central midlands audit partnership

Ashfield District Council –

Internal Audit Annual Report 2018-19

Audit Committee: 22 July 2019

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Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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Providing Excellent Audit Services in the Public Sector

Introduction

Why an Audit Opinion is required

The Public Sector Internal Audit Standards (PSIAS) states:

Public sector requirement

The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The annual report must also include a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

Extracted from Public Sector Internal Audit Standards Updated March 2017 - 2450 Overall Opinions

In this instance, the Chief Audit Executive is Mandy Marples, Audit Manager.

With regard to overall opinions, CIPFA's Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards 2019 Edition (issued February 2019) also states:

"The Public Sector Requirement in PSIAS 2450 requires that the Chief Audit Executive must provide an annual report to the board timed to support the annual governance statement. This must include:

- *an annual internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework – i.e. the control environment*
- *a summary of the audit work from which the opinion is derived (including reliance placed on work by other assurance providers)*
- *a statement on conformance with the PSIAS and the results of the Quality Assurance and Improvement Programme.*

In local government, the annual opinion should be guided by the CIPFA Framework Delivering Good Governance in Local Government.

The annual report should also include:

- *disclosure of any qualifications to that opinion, together with the reasons for the qualification*
- *disclosure of any impairments ('in fact or appearance') or restriction in scope*
- *a comparison of the work actually undertaken with the work that was planned and a summary of the performance of the internal audit function against its performance measures and targets*
- *any issues the Chief Audit Executive judges particularly relevant to the preparation of the annual governance statement*
- *progress against any improvement plans resulting from QAIP external assessment.*

In the context of the PSIAS, 'opinion' means that internal audit will have done sufficient, evidenced work to form a supportable conclusion about the activity that it has examined. Internal audit will word its opinion appropriately if it cannot give reasonable assurance (e.g. because of limitations to the scope of, or adverse findings arising from, its work)."

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How an Audit Opinion is Formed

Internal Audit's risk-based plan must take into account the requirement to produce an annual internal audit opinion. Accordingly, the Audit Plan must incorporate sufficient work to enable the Audit Manager to give an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.

Audit Opinion

Possible Overall Opinions

The Audit Manager's opinion relative to the organisation as a whole could fall into one of the following 3 categories:

- **Inadequate System of Internal Control** – Findings indicate significant control weaknesses and the need for urgent remedial action. Where corrective action has not yet started, the current remedial action is not, at the time of the audit, sufficient or sufficiently progressing to address the severity of the control weaknesses identified.

- **Adequate System of Internal Control Subject to Reservations** – A number of findings, some of which are significant, have been raised. Where action is in progress to address these findings and other issues known to management, these actions will be at too early a stage to allow a satisfactory audit opinion to be given.

- **Satisfactory System of Internal Control** - Findings indicate that on the whole, controls are satisfactory, although some enhancements may have been recommended.

Quality Assurance and Improvement Programme

A quality assurance and improvement programme is designed to enable an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

Public Sector Internal Audit Standards state:

> **Public sector requirement**
>
> The results of the quality and assurance programme and progress against any improvement plans must be reported in the annual report.

Extracted from Public Sector Internal Audit Standards Updated March 2017 - 1320 Reporting on the Quality Assurance and Improvement Programme

Public Sector Internal Audit Standard 1312 also requires that:

"External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation."

Assessments are based on the following 3 ratings:

- **Generally Conforms** - means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards.

- **Partially Conforms** - means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner.

- **Does Not Conform** - means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

An external quality assessment of the internal auditing activities of CMAP was undertaken during the period February – April 2017 and identified some opportunities for further improvement and development. The consultant provided an update position on our overall conformance with the Standards in September 2017 and reassessed our conformance as follows:

	Number of standards	Generally Conforms	Partially Conforms	Does Not Conform
Code of Ethics	4	4	0	0
Attribute Standards	19	19	0	0
Performance Standards	33	33	0	0

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As required, we have also undertaken a self-assessment against the Standards in December 2018 using the tool specifically developed by the Institute of Internal Auditors (IIA) for this purpose.

We have determined that CMAP **Generally Conforms** ' to the Standards. 'Generally Conforms' means the evaluator has concluded that the relevant structures, policies, and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of the individual *Standard* or element of the Code of Ethics in all material respects. For the sections and major categories, this means that there is general conformance to a majority of the individual *Standards* or elements of the Code of Ethics, and at least partial conformance to the others, within the section/category. There may be significant opportunities for improvement, but these must not represent situations where the activity has not implemented the *Standards* or the Code of Ethics, has not applied them effectively, or has not achieved their stated objectives. As indicated above, general conformance does not require complete/perfect conformance, the ideal situation, successful practice, etc.

As such, CMAP has identified a number of actions for improvement some of which are listed in the Improvement Plan section at the end of this report.

Audit Opinion 2018-19

Based on the work undertaken during the year, I have reached the overall opinion that there is a **Satisfactory System of Internal Control** - Findings indicate that on the whole, controls are satisfactory, although some enhancements may have been recommended.

I have arrived at this opinion having regard to the following:

- The level of coverage provided by Internal Audit was considered adequate.

- Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the organisation's control environment is operating effectively.

- Our organisational independence and objectivity has not been subject to any impairment in fact or appearance; nor has the scope of our work been restricted in any way.

- Our insight gained from our interactions with Senior Management and the Audit Committee.

- The 2018-19 Internal Audit Plan, approved by the Audit Committee on 11 March 2019, was informed by Internal Audit's own assessment of risk and materiality in addition to consultation with Senior Management to ensure it aligned to the organisation's key risks and objectives.

- The 2018-19 Internal Audit Plan was subject to a number of changes during the year to accommodate emerging risks and a complex investigation. The investigation was undertaken in the Neighbourhood & Environment area of the Depot. Following this investigation we evaluated the adequacy of a number of systems and process at the Depot and some related ICT issues. The report identified a number of system weaknesses and received a Limited assurance rating. Management has made determined efforts to address the weakness in control; immediate actions were taken to address the urgent issues identified and a series of longer term actions were identified to review the soundness of supporting policies and controls in a wider Council review, which is still in progress.   Management have utilized their performance management system, Pentana, to follow up the weaknesses identified and these are discussed regularly at meetings of the Council's Corporate Leadership Team to ensure that progress continues to be made. This measure is in addition to our routine follow-up procedures. I will continue to keep a watching brief on the implementation of these actions.

- The following tables summarise the 2018-19 Audit Plan assignments and their outcomes as well as those assignments from the 2017-18 Audit Plan which were still ongoing in 2018-19.

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2018-19 Jobs	Status	% Complete	Assurance Rating
Anti-Fraud	Draft Report	95%	N/A
Data Protection	Final Report	100%	N/A
Electoral Services	Final Report	100%	Comprehensive
Treasury Management/Banking Services	Final Report	100%	Reasonable
Web Server Security	Final Report	100%	Reasonable
Risk Registers	Final Report	100%	Reasonable
Commercial Property Portfolio	Draft Report	95%	Reasonable *
Universal Credit	Final Report	100%	Comprehensive
Council Tax & NDR	Final Report	100%	Comprehensive
Transport Stocks & Stores	Final Report	100%	Reasonable
Waste Management/ Whitespace	Final Report	100%	Reasonable
Safeguarding	Final Report	100%	Reasonable
Fleetwave	Final Report	100%	Limited
Licensing	Final Report	100%	Reasonable
Housing Stocks & Stores	Final Report	100%	Comprehensive
Depot Investigation	Final Report	100%	Limited

* Assurance rating yet to be finalised

B/Fwd Jobs	Status	% Complete	Assurance Rating
Capital Accounting	Final Report	100%	Comprehensive
Fixed Assets	Final Report	100%	Comprehensive
Housing Benefit & Council Tax Support	Final Report	100%	Comprehensive
Housing Lettings/Allocations	Final Report	100%	Reasonable
Contract Management	Final Report	100%	Limited
Health & Safety	Final Report	100%	Comprehensive
ICT Performance Management	Final Report	100%	Reasonable
Payroll	Final Report	100%	Reasonable
Commercial Property Investment	Final Report	100%	Reasonable
Pest Control	Final Report	100%	Limited

- Of the 26 substantially completed assignments, 20 attracted either a Comprehensive or Reasonable assurance rating and 4 assignments were given a Limited assurance rating. There were also pieces of work on Data Protection and Anti-fraud that could not be assigned an assurance rating due to the nature of the review. From the completed assignments a total of 119 recommendations were made; 77 of these were considered to present a low risk; 41 were considered to present a moderate risk; with 1 remaining presenting a significant risk. There were no critical risk recommendations made. The significant risk recommendation has been implemented. Although there were a number of moderate risk recommendations made, they were not significant in aggregate to the system of internal control.

- Of the 7 **Key Financial System** audits undertaken in 2018-19, all were finalised and attracted either a Comprehensive or Reasonable overall assurance rating. These audit assignments identified 21 recommendations, 20 of which were classified as low risk and 1 was considered a moderate risk.

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- Of the 9 **System/Risk** audits undertaken in 2018-19, 7 were finalised and attracted either a Comprehensive or a Reasonable overall assurance rating and 1 attracted a Limited assurance rating. A total of 43 recommendations were made; 13 of which were considered to present a moderate risk, 29 were judged as low risk and 1 a significant risk. The significant risk recommendation arose in the audit of Fleetwave, the Council's Fleet Management System:

  o 'Consortium wide system administrator roles existed within the Fleet Management system, which allowed officers to both view the personal data of other Councils' drivers, and also grant access to fellow employees to view the personal data of other Councils. Furthermore, the Council could not accurately determine which non-Ashfield DC officers in the consortium could view and grant access to their personal and sensitive information within Fleetwave.'

  This issue has now been addressed.

  The remaining assignment considered the management of the Council's Commercial Property Portfolio. The Council is increasingly reliant on commercial property income and with this brings increased risk which must be managed appropriately. The audit focused on ensuring that the portfolio of commercial investments held by the Council is being adequately managed and monitored.   The report is yet to be finalised but has provisionally attracted a Reasonable assurance rating.

- All of the 4 **Governance/Ethics** audits undertaken during 2018-19 have been finalised. The 3 assignments judged as Comprehensive or Reasonable resulted in 12 recommendations; 6 of which were considered to represent a moderate risk and 6 a low risk. A further assignment on Data Protection did not have an assurance rating and produced one moderate risk recommendation.

- The 2 **IT Audits** were all completed during 2018-19 and attracted a Reasonable assurance rating. A total of 15 recommendations were made, 5 of which were moderate risk recommendations and 10 low risk.

- Of the 3 **Anti-fraud** audits undertaken in 2018-19, 2 were finalised and both attracted Limited assurance ratings.

  o A Pest Control System Weakness report resulted from a whistleblowing investigation carried out in 2017-18. This report made 5 moderate risk recommendations and 1 low risk recommendation. 3 of the moderate risk recommendations have been implemented, however Management are still in the process of implementing the remaining recommendations.

  o As noted, following a complex investigation in the Neighbourhood & Environment area of the Depot, a Systems Weakness report was carried out to evaluate the adequacy of a number of systems and processes at the Depot. A total of 14 recommendations were made, of which 8 were low risk and 6 were moderate risk recommendations. To date, 4 recommendations have been implemented, 3 are in the process of being implemented and 7 have a future action date.

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A further piece of anti-fraud work was carried out by Derby City Council's Counter Fraud Team which reviewed the progress made by the Council with regard to NFI and data matching; this was a Significant Issue identified in the Council Annual Governance Statement 2017-18. A separate review of Council Tax Single Person Discount has also been carried out for the Council and will be reported to Audit Committee. We considered this work and reviewed the development of the Council's corporate approach. This assignment has yet to be finalised but will make recommendations to enable the Council to refresh its approach and determine an action plan to prioritise improvements and embed an anti-fraud culture.   An assurance rating is not applicable for this piece of work.

- The 1 **Procurement/Contract** audit finalised during 2018-19 attracted an overall assurance rating of Limited. This audit considered the arrangements in place regarding the Council's contracts register and the Council's reporting requirements under the procurement element of the Local Government Transparency Code 2015. The assignment identified 7 recommendations, 3 of which were classified as low risk and 4 were considered a moderate risk. All of the recommendations have now been implemented.

This opinion is provided with the following caveats:

- The opinion does not imply that Internal Audit has reviewed all risks, controls and governance arrangements relating to the Council. The opinion is substantially derived from the conduct of risk-based audit work and as such, it is only one component that is taken into account when producing the Council's Annual Governance Statement.

- No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give absolute assurance.

- Full implementation of all agreed actions is essential if the benefits of the control improvements detailed in each individual audit report are to be realised.
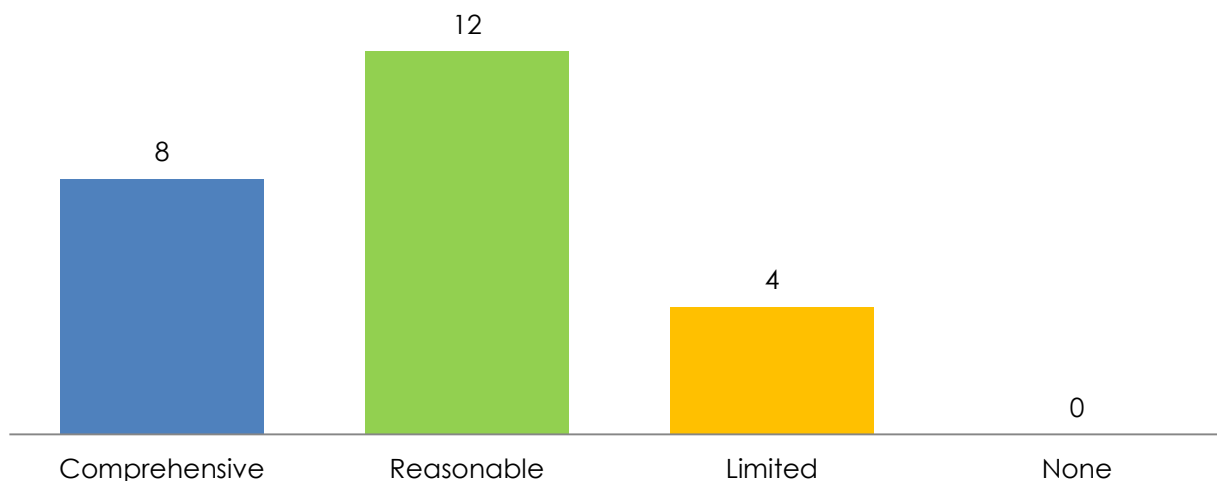
Audit Coverage

Assurances Provided

The following table seeks to summarise the extent of audit coverage provided to Ashfield District Council during 2018-19 and the assurance ratings associated with each audit assignment.

Summary of Audit Plan 2018-19 Results (incl. Jobs B/Fwd)	Type of Review						Totals
	Key Financial System	System/ Risk	Governance /Ethics	IT Audit	Anti-Fraud	Procurement /Contract	
Not Yet Complete							
Comprehensive	5	2	1				8
Reasonable	2	6	2	2			12
Limited		1			2	1	4
None							
N/A			1		1		2
	7	9	4	2	3	1	26

Assurances Provided 2018-19

Assurance Ratings Explained

Comprehensive - We are able to offer comprehensive assurance as the areas reviewed were found to be adequately controlled. Internal controls were in place and operating effectively and risks against the achievement of objectives were well managed.

Reasonable - We are able to offer reasonable assurance as most of the areas reviewed were found to be adequately controlled. Generally risks were well managed, but some systems required the introduction or improvement of internal controls to ensure the achievement of objectives.

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Limited - We are able to offer limited assurance in relation to the areas reviewed and the controls found to be in place. Some key risks were not well managed and systems required the introduction or improvement of internal controls to ensure the achievement of objectives.

None - We are not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks were not being well managed and systems required the introduction or improvement of internal controls to ensure the achievement of objectives.

N/A – The type of work undertaken did not allow us to reach a conclusion on the adequacy of the overall level of internal control.

These assurance ratings are determined using our bespoke modelling technique which takes into account the number of control weaknesses identified in relation to those examined, weighted by the significance of the risks.

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Audit Plan Assignments 2018-19

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Treasury Management & Banking Services	Reasonable			1	4	60%
Universal Credit	Comprehensive				3	100%
Council Tax & NDR	Comprehensive				1	100%
Capital Accounting	Comprehensive				3	67%
Fixed Assets	Comprehensive				1	100%
Housing Benefits & Council Tax Support	Comprehensive				3	100%
Payroll	Reasonable				5	100%
Electoral Services	Comprehensive				4	75%
Commercial Property Management	Reasonable*					n/a
Transport Stocks & Stores	Reasonable			2	5	100%
Waste Management/ Whitespace	Reasonable			1	4	40%
Safeguarding	Reasonable			2	3	20%
Fleetwave	Limited	1		4	2	43%
Licensing	Reasonable			3	4	86%
Housing Stocks & Stores	Comprehensive				4	100%
Housing Lettings/Allocations	Reasonable			1	3	100%
Data Protection	N/A			1		100%
Risk Registers	Reasonable			2	3	0%
Health & Safety	Comprehensive				3	67%
Commercial Property Investment	Reasonable			4		100%
Web Server Security	Reasonable			2	8	100%
ICT Performance Management	Reasonable			3	2	60%
Anti-Fraud	N/A					n/a
Whistleblowing - Pest Control	Limited			5	1	50%
Depot Investigation	Limited			6	8	29%
Contract Management	Limited			4	3	100%
TOTALS			**1**	**41**	**77**	**69%**

* Assurance rating yet to be finalised

Original Plan 2018-19

A number of changes were made to the Audit Plan in year to accommodate emerging risks and the Depot Investigation. These changes were reported to Audit Committee throughout the year. The following table shows the original Audit Plan 2018-19 for comparison purposes.
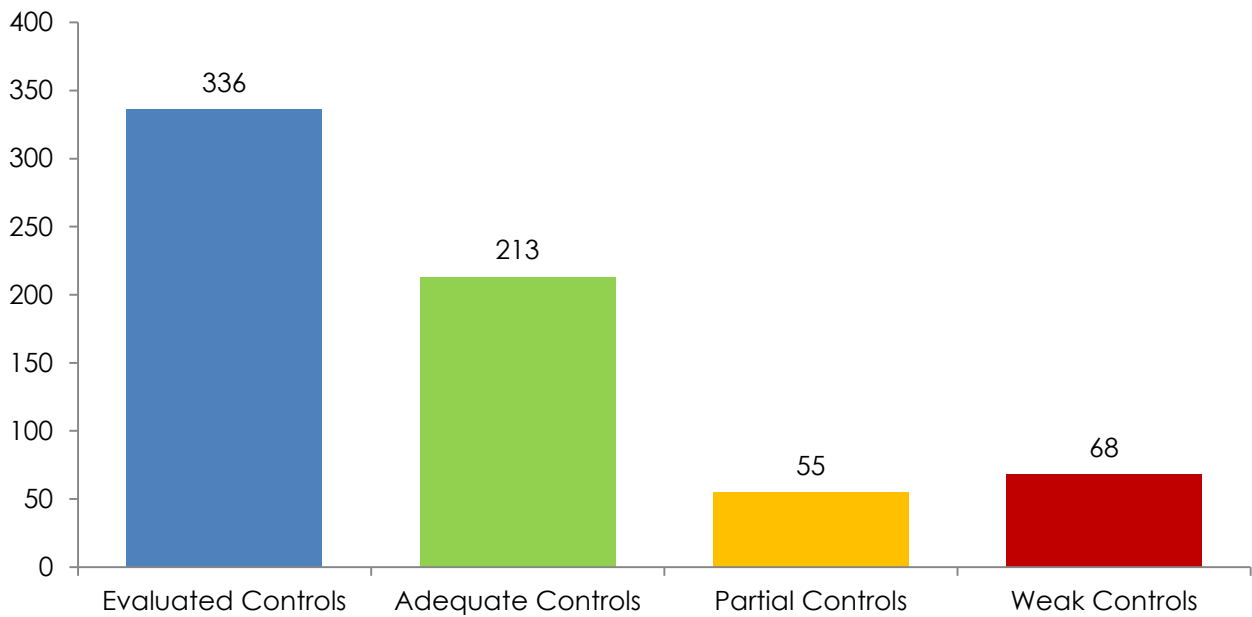
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Ashfield District Council – Audit Plan 2018-19	Risk Score	Risk Rating	Plan Days	Type of Audit
Legal & Governance				
Legal Services				
Anti-Fraud & Corruption	53	Medium	10	Anti-Fraud/Probity/Investigation
Information Governance	51	Medium	10	Governance/Ethics Review
Electoral Services				
Electoral Services	50	Medium	10	Systems/Risk Audit
Legal & Governance Total Days			**30**	
Resources & Business Transformation				
Finance				
Treasury Management/Banking Services	60	High	10	Key Financial System
ICT				
IT Applications	67	High	15	*IT Audit*
ICT Infrastructure	72	High	15	*IT Audit*
Corporate Performance & Improvement				
Corporate Improvement/Transformation	65	High	15	Governance/Ethics Review
Risk Registers	51	Medium	10	Governance/Ethics Review
Commercial & Property				
Commercial Property Portfolio	64	High	15	Systems/Risk Audit
Revenues & Customer Services				
Housing Benefit & Council Tax Support	63	High	15	*Key Financial System*
Council Tax	53	Medium	10	Key Financial System
NDR	60	High	10	Key Financial System
Customer Services/E-Payments	51	Medium	10	Systems/Risk Audit
Resources & Business Transformation Total Days			**125**	
Place & Communities				
Waste & Environment				
Refuse Collection / Recycling / Trade Waste etc	52	Medium	10	Systems/Risk Audit
Outdoor Recreation	46	Medium	10	*Systems/Risk Audit*
Community Protection Hub				
Safeguarding	53	Medium	10	Systems/Risk Audit
Partnership Governance	50	Medium	10	Governance/Ethics Review
Locality & Community Empowerment				
Leisure Centres	52	Medium	15	Systems/Risk Audit
Place & Communities Total Days			**55**	
Housing & Assets				
Lettings & Strategic Housing				
Strategic Housing	51	Medium	10	Systems/Risk Audit
Housing Operations				
Stocks & Stores	46	Medium	15	Systems/Risk Audit
Procurement (Shared Service with Bassetlaw DC)				
Procurement	59	High	15	*Procurement/Contract Audit*
Housing & Assets Total Days			**40**	

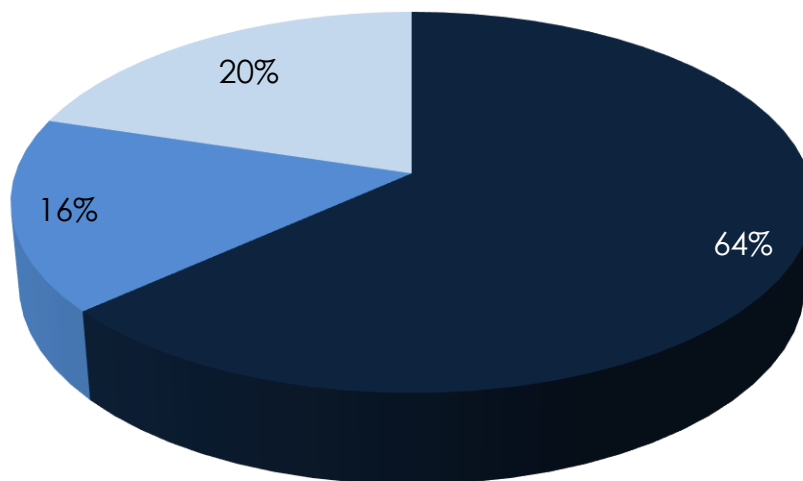# Ashfield District Council – Internal Audit Annual Report 2018-19

Internal Controls Examined

For those audits finalised during 2018-19, we established the following information about the controls examined:

Internal Controls 2018-19

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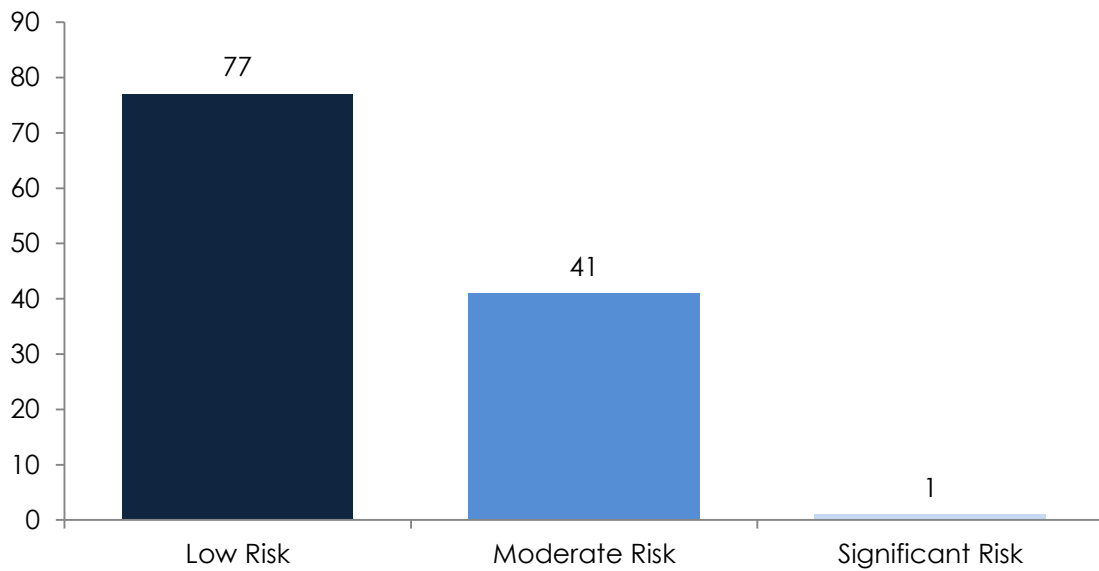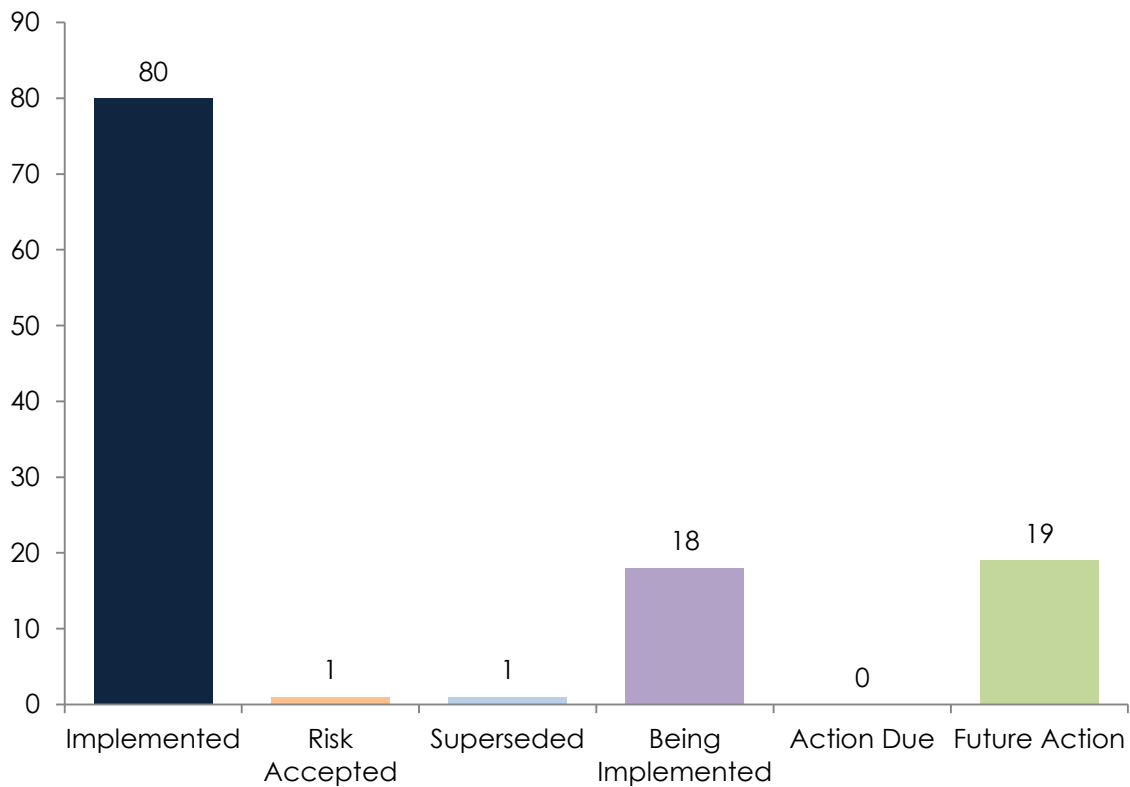
Recommendations Made

The control weaknesses identified above resulted in 119 recommendations which suggested actions for control improvements. The following table and charts show where the recommendations came from, how the recommendations were risk rated and the current status of all recommendations made in 2018-19:

Audit Assignments Completed in Period	Type of Review	Recommendations Status			
		Total Closed	Action Due	Being Implemented	Future Action
Treasury Management & Banking Services	Key Financial System	3			2
Universal Credit	Key Financial System	3			
Council Tax & NDR	Key Financial System	1			
Capital Accounting	Key Financial System	2		1	
Fixed Assets	Key Financial System	1			
Housing Benefits & Council Tax Support	Key Financial System	3			
Payroll	Key Financial System	5			
Electoral Services	System/Risk	3		1	
Commercial Property Portfolio	System/Risk				
Transport Stocks & Stores	System/Risk	7			
Waste Management/ Whitespace	System/Risk	2		3	
Safeguarding	System/Risk	1			4
Fleetwave	System/Risk	3		4	
Licensing	System/Risk	6			1
Housing Stocks & Stores	System/Risk	4			
Housing Lettings/Allocations	System/Risk	4			
Data Protection	Governance/Ethics	1			
Risk Registers	Governance/Ethics			1	4
Health & Safety	Governance/Ethics	2			1
Commercial Property Investment	Governance/Ethics	4			
Web Server Security	IT Audit	10			
ICT Performance Management	IT Audit	3		2	
Anti-Fraud	Anti-Fraud				
Whistleblowing - Pest Control	Anti-Fraud	3		3	
Depot Investigation	Anti-Fraud	4		3	7
Contract Management	Procurement/Contract	7			
Totals		**82**		**18**	**19**

Recommendations Made 2018-19

Bar chart showing Recommendations Made 2018-19:
- Low Risk: 77
- Moderate Risk: 41
- Significant Risk: 1

Action Status of 2018-19 Recommendations

Bar chart showing Action Status of 2018-19 Recommendations:
- Implemented: 80
- Risk Accepted: 1
- Superseded: 1
- Being Implemented: 18
- Action Due: 0
- Future Action: 19

2018-19 Recommendations Status
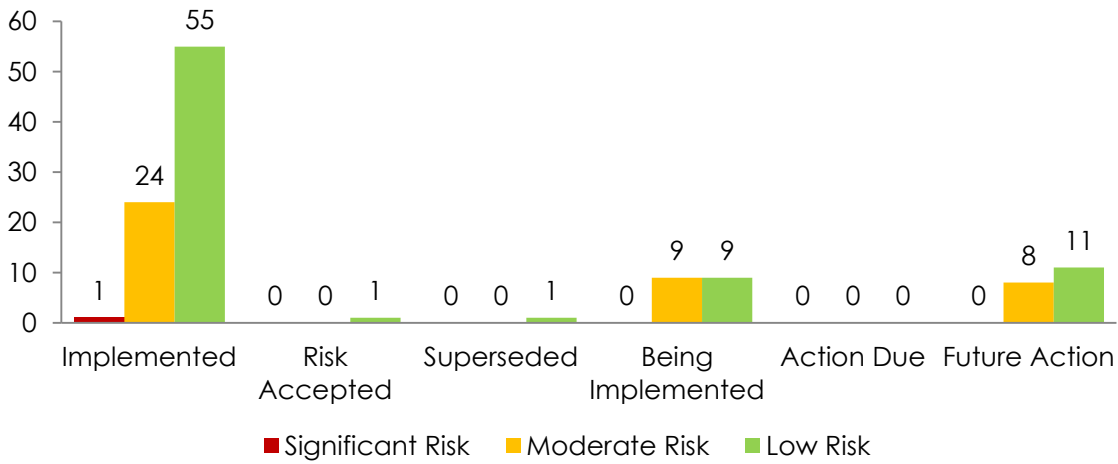
Performance Measures

Customer Satisfaction Returns 2018-19

	Excellent	Good	Fair	Poor	Very Poor
	15	4	0	0	0

Plan Progress 2018-19

	Not Started	In Progress	Fieldwork Complete	Draft Report	Final Report
	0	0	0	2	24
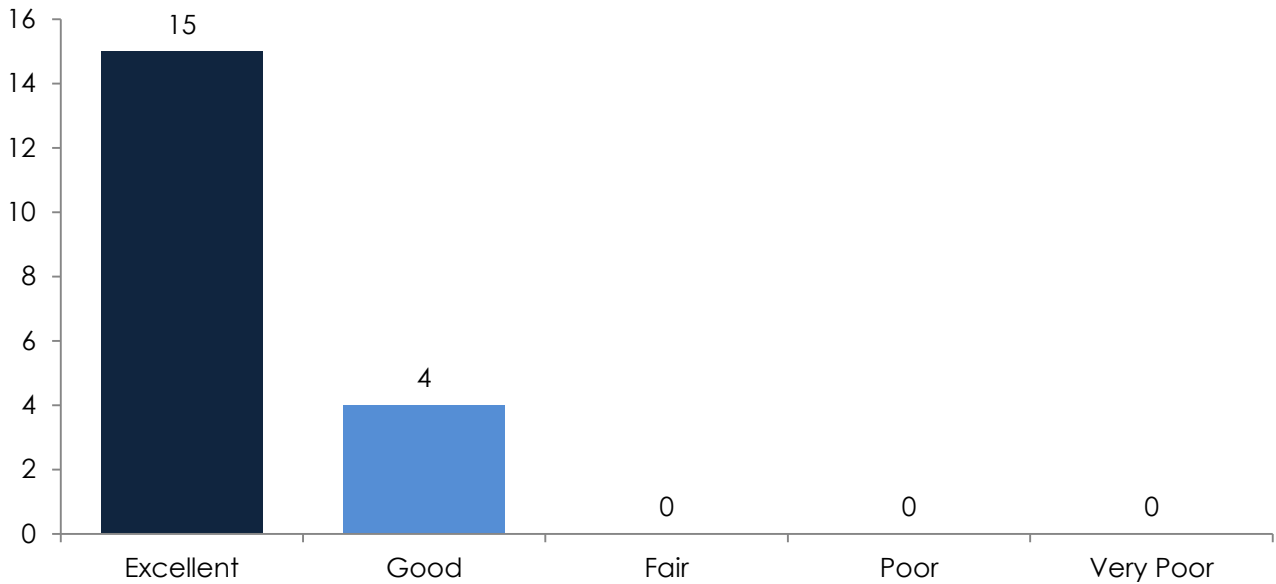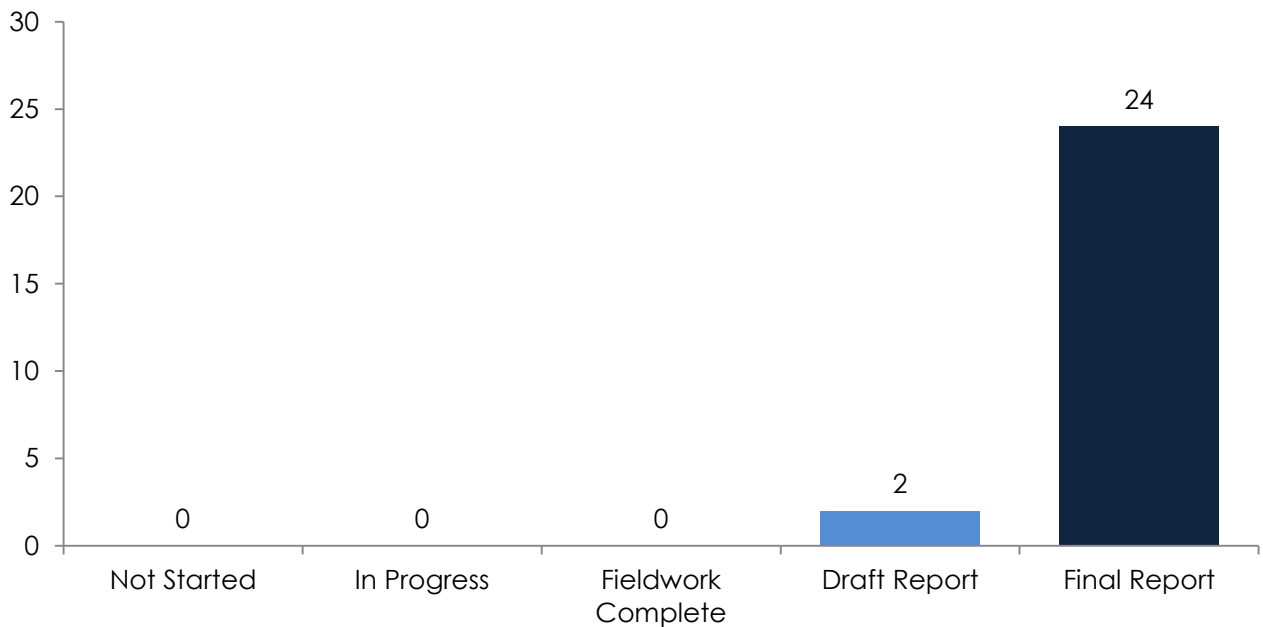
QAIP – Improvement Plan

ACTIONS
1. We need to seek satisfaction feedback from Audit Committees & Senior Management on whether the Audit Plan focuses on the things that matter to the organisation and whether our opinion and recommendations are valued and help the organisation.
2. We must continue to heighten our profile by building on the relationship management already established with each partner organisation. i.e. Regular meetings with senior management and regular on-site presence.
3. To avoid any perceived conflicts of interest, we need to re-iterate/emphasise our rules and individual responsibilities to matters concerning the impairment of our professional judgement.
4. Our Record Retention Policy needs to be refined and expanded to include temporary records not held on Derby City Council's (DCC) network drive. Potentially need to issue procedural guidance to supplement the policy. The ethical use of information gathered during audits, needs to be emphasised.
5. We need to map competency levels of staff over the various audit disciplines (e.g. contract, IT, probity, investigations etc.) that we can link to audit engagements to demonstrate that the staff assigned are appropriate.
6. To show our commitment to staff retention and development, we also need to ensure that: • staff complete the Audit Management System in respect of any training received,   • we undertake performance management in accordance with the hosts requirements and   • we produce a Training & Development Plan to demonstrate a culture of continuous improvement which considers the needs of individuals.
7. To ensure that the Audit Charter is reviewed and approved by the board we should develop a reporting timetable for each Audit Committee that defines what needs to go to each Committee during the year ahead.
8. We need to make a declaration on whether there are any perceived conflicts of interest with any other assurance providers which the Chief Audit Executive (CAE) is relying upon when forming an opinion.
9. We must seek to ensure that the organisational changes at DCC do not impair the independence of the CAE by getting operational responsibilities for non-audit functions.
10. We need to establish a robust process for engaging capable assistance when resource shortfalls exist (e.g. contracts for Co-sourcing, specialists service providers etc.)

11. We must ensure that our Audit Manual is complete, up-to-date, readily available and used by all audit staff.

12. To ensure that audit engagements are supported by appropriate tools, we need to encourage Auditors greater use of Computer Assisted Audit Techniques (e.g. IDEA and analytical Excel functions) and consider whether it would be beneficial to record when they have been used to identify potential development opportunities.

13. Complete this self–assessment and produce a revised QAIP and Action Plan for reporting to all necessary parties.

14. To demonstrate stakeholder engagement with the process, we need to ensure that the QAIP Action Plan is a standard agenda item on both Operational Management group and at Audit Section meetings.

15. To ensure that we are managing risks to the internal audit activity appropriately and effectively, we need to try and improve the financial monitoring information produced for CMAP and produce a Business Plan that demonstrates that the internal audit activity is adding value to each organisation.

16. To ensure the CAE communicates significant interim changes to plans and resource requirements, we could improve the way we plan/report the use of contingency time for certain partners.

17. Need to add an area to record other assurance providers to our individual assignment risk assessments, we need to consider how we can incorporate this information into our overall risk assessment process and our overall opinion and how the other assurance provider information we gather can be used to demonstrate the overall Assurance 'map' for each organisation.

18. To support the improvement of the organisation's governance framework, we need to undertake consultancy work to facilitate the self-assessment of the effectiveness of the Audit Committee at all partner organisations as well as develop a suite of Audit Committee training courses.

19. We need to consider how we could systematically evaluate the potential for the occurrence of fraud at each partner organisation and how each organisation manages fraud risk.

20. To demonstrate each work programme has been appropriately approved, we need to continue to develop the controls/risk/tests selection from a searchable database in the AMS (which will automatically generate the control evaluation) which incorporates attributes for each control (such as risk type, control type) so we can better demonstrate our coverage and the scrutiny and approval of that coverage by audit management. We need to continue to gather control/risk/test data from existing audit ready for import into the database.