

IMPROVEMENT ACTION PLAN FOR INTERNAL AUDIT

Actions	Person Responsible for Implementation	Timescale
Develop closer links between internal audit and risk management (as identified in the Audit Strategy for 2007-08) in relation to audit planning and the approach to individual audits.	Head of Governance & VFM Baddeley, Chief Internal Auditor and Insurance & Risk Manager	Ongoing throughout 2008-09
A record to be kept of any occasions where auditors are instructed not to have an involvement in the audit of a particular area.	Chief Internal Auditor	As and when appropriate
Issue an annual reminder to audit staff on their ethical responsibilities.	Chief Internal Auditor	April Annually
Produce a protocol defining the relationship and responsibilities of Internal Audit in relation managers, other auditors, external auditors and other inspectors.	Head of Governance & VFM and Chief Internal Auditor	As Audit Commission take over as External Auditors
Establish regular meetings between internal audit and the Council's external auditors and ensure greater co-ordination between respective audit plans	Head of Governance & VFM	As Audit Commission take over as External Auditors
Develop a competency framework for internal audit staff to provide a more structured approach to identifying training needs and to ensure that the section has the appropriate balance and skills base.	Chief Internal Auditor	September 2008
Carry out regular reviews of staff against the required competencies for their post and provide support to ensure that the competencies can be met.	Chief Internal Auditor	January 2009 then annually as part of PDR process
Establish a more formalised timetable for finalising and issuing audit reports. Ensure that all audit staff are aware of it and report reasons if it is not followed.	Chief Internal Auditor	September 2008

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<p>Review the performance management framework for the internal audit section and give consideration to:</p> <ul style="list-style-type: none"> • Developing new performance indicators for the section and individual auditors; • Ensure that appropriate targets are set for each measure; • Consults with appropriate stakeholders in developing performance indicators and targets • Reviewing the audit satisfaction questionnaire; • Developing benchmarking of the service; and • Developing ways to monitor the effectiveness of the IA service. 	Head of Governance & VFM and Chief Internal Auditor	During 2008-09
Formalise and develop Internal Audit's approach to value for money / performance management and ensure that this is built into individual audit reviews where appropriate.	Head of Governance & VFM and Chief Internal Auditor	During 2008-09
The actual performance of the IA team as measured against the Audit Plan would indicate the need for either more resources, a more realistic Audit Plan or a review of working practices. It is recommended that future approaches to setting the target for the Audit Plan be reviewed.	Head of Governance & VFM and Chief Internal Auditor	For 2009-10 Audit Plan
The IA methodology should include a requirement for Managers to give an assurance that the service area/process is conducted in accordance with good VFM principles as required by the Council.	Head of Governance & VFM and Chief Internal Auditor	September 2008
Reporting timescales should be reviewed, with a requirement for draft report to be agreed 28 days after being issued to the manager. In the event that no agreement/comments are received, the reports be issued as final reports after the 28 days.	Chief Internal Auditor	From now on