on the progress of the Section.
- 2.5 External assessments must be undertaken at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. Blaenau Gwent was subject to an external assessment during 2017 with the next external assessment due in 2022. The 2022 assessment is currently in progress, the results of which will be reported to the Committee upon completion.

3. **Options for Recommendation**

- 3.1 The Governance and Audit Committee consider the attached Quality Assurance and Improvement Programme to ensure it is fit for purpose and in compliance with the PSIAS.

Option 1

Approve the QAIP in line with good practice and the requirements of the Public Sector Internal Audit Standards (PSIAS).

Option 2

Propose amendments / alterations to the QAIP

Option 3

Do not approve the QAIP.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 4.1 The Local Government Act (1972) and the Accounts and Audit Regulations (Wales) 2014 require the Council to maintain an effective Internal Audit Service in accordance with proper internal audit practices. The Authority's Internal Audit Service has adopted the Public Sector Internal Audit Standards (PSIAS) for this purpose.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

There are no direct financial implications arising from production of the QAIP.

5.2 ***Risk including Mitigating Actions***

Options 1 and 2 will facilitate the Internal Audit Section to achieve compliance with the PSIAS.

Option 3 would result in non-compliance with the PSIAS for the Section and the S151 Officer will be unable to discharge her statutory duty of maintaining an effective Internal Audit Service.

5.3 ***Legal***

Provision of an adequate audit service contributes to the Section 151 Officer being able to fulfil her statutory duties under the Local Government Act (1972).

5.4 ***Human Resources***

Compliance with the QAIP will be met from ongoing work of the Internal Audit Section. The commitment is met from existing resources.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

The production of the QAIP is in compliance with the PSIAS.

Internal Audit maintains appropriate on-going quality assurance arrangements designed to ensure that internal audit work is undertaken in accordance with relevant professional standards.

**6.2 *Expected outcome for the public***

An effective Internal Audit Service and Governance & Audit Committee will assist with the stewardship of public money providing assurance to the communities of Blaenau Gwent on the robustness of the Authority's internal controls.

**6.3 *Involvement (consultation, engagement, participation)***

The Governance & Audit Committee are consulted on the compilation of the QAIP.

**6.4 *Thinking for the Long term (forward planning)***

The work of Internal Audit is intended to provide advice and guidance on system improvements resulting in an improved control environment for the future of the Authority.

**6.5 *Preventative focus***

The provision of a QIAP sets out the Internal Audit Sections compliance with this element of the PSIAS and how this is achieved.

**6.6 *Collaboration / partnership working***

The work of Internal Audit includes placing reliance on audits led by other local authorities and cross departmental reviews.

**6.7 *Integration (across service areas)***

The work of Internal Audit aims to provide assurance on the whole of the Authority's control environment.

**6.8 *Decarbonisation and Reducing Carbon Emissions***

There are no direct implications arising from the production of the QAIP.

**7. *Monitoring Arrangements***

7.1 In accordance with the PSIAS, the results of the quality and assurance programme will be reported in the annual report. The results of the External Assessment will be due during the financial year and will be brought to this Committee once finalised. Ongoing Internal Assessments of progress are provided to the Governance and Audit Committee throughout the year with Performance Indicators provided as part of this progress monitoring.

**Background Documents / Electronic Links**

- Appendix A – Quality Assurance Improvement Programme