

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
1	Definition of Internal Auditing								Comments
	Using evidence gained from assessing conformance with other Standards, is the internal audit activity: a) Independent? b) Objective?	Y			Yes see charter and annual report 2017/18				
	Using evidence gained from assessing conformance with other Standards, does the internal audit activity use a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation?	Y			There is a standard methodology in place for determining the ranking of opinions and rankings of findings / recommendations in audit reports. RISK / Control matrices are used to identify key areas prior to the start of each audit. The council has an integrated assurance strategy and internal audit strategy The internal audit team use standardised working papers and audit report templates.				
2	Code of Ethics								

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	<p>Integrity Using evidence gained from assessing conformance with other Standards, do internal auditors:</p> <ul style="list-style-type: none"> a) Perform their work with honesty, diligence and responsibility? b) Observe the law and make disclosures expected by the law and the profession? c) Not knowingly partake in any illegal activity nor engage in acts that are discreditable to the profession of internal auditing or to the Organisation? d) Respect and contribute to the legitimate and ethical objectives of the organisation? 	Y			<p>a) Auditors are bound by their ethical standards both in the internal audit Charter / Code of Ethics and with their own professional bodies, i.e. IIA. Elements such as these are a requirement of the role and, as such, are referred to in the job description and are reviewed quarterly via the council's performance appraisal process.</p> <p>b) Auditors are required to complete an annual declaration of interests.</p> <p>c) Auditors are bound by their professional ethical standards and the Code of Ethics within the Internal Audit Charter.</p> <p>d) In addition to being bound by professional ethical standards and the Code of Ethics within the Internal Audit Charter, internal audit also complies with the council's Employee Code of Conduct Policy.</p>
	<p>Objectivity Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by not:</p> <ul style="list-style-type: none"> a) Taking part in any activity or relationship that may impair or be presumed to impair their unbiased assessment? b) Accepting anything that may impair or be presumed to impair their professional judgement? c) Disclosing all material facts known to them that, if not disclosed, may distort the reporting of activities under review? 	Y	Y	Y	<p>a) Compliance with Audit Charter / Code of Ethics Completion of annual declarations of interests. Audit are required from time to time to get involved / give advice on new systems / new controls etc. They ensure management review is independent.</p> <p>b) Compliance with the Audit Charter / Code of Ethics. Declaring any gifts and hospitality for inclusion on the council's register. Completion of annual declarations of interests.</p> <p>c) Compliance with the Audit Charter / Code of Ethics.</p>

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	<p>Confidentiality</p> <p>Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:</p> <p>a) Acting prudently when using information acquired in the course of their duties and protecting that information?</p> <p>b) Not using information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation?</p>	Y			<p>a) Compliance with Audit Charter / Code of Conduct and Public Sector Internal Audit Standards. The Audit review process undertaken by the Manager (CAE) includes a review of the information used for testing and how it was processed. Understanding of the Data Protection Act and GDPR.</p> <p>b) Compliance to the Audit Charter / Code of Ethics and the auditors own professional standards.</p>				
	<p>Competency</p> <p>Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:</p> <p>a) Only carrying out services for which they have the necessary knowledge, skills and experience?</p> <p>b) Performing services in accordance with the PSIAS?</p> <p>c) Continually improving their proficiency and effectiveness and quality of their services, for example through CPD schemes?</p>	Y	Y	Y	<p>a) The ARA Manager is professionally qualified to PIIA and CIA standard, the ARA Officer is IIA Cert and AAT level 2 qualified and therefore has the experience and skills to carry out the required audits.</p> <p>b) The ARA Officer has been supplied with a copy of Audit Charter / Code of Ethics and the PSIAS and performance is regularly assessed.</p> <p>c) Work related objectives are agreed in advance as part of the WGLL performance review. Staff are encouraged to maintain records of continuing professional development to satisfy their professional membership requirements. Regular attendance at the audit events including autumn seminar and audit weekend school.</p>				

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	Do internal auditors have regard to the Standards of Public Life’s Seven Principles of Public Life?	Y			A copy of the Internal Audit Charter and the local code of corporate governance is available for all team members.				
	Standards								
3	Attribute Standards								
3.1	1000 Purpose, Authority and Responsibility								
	Does the internal audit charter include a formal definition of: a) the purpose b) the authority, and c) the responsibility of the internal audit activity consistent with the Public Sector Internal Audit Standards (PSIAS)?	Y			The Audit Charter includes a definition in accordance with the PSIAS.				
LGAN	Does the internal audit charter define the terms ‘board’ and ‘senior management’, for the purposes of the internal audit activity? Note that it is expected that the audit committee will fulfil the role of the board in the majority of instances.	Y			The Audit Charter defines the ‘board’ as the Audit Committee and ‘Senior Management’ as the Corporate Management Team and Senior Management Team.				

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	Does the internal audit charter also:				See Audit Charter				
LGAN	a) Set out the internal audit activity's position within the organisation?	Y							
	b) Establish the CAE's functional reporting relationship with the board?	Y							
LGAN	c) Establish the accountability, reporting line and relationship between the CAE and those to whom the CAE may report administratively?	Y							
LGAN	d) Establish the responsibility of the board and also the role of the statutory officers (such as the CFO, the monitoring officer and the head of paid service) with regards to internal audit?	Y							
	e) Establish internal audit's right of access to all records, assets, personnel and premises and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities?	Y							
LGAN	f) Define the scope of internal audit activities?	Y							
LGAN	g) Recognise that internal audit's remit extends to the entire control environment of the organisation?	Y							
LGAN	h) Identify internal audit's contribution to the review of effectiveness of the control environment, as set out in the Accounts and Audit (England) Regulations 2011?	Y							
	i) Establish the organisational independence of internal audit?	Y							
	j) Cover the arrangements for appropriate resourcing?	Y							
	k) Define the role of internal audit in any fraud-related work?	Y							
	l) Set out the existing arrangements within								

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	<p>the organisation’s anti-fraud and anti-corruption policies, to be notified of all suspected or detected fraud, corruption or impropriety?</p> <p>m) Include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities?</p> <p>n) Define the nature of assurance services provided to the organisation, as well as assurances provided to parties external to the organisation?</p> <p>o) Define the nature of consulting services?</p> <p>p) Recognise the mandatory nature of the PSIAS?</p>	Y			Additional management responsibilities by ARA Manager are overseen by Head of Governance to ensure independence is maintained.				
	Does the chief audit executive (CAE) periodically review the internal audit charter and present it to senior management and the board for approval?	Y			Reviewed may 2017				
	Does the CAE attend audit committee meetings	Y			See minutes of Audit Committee indicating attendees.				

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	Does the CAE contribute to audit committee agendas?	Y			See minutes of Audit Committee.				
3.2	1100 Independence and Objectivity								
	Does the CAE have direct and unrestricted access to senior management and the board	Y			Including 6 monthly risk workshops				
	Does the CAE have free and unfettered access to, as well as communicate effectively with, the chief executive or equivalent and the chair of the audit committee?	Y			Access rights and reporting lines are documented in the Audit Charter. The Chairman of the Audit Committee attends regular pre-meeting briefings. Chair meets CE where required.				
	Are threats to objectivity identified and managed at the following levels: a) Individual auditor? b) Engagement? c) Functional? d) Organisation?	Y			a) Audit staff complete a declaration of interests annually. b) The ARA Manager (CAE) will consider any threats to objectivity at the start of each audit. c) Internal Audit has responsibilities for EP outside audit responsibilities, protecting its independence and objectivity by auditor allocation.				
	1110 Organisational Independence								
	Does the CAE report to an organisational level equal or higher to the corporate management team?	Y			The CAE reports directly to the Head of Governance				

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LGAN	Does the CAE report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities?	Y			The CAE reports directly to the Head of Governance (Monitoring Officer) who attends the Senior Management Team meetings				
LGAN	Have reporting and management arrangements been put in place that preserve the CAE's independence and objectivity? This is of particular importance when the CAE is line managed by another officer of the authority.	Y			The CAE meets the audit committee chair privately prior to every meeting.				
LGAN	Does the CAE's position in the management structure: a) Reflect the influence he or she has on the control environment? b) Provide the CAE with sufficient status to ensure that audit plans, reports and action plans are discussed effectively with the board? c) Ensure that he or she is sufficiently senior and independent to be able to provide credibly constructive challenge to senior management?	Y			Reports to head of Governance and has access to Senior Management and members as required.				
	Does the CAE confirm to the board, at least annually, that the internal audit activity is organisationally independent? The following examples can be used by the CAE when assessing the organisational independence of the internal audit activity: The board: a) approves the internal audit charter b) approves the risk-based audit plan c) approves the internal audit budget and	Y Y Y			Audit charter The audit committee address organisational independence in the ways described.				

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	resource plan d) receives communications from the CAE on the activity's performance (in relation to the plan, for example) e) approves decisions relating to the appointment and removal of the CAE f) seeks reassurance from management and the CAE as to whether there are any inappropriate scope or resource limitations.	Y			Y Appointment of the CAE is an operational decision.				
	Does the chief executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the CAE?	Y			No this is completed by the Head of Governance who would request feedback form the CE or Director where required.				
	Is feedback sought from the chair of the audit committee for the CAE's performance appraisal			Y	Feedback opportunities on a 121 basis at every pre meeting – 4/6 per year				
	1111 Direct Interaction with the Board								
	Does the CAE communicate and interact directly with the board?	Y			The CAE attends a pre-audit meeting with the Chairman of the Audit Committee and also attends all Audit Committee Meetings.				
	1120 Individual Objectivity								
	Do internal auditors have an impartial, unbiased attitude?	Y			Feedback questions sent after each audit are used to monitor the auditors approach.				
	Do internal auditors avoid any conflict of interest, whether apparent or actual?	Y			Auditors will complete annual declaration of interests. Compliance with the Internal Audit Charter / Code of Ethics. Audit Staff are aware that they need to report any suspected conflicts of interests if they arise during an				

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					audit review. There have been no conflicts of interest recorded to date.				
	1130 Impairment to Independence or Objectivity								
	If there has been any real or apparent impairment of independence or objectivity, has this been disclosed to appropriate parties (depending on the nature of the impairment and the relationship between the CAE and senior management/the board as set out in the internal audit charter)?	N/A	N/A	N/A	There has been no impairment of independence or objectivity.				
	Have internal auditors assessed specific operations for which they have been responsible within the previous year?	N/A	N/A	N/A					
	If there have been any assurance engagements in areas over which the CAE also has operational responsibility, have these engagements been overseen by someone outside of the internal audit activity?	Y			The (CAE) has temporarily operational responsibility for environmental protection and previously HR. No engagement responsibilities have been taken on during this time				
LGAN	Are assignments for ongoing assurance engagements and other audit responsibilities rotated periodically within the internal audit team?	Y			Due to the size of the audit team this may not always be achievable moving forward.				

LGAN	Have internal auditors declared interests in accordance with organisational requirements?	Y			The Audit and Risk Management Section all complete an annual declaration of interests. Staff are provided with the Internal Audit Charter / Code of Ethics.				
LGAN	Where any internal auditor has accepted any gifts, hospitality, inducements or other benefits from employees, clients, suppliers or other third parties (other than as may be allowed by the organisation's own policies),	Y			There have been no declarations of gifts and hospitality received Audit staff are reminded annually of the council's procedures in respect of receiving gifts and hospitality.				

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	has this been declared and investigated fully?								
LGAN	Have any instances been discovered where an internal auditor has used information obtained during the course of duties for personal gain?	Y			There have been no instances where an auditor has used information obtained during the course of duties for personal gain.				
LGAN	Have internal auditors disclosed all material facts known to them which, if not disclosed, could distort their reports or conceal unlawful practice, subject to any confidentiality agreements?	Y			See declaration of interest.				
LGAN	Have internal auditors complied with the Bribery Act 2010?	Y			Audit team aware of the counter corruption framework				
	If there has been any real or apparent impairment of independence or objectivity relating to a proposed consulting services engagement, was this disclosed to the engagement client before the engagement was accepted?	N/A	N/A	N/A	The council's Internal Audit Team do not undertake any consultancy work.				
	Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted?	Y			Days spent on advice and consultancy within budget agreed by audit committee				
3.3	1200 Proficiency and Due Professional Care								
	1210 Proficiency								
	Does the CAE hold a professional qualification, such as CMIIA/CCAB or equivalent?	Y			The (CAE) is PIIA and CIA qualified				

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	Is the CAE suitably experienced?	Y			12 years' experience in public sector internal audit including				
LGAN	Is the CAE responsible for recruiting appropriate internal audit staff, in accordance with the organisation's human resources processes?	Y							
LGAN	Does the CAE ensure that up-to-date job descriptions exist that reflect roles and responsibilities and that person specifications define the required qualifications, competencies, skills, experience and personal attributes?	Y			Updated as part of the Governance restructure August 2015				
	Does the internal audit activity collectively possess or obtain the skills, knowledge and other competencies required to perform its responsibilities?	Y			The ARA Officer is AAT level 2 and IIA Cert qualified				
	Where the internal audit activity does not possess the skills, knowledge and other competencies required to perform its responsibilities, does the CAE obtain competent advice and assistance?	N/A	N/A	N/A	.				
	Do internal auditors have sufficient knowledge to evaluate the risk of fraud and anti-fraud arrangements in the organisation?		Y		No specific fraud training but competent in providing assurance over the controls for the management of fraud risks				
	Do internal auditors have sufficient knowledge of key information technology risks and controls?		Y		CAE qualified via PIIA for ICT audit, external support engaged via MIIA				
	Do internal auditors have sufficient knowledge of the appropriate computer assisted audit techniques that are available to them to perform their work, including data analysis techniques?	NA	NA	NA	No CAATS				

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	1220 Due Professional Care								
	Do internal auditors exercise due professional care by considering the: a) Extent of work needed to achieve the engagement’s objectives? b) Relative complexity, materiality or significance of matters to which assurance procedures are applied? c) Adequacy and effectiveness of governance, risk management and control processes? d) Probability of significant errors, fraud, or non-compliance? e) Cost of assurance in relation to potential benefits?	Y			The Audit Strategy detailing how this is achieved is agreed at Audit Committee				
	Do internal auditors exercise due professional care during a consulting engagement by considering the: a) Needs and expectations of clients, including the nature, timing and communication of engagement results? b) Relative complexity and extent of work needed to achieve the engagement’s objectives? c) Cost of the consulting engagement in relation to potential benefits?	N/A	N/A	N/A	There are no such engagements of this extent planned at present				
	1230 Continuing Professional Development								
LGAN	Has the CAE defined the skills and competencies for each level of auditor?	Y			JDs and task matrix				
LGAN	Does the CAE periodically assess individual auditors against the predetermined skills and competencies?	Y			Quarterly reviews completed using the What Great Looks Like Behaviours Framework				

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	Do internal auditors undertake a programme of continuing professional development?	Y			CAE required to maintain CPD and submit a fee bearing CPD declaration to IIA global annually				
	Do internal auditors maintain a record of their professional development and training activities?	Y			Full record of CPD and training maintained				
3.4	1300 Quality Assurance and Improvement Programme								
	Has the CAE developed a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity and enables conformance with all aspects of the PSIAS to be evaluated?	Y			QAIP reported quarterly in Audit Committee performance report				
	Does the QAIP assess the efficiency and effectiveness of the internal audit activity and identify opportunities for improvement?	Y			<p>The internal assessments include the following;</p> <ul style="list-style-type: none"> • An annual self-assessment of the effectiveness of the audit service using the PSIAS; • Performance indicators monitored monthly • Day-to-day monitoring of compliance with the Definition of Internal Auditing and the Code of Ethics documented within the Sections Audit Charter and also in the PSIAS. <p>External assessments include:</p> <ul style="list-style-type: none"> • A 5 yearly independent assessment of compliance to the PSIAS; • Annual review of the council's Annual Governance Statement as part of the Financial Accounts audit; • Regular attendance at the Audit Committee with the opportunity to meet in private with the Committee; and • External Auditors and Audit 				

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					Committee Members reviewing and challenging internal audit reports.				
	Does the CAE maintain the QAIP?	Y			All aspects of the programme are routinely monitored.				
LGAN	If the organisation is a 'larger relevant body' in England, does it conduct a review of the effectiveness of its internal audit at least annually, in accordance with the Accounts and Audit (England) Regulations 2011 section 6(3)?	Y			Self-assessment annually				
1310 Requirements of the Quality Assurance and Improvement Programme									
	Does the QAIP include both internal and external assessments?	Y			A self- assessment is performed annually. In addition, an external review of the effectiveness of the internal audit function is carried out every 5 years, in accordance with the requirements of the PISIAS. Review completed Sept 2017				
1311 Internal Assessments									
LGAN	Does the CAE ensure that audit work is allocated to staff with the appropriate skills, experience and competence?	Y			Whilst this is limited due to the size of the audit team.				
	Do internal assessments include ongoing monitoring of the internal audit activity such as: a) Routine quality monitoring processes? b) Periodic assessments for evaluating conformance with the PSIAS?	Y			a) All audit work is subject to a full review before the report is published. This includes a full review of working papers, evidence found, testing completed and validity of recommendations. b) External review completed September 2018				

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LGAN	Does ongoing performance monitoring include comprehensive performance targets?	Y			Service level performance monitoring and individual quarterly performance reviews.				
LGAN	Are the performance targets developed in consultation with appropriate parties and included in any service level agreement?	NA	NA	NA					
LGAN	Does the CAE measure, monitor and report on progress against these targets?	Y			Yes in quarterly audit committee reports.				
LGAN	Does ongoing performance monitoring include obtaining stakeholder feedback?	Y			An electronic feedback questionnaire is sent to the client at the end of each audit review.				
	Are the periodic self-assessments or assessments carried out by people external to the internal audit activity undertaken by those with a sufficient knowledge of internal audit practices? Sufficiency would require knowledge of the PSIAS and the wider guidance available such as the Local Government Application Note and/or IIA practice advisories, etc.	Y			The periodic self-assessment is undertaken by the CAE In order to comply with PSIAS and the Local Government Application Note; an external assessment must be carried out once every 5 years. Allerdale assessment took place in September 2017.				
LGAN	Does the periodic assessment include a review of the activity against the risk based plan and the achievement of its aims and objectives?	Y			Annual report reviews activity against planned activity.				
	1312 External Assessments								
	Has an external assessment been carried out, or is planned to be carried out, at least once every five years?	Y			The external assessment complete by Wyre and Lancaster September 2017.				
LGAN	Has the CAE considered the pros and cons for the different types of external assessment (i.e. 'full' or self-assessment plus 'independent validation')?	Y			The proposal from the Lancashire District Chief Auditors Group which has been agreed by Audit Committee is to continue with the self-assessment and use peer reviews to obtain the independent external validation. The annual self-assessment will be carried out by CAE and presented to Audit Committee.				

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	Has the CAE discussed the proposed form of the external assessment and the qualifications and independence of the assessor or assessment team with the board?	Y							
LGAN	Has the CAE agreed the scope of the external assessment with an appropriate sponsor, such as the chair of the audit committee, the CEO or the chief executive?	Y			MOU agreed via LDCAG and audit committee				
	Has the CAE agreed the scope of the external assessment with the external assessor or assessment team?	Y			These requirements form the basis of the 'Memorandum of Understanding'.				
	Has the assessor or assessment team demonstrated its competence in both areas of professional practice of internal auditing and the external assessment process? Competence can be determined in the following ways: a) experience gained in organisations of similar size b) complexity c) sector (i.e. the public sector) d) industry (i.e. local government), and e) technical experience. Note that if an assessment team is used, competence needs to be demonstrated across the team and not for each individual member.	Y			These requirements form the basis of the 'Memorandum of Understanding'.				
	How has the CAE used his or her professional judgement to decide whether the assessor or assessment team demonstrates sufficient competence to carry out the external assessment?	Y			These requirements form the basis of the 'Memorandum of Understanding'.				
	Does the assessor or assessment team have any real or apparent conflicts of interest with the organisation? This may include, but is not			Y	These requirements form the basis of the 'Memorandum of Understanding'.				

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	limited to, being a part of or under the control of the organisation to which the internal audit activity belongs.								
	1320 Reporting on the Quality Assurance and Improvement Programme								
	Has the CAE reported the results of the QAIP to senior management and the board? Note that: a) the results of both external and periodic internal assessment must be communicated upon completion b) the results of ongoing monitoring must be communicated at least annually c) the results must include the assessor's or assessment team's evaluation with regards to the degree of the internal audit activity's conformance with the PSIAS.	Y			All Audit Committee reports are circulated to senior management.				
	Has the CAE included the results of the QAIP and progress against any improvement plans in the annual report?	Y			The QAIP is reported in the annual report. No gaps have been highlighted following the assessment of the internal audit service that need reporting in the internal audit annual report or the Annual Governance Statement 17/18.				
	1321 Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing'								
	Has the CAE stated that the internal audit activity conforms with the PSIAS only if the results of the QAIP support this?	Y			The self-assessment is reviewed by the Head of Governance and reported to the Audit Committee.				
	1322 Disclosure of Non-conformance								
	Has the CAE reported any instances of non-conformance with the PSIAS to the board?	N/A	N/A	N/A	There are no instances of non-conformance with the PSIAS.				
	Has the CAE considered including any significant deviations from the PSIAS in the	N/A	N/A	N/A	There are no significant deviations that require reporting in the AGS.				

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	governance statement and has this been evidenced?								
4	Performance Standards								
4.1	2000 Managing the Internal Audit Activity								
	Do the results of the internal audit activity's work achieve the purposes and responsibility of the activity, as set out in the internal audit charter?	Y			This is demonstrated by achievement of the audit plan, the annual audit report, the annual governance statement and also feedback from clients.				
	Does the internal audit activity conform with the Definition of Internal Auditing and the Standards	Y			It can be demonstrated through a number of documents, namely; <ul style="list-style-type: none"> • Audit plan • Audit Charter / Code of Ethics • Audit Reports / working papers • Client Feedback • Annual audit report • Annual Governance Statement 				
	Do individual internal auditors, who are part of the internal audit activity, demonstrate conformance with the Code of Ethics and the Standards?	Y			The Senior Auditor has been provided with the Audit Charter / Code of Ethics. Conformance to these ethics will also be monitored through the WGLL appraisal.				
	Does the internal audit activity add value to the organisation and its stakeholders by a) Providing objective and relevant assurance? b) Contributing to the effectiveness and efficiency of the governance, risk	Y			Internal audit reports provide objective and relevant assurance. If control weaknesses are identified, action plans are put in place to facilitate improvement.				

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	management and internal control processes?								
	2010 Planning								
	Has the CAE determined the priorities of the internal audit activity in a risk based plan and are these priorities consistent with the organisation's goals?	Y			The audit plan is formulated following discussions with Senior Managers, consideration of the council's business plan and strategic risk registers. Operational risk registers are also reviewed.				
	Does the risk-based plan take into account the requirement to produce an annual internal audit opinion?	Y			The audit plan is formulated taking into consideration the areas on which the (CAE) is required to provide assurance in the annual audit report.				
	Does the risk-based plan take into account the organisation's assurance framework?	Y			The audit plan considers the council's risk registers, business plan, council plan / objectives and also any emerging threats, opportunities for fraud etc.				
	Does the risk-based plan incorporate or is it linked to a strategic or high level statement of: a) How the internal audit service will be delivered? b) How the internal audit service will be developed in accordance with the internal audit charter? c) How the internal audit service links to organisational objectives and priorities?	Y			a) Documented in the Audit Charter / Code of Ethics. b) Development of the Internal Audit Service will be identified as part of this self-assessment and also at the 5 year external assessment. c) The audit plan is formulated after reviewing the council's business plan which lists the key objectives and actions for the organisation as a whole.				
	Does the risk-based plan set out how internal audit's work will identify and address local and national issues and risks?	Y			Corporate risk register includes local and national risks				
	In developing the risk-based plan, has the CAE taken into account the organisation's risk management framework and relative	Y			Both strategic and operational risks are considered when developing the audit plan.				

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	risk maturity of the organisation?								
	If such a risk management framework does not exist, has the CAE used his or her judgement of risks after input from senior management and the board and evidenced this?	N/A	N/A	N/A					
LGAN	Does the risk-based plan set out the: a) Audit work to be carried out? b) Respective priorities of those pieces of audit work? c) Estimated resources needed for the work?	Y			a) The audit plan lists the nature of the audit work. b) The plan itself does not list the priority of the work to be completed, the strategy details the approach adopted on a review level basis. c) This is documented in the audit plan.				
LGAN	Does the risk-based plan differentiate between audit and other types of work?	Y			Yes all audit work has its own resource budget				
LGAN	Is the risk-based plan sufficiently flexible to reflect the changing risks and priorities of the organisation?	Y			A contingency / investigation resource is set aside. The plan is regularly monitored and flexed if required.				
	Does the CAE review the plan on a regular basis and has he or she adjusted the plan when necessary in response to changes in the organisation's business, risks, operations, programmes, systems and controls?	Y			The plan is flexible. If any new risks emerge during the year or new systems are implemented the contingency will be used initially. The plan is revised on a 6 monthly basis.				
	Is the internal audit activity's plan of engagements based on a documented risk assessment?	Y			The process that is undertaken to formulate the audit plan is an annual risk assessment.				
	Is the risk assessment used to develop the plan of engagements undertaken at least annually?	Y			The risk assessment is completed annually and reviewed half yearly.				
LGAN	In developing the risk-based plan, has the CAE also considered the following: a) Any declarations of interest (for the avoidance for conflicts of interest)? b) The requirement to use specialists, e.g. IT	Y N/A			a) Audit staff complete an annual declaration of interest. There have been no conflicts of interests recorded b) Skilled team but if we require a specialist auditor skill set, an external audit organisation				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	<p>or contract and procurement auditors?</p> <p>c) Allowing contingency time to undertake ad hoc reviews or fraud investigations as necessary?</p> <p>d) The time required to carry out the audit planning process effectively as well as regular reporting to and attendance of the board, the development of the annual report and the CAE opinion?</p>	Y			<p>would be contacted.</p> <p>c) A contingency / investigation resource is set aside.</p> <p>d) Time to plan each audit is factored into the number of days allocated for each piece of work. Attendance at Audit Committee, development of the annual report and other (CAE) activities is listed separately on the audit plan.</p>				
	Is the input of senior management and the board considered in the risk assessment process?	Y			CAE meets all HofS annually to discuss consideration for the audit plan before this is agreed				
	Does the CAE identify and consider the expectations of senior management, the board and other stakeholders for internal audit opinion and any other conclusions?	Y			<p>The annual audit report is scrutinised by the Head of Finance (Section 151 Officer) and is also presented to the Audit Committee for consideration. The document would be amended accordingly, recognising comments made, recommendations, changes etc.</p> <p>In regards to audit report opinions, the overall opinions are based on the findings of each audit, which are graded using a set framework. Auditees can challenge the audit opinion and provide reasons in support of why they think the opinion should be changed. This will be done at the draft stage of the reporting process.</p>				
	Does the CAE take into consideration any proposed consulting engagement's potential to improve the management of risks, to add value and to improve the organisation's operations before accepting them?	Y			All engagements agreed via CAE				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
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	Are consulting engagements that have been accepted included in the risk based plan?	Y			Yes for significant consulting engagements.				
	2020 Communication and Approval								
	Has the CAE communicated the internal audit activity's plans and resource requirements to senior management and the board for review and approval?	Y			The draft audit plan is submitted to the Audit Committee and SMT review the report via mod.gov agenda management				
	Has the CAE communicated any significant interim changes to the plan and/or resource requirements to senior management and the board for review and approval, where such changes have arisen?	Y			revised six monthly				
	Has the CAE communicated the impact of any resource limitations to senior management and the board?	Y			Resource limitations would be reported to senior management and the Audit Committee where appropriate as part of the update report.				
	2030 Resource Management								
	Does the risk-based plan explain how internal audit's resource requirements have been assessed?	Y			The plan is based on resources available				
LGAN	Has the CAE planned the deployment of resources, especially the timing of engagements, in conjunction with management to minimise abortive work and time?	Y			The annual plan is communicated although specific timings are not given other than the quarter it will be completed				
LGAN	If the CAE believes that the level of agreed resources will impact adversely on the provision of the internal audit opinion, has he or she brought these consequences to the attention of the board? This may include an imbalance between the work plan and resource availability and/or	Y			Very small team, where resources are insufficient this would be raised with the board. External support has been sourced via MIIA.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	other significant matters that jeopardise the delivery of the plan or require it to be changed.								
	2040 Policies and Procedures								
	Has the CAE developed and put into place policies and procedures to guide the internal audit activity?	Y			Standardised working papers and a reporting format has been developed. The council's intranet is used to store key documents that guide audit activity i.e. Audit Charter and Integrated Assurance Strategy. The ARA Officer has been issued with the PSIAS and CIPFA's Application Note.				
LGAN	Has the CAE established policies and procedures to guide staff in performing their duties in a manner than conforms to the PSIAS? Examples include maintaining an IA Procedure Manual and/or using electronic management systems.	Y			Internal audit policies and procedures have been reviewed to ensure conformity to PSIAS as part of peer review.				
LGAN	Are the policies and procedures regularly reviewed and updated to reflect changes in working practices and standards?	Y							
	2050 Coordination								
	Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?		Y		Assurance mapping update in progress at corporate level				Validation exercise for external assurances planned for 2019/20
LGAN	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?		Y		Assurance mapping has been completed at service level, the ARA Officer is working on a corporate assurance map.				
	Does the CAE share information and coordinate activities with other internal and external	Y			External audit share their audit plan at Audit Committee. Testing plans are shared upon				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	providers of assurance and consulting services?				request.				
LGAN	Does the CAE meet regularly with the nominated external audit representative to consult on and coordinate their respective audit plans?		Y		Meeting as and when required. External Audit meet with Section 151.				
	Does the CAE report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility and performance relative to its plan?	Y			Six monthly risk workshops for board and senior management. Annual report sets out purpose, authority and responsibility.				
	Does the periodic reporting also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board?	Y			All considered and included in reporting.				
	Is the frequency and content of such reporting determined in discussion with senior management and the board and are they dependant on the importance of the information to be communicated and the urgency of the related actions to be taken by senior management or the board.	Y			Reports are communicated and actions are graded in order of urgency. High risks are escalated to section 151 immediately.				
2070 External Service Provider and Organisational Responsibility for Internal Auditing									
	Where an external internal audit service provider acts as the internal audit activity, does that provider ensure that the organisation is aware that the responsibility for maintaining and effective internal audit activity remains with the organisation?	Y			New arrangements in place for support from external provider MIIA – responsibility for internal audit activity remains with the organisation.				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
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4.2	2100 Nature of Work								
	Does the internal audit activity evaluate and contribute to the improvement of the organisation's governance, risk management and internal control processes?	Y			The audit plan is formulated to ensure it contributes to the improvement of the organisations governance, risk management and internal control processes. Audit reviews will cover the governance and the key risks of the service as well as the key controls.				
	Does the internal audit activity evaluate and contribute to the improvement of the above using a systematic and disciplined approach and is this evidenced?	Y			Working papers, testing and evidence in line with standards.				
	2110 Governance								
	Does the internal audit activity: a) Promote appropriate ethics and values within the organisation? b) Ensure effective organisational performance management and accountability? c) Communicate risk and control information to appropriate areas of the organisation? d) Coordinate the activities of and communicate information among the board, external and internal auditors and management?	Y			a) Ethic Audit completed in 2017/18 and will be followed up in subsequent years with survey. b) Managers are held accountable for actions in audit reports and findings from previous audit reports are followed up by the audit team. They attend Audit Committee when required. c) Regular risk workshops take place with Heads of Service and Third Tier Managers. Audit reports are issued to the staff responsible for the area being audited. The Audit Committee and the Executive receive regular updates on risk management. A governance assurance meeting is carried out prior to the completion of the Annual Governance Statement. This is attended by key officers of the council. d) All audit reports are issued to clients and published on the internet available. External Auditor communication is presented to Audit				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
					Committee. Chair of Audit Committee updates are presented to council on the work of Audit Committee				
	Does the internal audit activity assess and make appropriate recommendations for improving the governance process as part of accomplishing the above objectives?	Y			Governance issues will be reviewed as part of the Audit of risk management, performance is included in individual audit planning.				
	Has the internal audit activity evaluated the: a) design b) implementation, and c) effectiveness of the organisation's ethics-related objectives, programmes and activities?	Y			The ethical culture survey aims to test knowledge on key policies and procedures and identify gaps allowing targeted future training.				
	Has the internal audit activity assessed whether the organisation's information technology governance supports the organisation's strategies and objectives?	Y			ICT is audited annually. For 18/19 MIIA will be completing the review of this area.				
LGAN	Has the CAE considered the proportionality of the amount of work required to assess the ethics and information technology governance of the organisation when developing the risk-based plan?	Y			The number of IT audit days can be adjusted accordingly.				
	2120 Risk Management								
	Has the internal audit activity evaluated the effectiveness of the organisation's risk management processes by determining that: a) Organisational objectives support and align with the organisation's mission? b) Significant risks are identified and assessed? c) Appropriate risk responses are selected that align risks with the organisation's risk	Y Y			a) Documented in the business plan. b) The business plan is used to identify and assess significant risks that would prevent the organisation from meeting its organisational objectives. Risk workshops are held six monthly. c) Risks above the council's risk appetite are required to have actions to mitigate the risks. Risks below the appetite are regularly monitored.				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
	<p>appetite?</p> <p>d) Relevant risk information is captured and communicated in a timely manner across the organisation, thus enabling the staff, management and the board to carry out their responsibilities?</p>	Y			d) The Corporate Risk Register is reviewed at SMT monthly. Links are including in the Audit Committee report as a regular update.				
	<p>Has the internal audit activity evaluated the risks relating to the organisation's governance, operations and information systems regarding the:</p> <p>a) Achievement of the organisation's strategic objectives?</p> <p>b) Reliability and integrity of financial and operational information?</p> <p>c) Effectiveness and efficiency of operations and programmes?</p> <p>d) Safeguarding of assets?</p> <p>e) Compliance with laws, regulations, policies, procedures and contracts?</p>	Y	Y	Y	Y	Y			
	<p>Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?</p>	Y			<p>Fraud risks are considered during the operational and strategic risk workshops. The council takes part in the NFI process. Fraud risks are included on the organisational service risk register. The Fraud Group meet regularly to discuss emerging risks and issues. There aren't any specific fraud resources in the organisation.</p>				
	<p>Do internal auditors address risk during consulting engagements consistently with the objectives of the engagement?</p>	N/A	N/A	N/A	<p>There are no such engagements undertaken presently.</p>				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	Are internal auditors alert to other significant risks when undertaking consulting engagements?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
	Do internal auditors successfully avoid managing risks themselves, which would in effect lead to taking on management responsibility, when assisting management in establishing or improving risk management processes?	Y			Internal Auditors do not take ownership for risk management.				
	2130 Control								
	Has the internal audit activity evaluated the adequacy and effectiveness of controls in the organisation's governance, operations and information systems regarding the: a) Achievement of the organisation's strategic objectives? b) Reliability and integrity of financial and operational information? c) Effectiveness and efficiency of operations and programmes? d) Safeguarding of assets? e) Compliance with laws, regulations, policies, procedures and contracts?	Y Y Y Y Y			These areas are covered as part of the audit planning process. Audits of the risks to key financial systems are conducted every year unless there is any major changes to controls. Strategic objectives / projects are risk managed at Head of Service level. Feedback as part of the AGS process is used to evaluate adequacy of the safeguarding of council assets. Compliance with laws, regulation, polices, procedures and contracts are considered in each audit review.				
	Do internal auditors utilise knowledge of controls gained during consulting engagements when evaluating the organisation's control processes?	N/A	N/A	N/A	There are no such engagements undertaken presently, can be requested at any time.				
4.3	2200 Engagement Planning								
	Do internal auditors develop and document a plan for each engagement?	Y			A brief and system control evaluation is completed for every audit.				
	Does the engagement plan include the engagement's:	Y			Documented in the brief.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	a) Objectives? b) Scope? c) Timing? d) Resource allocations?								
	Do internal auditors consider the following in planning an engagement, and is this documented: a) The objectives of the activity being reviewed? b) The means by which the activity controls its performance? c) The significant risks to the activity being audited? d) The activity's resources? e) The activity's operations? f) The means by which the potential impact of risk is kept to an acceptable level? g) The adequacy and effectiveness of the activity's governance, risk management and control processes compared to a relevant framework or model? h) The opportunities for making significant improvements to the activity's governance, risk management and control processes?	Y			Each of these criteria are considered at planning and detailed in the agreed Audit Strategy (agreed at Audit Committee).				
	Where an engagement plan has been drawn up for an audit to a party outside of the organisation, have the internal auditors established a written understanding with that party about the following: a) Objectives? b) Scope? c) The respective responsibilities and other expectations of the internal auditors and the outside party (including restrictions on distribution of the results	N/A	N/A	N/A	There are no audits performed for parties outside of the organisation.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	of the engagement and access to engagement records)?								
	For consulting engagements, have internal auditors established an understanding with the engagement clients about the following: a) Objectives? b) Scope? c) The respective responsibilities of the internal auditors and the client and other client expectations?	N/A	N/A	N/A	There are no such engagements undertaken presently but this would be agreed at the time.				
	For significant consulting engagements, has this understanding been documented?	N/A	N/A	N/A	There are no significant consulting engagements undertaken presently.				
	2210 Engagement Objectives								
	Have objectives been agreed for each engagement?	Y			Documented in the brief.				
	Have internal auditors carried out a preliminary risk assessment of the activity under review?	Y			This is completed whilst planning the review. Auditors will review previous audits, risk registers, business plan and KPIs before undertaking each review. Risk profiles may also be used to assist in identifying further key risks.				
	Do the engagement objectives reflect the results of the preliminary risk assessment that has been carried out?	Y			The 'brief' document identifies the core risks, scope and the objective.				
	Have internal auditors considered the probability of the following, when developing the engagement objectives: a) Significant errors?	Y			The planning risk assessment will ensure each of these are included.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	b) Fraud? c) Non-compliance? d) Any other risks?								
	Have internal auditors ascertained whether management and/or the board have established adequate criteria to evaluate and determine whether objectives and goals have been accomplished?	Y			Yes – robust performance management process in place and this is reviewed in audit planning.				
	If the criteria have been deemed adequate, have the internal auditors used the criteria in their evaluation of governance, risk management and controls?	Y			Risk management and performance management frameworks are used to support the evaluation of governance, risk management and control.				
	If the criteria have been deemed inadequate, have the internal auditors worked with management and/or the board to develop appropriate evaluation criteria?	N/A	N/A	N/A	There are no instances where the criteria have been deemed inadequate.				
LGAN	If the value for money criteria have been referred to, has the use of all the organisation's main types of resources been considered; including money, people and assets?	Y			The 'value for money' aspect of any service / control is considered during each review. Efficiency and transformation is also considered.				
	Do the objectives set for consulting engagements address governance, risk management and control processes as agreed with the client?	Y			The job description for the interim CAE sets out the requirements of the role; in particular around governance, risk management and internal control. In addition the job description refers to compliance with the PSIA's.				
	Are the objectives set for consulting engagements consistent with the organisation's own values, strategies and objectives?	Y			None at present but would follow principles set out in the charter.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	2220 Engagement Scope								
	Is the scope that is established for the engagement sufficient to satisfy the engagement's objectives?	Y			Agreed at the start of the audit. If during the audit the scope has to be extended to ensure the objectives of the audit are met, this is agreed with the (CAE) as it is likely to have resource implications.				
	Does the engagement scope include consideration of the following relevant areas of the organisation: a) Systems? b) Records? c) Personnel? d) Premises?	Y Y Y Y			The 'brief' document identified the systems, records, premises and personnel the auditor will require assess to.				
	Does the engagement scope include consideration of the following relevant areas under the control of outside parties, where appropriate: a) Systems? b) Records? c) Personnel? d) Premises?	Y Y Y Y			Where required this would be included.				
	Where significant consulting opportunities have arisen during an assurance engagement, was a specific written understanding as to the objectives, scope, respective responsibilities and other expectations drawn up?	N/A	N/A	N/A	There have been no such consulting opportunities that have arisen during an assurance engagement this year.				
	Where significant consulting opportunities have arisen during an assurance engagement, were the results of the subsequent engagement communicated in accordance with the relevant consulting Standards?	N/A	N/A	N/A	There have been no such consulting opportunities that have arisen during an assurance engagement this year.				
	For a consulting engagement, was the scope of the engagement sufficient to address any	N/A	N/A	N/A	There are no such engagements undertaken presently.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	agreed-upon objectives?								
	If the internal auditors developed any reservations about the scope of a consulting engagement while undertaking that engagement, did they discuss those reservations with the client and therefore determine whether or not to continue with the engagement?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
	During consulting engagements, did internal auditors address the controls that are consistent with the objectives of those engagements?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
	During consulting engagements, were internal auditors alert to any significant control issues?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
	2230 Engagement Resource Allocation								
	Have internal auditors decided upon the appropriate and sufficient level of resources required to achieve the objectives of the engagement based on: a) The nature and complexity of each individual engagement? b) Any time constraints? c) The resources available?	Y			This is agreed when formulating the annual audit plan. The (CAE) is notified of any changes to the nature of the work, time constraints and resources available once the brief has been agreed. Monitored monthly.				
	2240 Engagement Work Programme								
	Have internal auditors developed and documented work programmes that achieve the engagement objectives?	Y			The auditor will plan the work required to meet the objectives of the audit. Standard templates are in place for this purpose.				
	Do the engagement work programmes include the following procedures for: a) Identifying information? b) Analysing information? c) Evaluating information?	Y			System control evaluation documents include the information required, the testing completed, risks, the findings and the overall conclusions and recommendations.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	d) Documenting information?								
	Were work programmes approved prior to implementation for each engagement?	Y			All senior managers are consulted on a 121 basis as part of the strategic planning process, a work plan is produced and communicated before being agreed by the Audit Committee.				
	Were any adjustments required to work programmes approved promptly?	Y			Occasionally, work programmes are adjusted to take into consideration urgent work or investigations				
4.4	2300 Performing the Engagement								
	Have internal auditors carried out the following in order to achieve each engagement's objectives: a) Identify sufficient information? b) Analyse sufficient information? c) Evaluate sufficient information? d) Document sufficient information?	Y			A full review of each audit is completed by the CAE to ensure that the objectives of the audit have been achieved and that there is sufficient evidence to support any findings, conclusions and the overall opinion. Review notes are provided to the lead auditor after each review if further work is required or certain areas require clarification.				
	2310 Identifying Information								
	Have internal auditors identified the following in order to achieve each engagement's objectives: a) Sufficient information? b) Reliable information? c) Relevant information? d) Useful information?	Y			Review notes will show if further information is required to support findings or if evidence is not relevant or reliable.				
	2320 Analysis and Evaluation								
	Have internal auditors based their conclusions and engagement results on appropriate analyses and evaluations?	Y			Confirmed as part of the review process.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
LGAN	Have internal auditors remained alert to the possibility of the following: a) intentional wrongdoing b) errors and omissions c) poor value for money d) failure to comply with management policy, and e) conflicts of interest	Y Y Y Y Y			The key risks around these areas are identified at the planning stage. The ARA Officer and Assistant consider these aspects of the control environment during each audit review.				
	When performing their individual audits, and has this been documented?	Y			Documented in standardised working papers as detailed in the procedures.				
	2330 Documenting Information								
	Have internal auditors documented the relevant information required to support engagement conclusions and results?	Y			Standardised reports are used to document conclusions and findings along with an action plan. This has been streamlined in 2018/19 for a more visual report				
LGAN	Are working papers sufficiently complete and detailed to enable another experienced internal auditor with no previous connection with the audit to ascertain what work was performed, to re-perform it if necessary and to support the conclusions reached?	Y			A file review is conducted by (CAE) to ensure working papers are referenced correctly and the file contains sufficient evidence to support any findings and the overall opinion.				
	Does the CAE control access to engagement records?	Y			Access rights are documented in the Audit Charter. The audit reports state that the working papers can be viewed on request.				
	Has the CAE obtained the approval of senior management and/or legal counsel as appropriate before releasing such records to external parties?	N/A	N/A	N/A	Audit files have not been released to external parties other than the council's External Auditor and as part of the Peer review process.				
	Has the CAE developed and implemented retention requirements for all types of engagement records?	Y			Information Asset Registers document the required retention periods for all audit records, corporate retention schedule adhered to.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	Are the retention requirements for engagement records consistent with the organisation's own guidelines as well as any relevant regulatory or other requirements?	Y			Retention periods are consistent with organisational and regularity guidelines. At present audit files are retained for 7 years (6 plus current) in accordance with the Government Classification Scheme.				
	2340 Engagement Supervision								
	Are all engagements properly supervised to ensure that objectives are achieved, quality is assured and that staff are developed?	Y			File reviews, feedback and WGLL performance appraisals are used to ensure that training or development issues are highlighted.				
	Is appropriate evidence of supervision documented and retained for each engagement?	Y			File reviews and performance and WGLL appraisal documents are retained evidencing supervision.				
4.5	2400 Communicating Results								
	Do internal auditors communicate the results of engagements?	Y			Audit reports are issued as appropriate to Key Contacts, Heads of Service and Director with the Audit Committee and the External Auditor reviewing all audit reports.				
	2410 Criteria for Communicating								
	Do the communications of engagement results include the following: a) The engagement's objectives? b) The scope of the engagement? c) Applicable conclusions? d) Recommendations and action plans, if appropriate?	Y Y Y Y			A standardised report format is used ensuring that each of the criteria is communicated.				
LGAN	Has the internal auditor discussed the contents of the draft final report with the appropriate levels of management to confirm factual accuracy, seek comments and confirm the agreed management actions?	Y			An exit meeting is arranged with the relevant officers to agree factual accuracy, findings and agree actions.				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
LGAN	If recommendations and an action plan have been included, are recommendations prioritised according to risk?	Y			Recommendations are prioritised as high, medium or low and appropriate timescales can be agreed with the auditor.				
LGAN	If recommendations and an action plan have been included, does the communication also state agreements already reached with management, together with appropriate timescales?	Y			The action plan identified the management response and timescales for action.				
LGAN	If there are any areas of disagreement between the internal auditor and management, which cannot be resolved by discussion, are these recorded in the action plan and the residual risk highlighted?	Y			The management response would only identify areas of disagreement where appropriate. If recommendations are not agreed this is also included, management can accept risks.				
LGAN	Do communications disclose all material facts known to them in their audit reports which, if not disclosed, could distort their reports or conceal unlawful practice, subject to confidentiality requirements?	Y			Material facts are disclosed in line with ethical standards set out in the Audit Charter.				
LGAN	Do the final communications of engagement results contain, where appropriate, the internal auditor's opinions and/or conclusions, building up to the annual internal audit opinion on the control environment?	Y			The internal auditor's opinion and conclusions are included in final reports.				
	When an opinion or conclusion is issued, are the expectations of senior management, the	Y			The report and findings is agreed with the key				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	board and other stakeholders taken into account?				contacts in the exit meeting.				
	When an opinion or conclusion is issued, is it supported by sufficient, reliable, relevant and useful information?	Y			Confirmed as part of review process of all audit files.				
	Where appropriate, do engagement communications acknowledge satisfactory performance of the activity in question?	Y			Good performance and best practise is included in the balanced report produced.				
	When engagement results have been released to parties outside of the organisation, does the communication include limitations on the distribution and use of the results?	Y			All audit reports are published on the internet unless specific restrictions apply.				
LGAN	If the CAE has been required to provide assurance to other partnership organisations, has he or she also demonstrated that their fundamental responsibility is to the management of the organisation to which they are obliged to provide internal audit services?	N/A	N/A	N/A	Internal Audit have not been asked to provide assurance to any partnership organisations.				
	2420 Quality of Communications								
	Are Communications a) Accurate b) Objective c) Clear d) Concise e) Constructive f) Complete g) Timely	Y			All documents are reviewed by the (CAE) or reviewer. Review notes are provided to correct any work that does not meet quality standards. Exit meetings are also used to agree factual accuracy of the report and findings. Survey Monkey is used to ensure auditees are happy with how the audit was conducted. The client is provided with an opportunity to challenge whether they consider the report to be of value as part of the closure meeting and				

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Ref	Conformance with the Standard	Y	P	N	Evidence				
					again by attending Audit Committee if appropriate. The timeliness of reports is monitored and this is included in individual appraisal objectives.				
	2421 Errors and Omissions								
	If a final communication has contained a significant error or omission, did the CAE communicate the corrected information to all parties who received the original communication?	Y			The exit meeting is designed to identify and resolve any significant errors or omissions; however the report would be re-issued where necessary.				
	2430 Use of 'Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing'								
	Do internal auditors report that engagements are 'conducted in conformance with the PSIAS' only if the results of the QAIP support such a statement?	Y			Annual reporting process includes this.				
	2431 Engagement Disclosure of Non conformance								
	Where any non-conformance with the PSIAS has impacted on a specific engagement, do the communication of the results disclose the following: a) The principle or rule of conduct of the Code of Ethics or Standard(s) with which full conformance was not achieved? b) The reason(s) for non-conformance? c) The impact of non-conformance on the engagement and the engagement results?	N/A	N/A	N/A	No specific engagements have been impacted on by non-compliance with the PSIAS.				
	2440 Disseminating Results								

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Ref	Conformance with the Standard	Y	P	N	Evidence				
	Has the CAE determined the circulation of audit reports within the organisation, bearing in mind confidentiality and legislative requirements?	Y							
	Has the CAE communicated engagement results to all appropriate parties?	Y			Audit reports are issued as appropriate to Key Contacts, Heads of Service and Director with the Audit Committee and the External Auditor reviewing all audit reports				
	Before releasing engagement results to parties outside the organisation, did the CAE: a) Assess the potential risk to the organisation? b) Consult with senior management and/or legal counsel as appropriate? c) Control dissemination by restricting the use of the results?	Y			All reports are published on the internet unless confidentiality restrictions apply.				
	Where any significant governance, risk management and control issues were identified during consulting engagements, were these communicated to senior management and the board?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
	2450 Overall Opinion								
	Has the CAE delivered an annual internal audit opinion?	Y			Yes this supports the AGS.				
	Does the annual internal audit opinion conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control?	Y			Yes reported to audit committee annually.				
	Does the annual internal audit opinion take into account the expectations of senior management, the board and other	Y			The annual audit report is scrutinised by the Head of Financial Services (Section 151 Officer) and presented to Audit Committee for				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
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	stakeholders?				consideration.				
	Is the annual internal audit opinion supported by sufficient, reliable, relevant and useful information?	Y			This is based on the work carried out during the year and participation in organisational activities that lead to governance insight.				
	Does the communication identify the following: a) The scope of the opinion, including the time period to which the opinion relates? b) Any scope limitations? c) The consideration of all related projects including the reliance on other assurance providers? d) The risk or control framework or other criteria used as a basis for the overall opinion?	Y			In providing an overall opinion on the council's system of internal control, it should be noted that complete assurance cannot be given. Internal audit can only provide assurance over the areas tested.				
	Where a qualified or unfavourable annual internal audit opinion is given, are the reasons for that opinion stated?	N/A	N/A	N/A	Where a qualified or unfavourable opinion was given this would be fully explained in the annual audit report.				
	Has the CAE delivered an annual report that can be used by the organisation to inform its governance statement?	Y			Annual opinion is included as part of the ABS.				
LGAN LGAN LGAN LGAN LGAN LGAN LGAN	Does the annual report incorporate the following: a) The annual internal audit opinion? b) A summary of the work that supports the opinion? c) A disclosure of any qualifications to the opinion? d) The reasons for any qualifications to the opinion? e) A disclosure of any impairments or restriction in scope? f) A comparison or work actually carried out with the work planned? g) A statement on conformance with the	Y Y N/A N/A Y Y Y			Annual report is completed in line with the requirements of the standards.				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
	PSIAS? h) The results of the QAIP? i) Progress against any improvement plans resulting from the QAIP? j) A summary of the performance of the internal audit activity against its performance measures and targets? k) Any other issues that the CAE judges is relevant to the preparation of the governance statement?	Y Y Y N/A							
4.6	2500 Monitoring Progress								
	Has the CAE established a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action?	Y			Quarterly follow up process in place, ownership is placed on responsible officers to complete agreed action information. Followed up as part of the next review of the area.				
	Where issues have arisen during the follow-up process, has the CAE considered revising the internal audit opinion?	Y			Where agreed actions have not been completed upon follow up this is included in the report and communicated to Audit Committee.				
	Do the results of monitoring management actions inform the risk-based planning of future audit work?	Y			Included as part of individual audit planning.				
	Does the internal audit activity monitor the results of consulting engagements as agreed with the client?	N/A	N/A	N/A	There are no such engagements undertaken presently.				
4.7	2600 Communicating the Acceptance of Risks								
	If the CAE has concluded that management has accepted a level of risk that may be unacceptable to the organisation, has he or she discussed the matter with senior management?	Y			Where management accept risks this is documented in the report which is communicated to the Director.				

ALLERDALE SELF ASSESSMENT

Ref	Conformance with the Standard	Y	P	N	Evidence				
	If, after discussion with senior management, the CAE continues to conclude that the level of risk may be unacceptable to the organisation, has he or she communicated the situation to the board?	N/A	N/A	N/A	This has not happened to date but would if appropriate refer the matter to the Audit Committee and Head of Governance.				