

# Eastern Internal Audit Services



## BRECKLAND DISTRICT COUNCIL

### Strategic and Annual Internal Audit Plans 2018/19

Responsible Officer: Head of Internal Audit

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## 1. INTRODUCTION

- 1.1 The Accounts and Audit Regulations 2015 require that “a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) mandate a periodic preparation of a risk-based plan, which must incorporate or be linked to a strategic high level statement on how the internal audit service will be delivered and developed in accordance with the charter and how it links to the organisational objectives and priorities, this is set out in the Internal Audit Strategy.
- 1.3 Risk is defined as 'the possibility of an event occurring that will have an impact on the achievement of objectives'. Risk can be a positive and negative aspect, so as well as managing things that could have an adverse impact (downside risk) it is also important to look at potential benefits (upside risk).
- 1.4 The development of a risk-based plan takes into account the organisation's risk management framework. The process identifies the assurance (and consulting) assignments for a specific period, by identifying and prioritising all those areas on which objective assurance is required. This is then also applied when carrying out individual risk based assignments to provide assurance on part of the risk management framework, including the mitigation of individual or groups of risks.
- 1.5 The following factors are also taken into account when developing the internal audit plan:
  - Any declarations of interest so as to avoid conflicts of interest;
  - The requirements of the use of specialists e.g. IT auditors;
  - Striking the right balance over the range of reviews needing to be delivered, for example systems and risk based reviews, specific key controls testing, value for money and added value reviews;
  - The relative risk maturity of the Council;
  - Allowing contingency time to undertake ad-hoc reviews or fraud investigations as necessary;
  - The time required to carry out the audit planning process effectively as well as regular reporting to and attendance at Governance and Audit Committee, the development of the annual report and opinion and the Quality Assurance and Improvement Programme.
- 1.6 In accordance with best practice the Governance and Audit Committee should '*review and assess the annual internal audit work plan*'.

## 2. AUDIT CHARTER

- 2.1 The Internal Audit Charter (the Charter) was developed as part of the planning process in 2014/15 and incorporated the requirements of the PSIAS, this was updated in 2015/16 to more accurately reflect the working arrangements with the Internal Audit Contractor – TIAA Ltd.
- 2.2 The Charter was updated in 2017 to also reflect the updates made, the new Internal Professional Practices Framework (IPPF) and PSIAS – and in particular the mission statement and core principles. The Charter now also more explicitly includes reference to the

mandatory nature of the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, and the International Standards.

- 2.3 There is an obligation under the PSIAS for the Charter to be periodically reviewed and presented. This Charter is therefore reviewed annually by the Head of Internal Audit to confirm its ongoing validity and completeness, and presented to the Section 151 Officer, Senior Management and the Governance and Audit Committee every 2 years, or as required for review.
- 2.4 As part of the review of the Audit Charter the Code of Ethics are also reviewed by the Head of Internal Audit, and it is ensured that the Internal Audit Services contractor staff, as well as the Head of Internal Audit adhere to these, specifically with regard to; integrity, objectivity, confidentiality and competency. Formal sign off to acceptance of the Code of Ethics is retained by the Head of Internal Audit.

### **3. INTERNAL AUDIT STRATEGY**

- 3.1 The purpose of the Internal Audit Strategy (**see Appendix 1**) is to confirm:
  - How internal audit services will be delivered;
  - How internal audit services will be developed in accordance with the internal audit charter;
  - How internal audit services links to organisational objectives and priorities; and
  - How the internal audit resource requirements have been assessed.

### **4. STRATEGIC INTERNAL AUDIT PLAN**

- 4.1 The overarching objective of the Strategic Internal Audit Plan (**see Appendix 2**) is to provide a comprehensive programme of review work over the next three years, with each year providing sufficient audit coverage to give annual opinions, which can be used to inform the organisation's Annual Governance Statement.
- 4.2 The coverage over the forthcoming years has been discussed with Executive Management Team to ensure that audits are undertaken at the right time, at a time where value can be added, as well as ensuring sufficient coverage for an Annual Opinion on the framework of governance, risk management and control. The discussions also went into greater detail in relation to the scope of the audits for the forthcoming financial year.
- 4.3 The Strategic Plan has also taken account of the two audits that were brought forward from 2017/18; Democratic Services and Procurement & Contract Management as previously reported through to the Governance and Audit Committee.

### **5. ANNUAL INTERNAL AUDIT PLAN**

- 5.1 Having developed the Strategic Internal Audit Plan, the Annual Internal Audit Plan is an extract of this for the forthcoming financial year (**see Appendix 3**). This details the areas being reviewed by Internal Audit, the number of days for each review, the quarter during which the audit will take place and a brief summary / purpose of the review and highlights those audit reviews which we be jointly undertaken with South Holland DC.

- 5.2 The Annual Internal Audit Plan for 2018/19 totals 195 days, 160 of which is provided by Eastern Internal Audit Services and 35 days of which are provided through the arrangements in place for Anglian Revenues Partnership (ARP) arrangements.
- 5.3 The work to be provided by Eastern Internal Audit Services encompasses 15 audits, nine of which will be jointly carried out at Breckland DC and South Holland DC:
- 5.4 Audit verification work concerning audit recommendations implemented to improve the Council's internal control environment will also be undertaken throughout the financial year.
- 5.5 The Head of Internal Audit is a member of the Finance Board and attends the Performance, Risk and Audit Board as appropriate, both of which have established terms of reference. Participating in these Boards results in a greater awareness of Council business and key activities and has also resulted in good working relationships being maintained with key officers.

## 6. PERFORMANCE MANAGEMENT

- 6.1 The new Internal Audit Services contract includes a suite of key performance indicators (**see Appendix 4**) against which the new contractor will be reviewed on a quarterly basis. There are a total of 11 indicators, over 4 areas.
- 6.2 There are individual requirements for performance in relation to each indicator; however performance will be assessed on an overall basis as follows (for the first year):
  - 9-11 KPIs have met target = Green Status.
  - 5-8 KPIs have met target = Amber Status.
  - 4 or below have met target = Red Status.

Where performance is amber or red a Performance Improvement Plan will be developed and agreed with the contractor to ensure that appropriate action is taken.

- 6.3 Performance in relation to these indicators will be reported to the Committee as part of the Progress Reports and the Annual Report and Opinion, ensuring that Members are kept up to date on a regular basis.

## APPENDIX 1 – INTERNAL AUDIT STRATEGY

### EASTERN INTERNAL AUDIT SERVICES BRECKLAND AND SOUTH HOLLAND DISTRICT COUNCILS

#### INTERNAL AUDIT STRATEGY FOR 2018/19

#### 1. Introduction

- 1.1 The Internal Audit Strategy is a high-level statement of;
- how the internal audit service will be delivered;
  - how internal audit services will be developed in accordance with the internal audit charter;
  - how internal audit services links to the organisational objectives and priorities; and
  - how the internal audit resource requirements have been assessed.

The provision of such a strategy is set out in the Public Sector Internal Audit Standards (the standards).

- 1.2 The purpose of the strategy is to provide a clear direction for internal audit services and creates a link between the Charter, the strategic plan and the annual plan.

#### 2. How the internal audit service will be delivered

- 2.1 The Role of the Head of Internal Audit and contract management is provided by South Norfolk Council to; Breckland, Broadland, North Norfolk, South Holland and South Norfolk District Councils, Great Yarmouth Borough Council and The Broads Authority. All Authorities are bound by a Partnership Agreement.
- 2.2 The delivery of the internal audit plans for each Authority is provided by an external audit contractor, who reports directly to the Head of Internal Audit. The current contract is with TIAA Ltd, and commenced on 1 April 2015, for an initial period of 5 years.

#### 3. How internal audit services will be developed in accordance with the internal audit charter

##### 3.1 Internal Audit objective and outcomes

- 3.1.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Authority's operations. It helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- 3.1.2 The outcomes of the internal audit service are detailed in the Internal Audit Charter and can be summarised as; delivering a risk based audit plan in a professional, independent manner, to provide the Authority with an opinion on the level of assurance it can place upon the internal control environment, systems of risk management and corporate governance arrangements, and to make recommendations to improve these provisions, where further development would be beneficial.
- 3.1.3 The reporting of the outcomes from internal audit is through direct reports to senior management in respect of the areas reviewed under their remit, in the form of an audit report. The Governance and Audit Committee for each Council and the Section 151 Officer also receive:

- The Audit Plans Report, which is risk based and forms the next financial year's plan of work;
- The Progress Reports which provide summaries of the work achieved throughout the year and the individual opinions awarded on conclusion of reviews;
- The Follow Up Reports which detail the level of management action taken in respect of agreed internal audit recommendations; and
- The Annual Report and Opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

## 3.2 Internal Audit Planning

- 3.2.1 A risk-based internal audit plan (RBIA) is established in consultation with senior management that identifies where assurance and consultancy is required.
- 3.2.2 The audit plan establishes a link between the proposed audit areas and the priorities and risks of the Authority taking into account:
- Stakeholder expectations, and feedback from senior and operational managers;
  - Objectives set in the strategic plan and business plans;
  - Risk maturity in the organisation to provide an indication of the reliability of risk registers;
  - Management's identification and response to risk, including risk mitigation strategies and levels of residual risk;
  - Legal and regulatory requirements;
  - The audit universe – all the audits that could be performed; and
  - Previous IA plans and the results of audit engagements.
- 3.2.3 In order to ensure that the internal audit service adds value to the Authority, assurance should be provided that major business risks are being managed appropriately, along with providing assurance over the system of internal control, risk management and governance processes.
- 3.2.4 Risk based internal audit planning starts with the Authority's Business Plan, linking through to the priority areas and the related high-level objectives. The focus is then on the risks, and opportunities, that may hinder, or help, the achievement of the objectives. The approach also focuses on the upcoming projects and developments for the Authority.
- 3.2.5 The approach ensures; better and earlier identification of risks and increased ability to control them; greater coherence with the Authority's priorities; an opportunity to engage with stakeholders; the Committee and Senior Management better understand how the internal audit service helps to accomplish its objectives; and this ensures that best practice is followed.
- 3.2.6 The key distinction with establishing plans derived from a risk based internal audit approach is that the focus should be to understand and analyse management's assessment of risk and to base audit plans and efforts around that process.
- 3.2.7 Consultation with the Section 151 Officer and Senior Management takes place through specific meetings during which current and future developments, changes, risks and areas of concern are discussed and the plan amended accordingly to take these into account.
- 3.2.8 The outcome of this populates a strategic internal audit plan, and the resulting annual internal audit plan, which are discussed with and approved by the Executive Management team prior to these being brought to the respective Governance and Audit Committee. In addition, External Audit is also provided with early sight of the plans.



### 3.3 Internal Audit Annual Opinion

3.3.1 The annual opinion provides Senior Management and the respective Governance and Audit Committee with an assessment of the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

3.3.2 The opinion is based upon:

- The summary of the internal audit work carried out;
- The follow up of management action taken to ensure implementation of agreed action as at financial year end;
- Any reliance placed upon third party assurances;
- Any issues that are deemed particularly relevant to the Annual Governance Statement (AGS);
- The Annual Review of the Effectiveness of Internal Audit, which includes;
  - A statement on conformance with the standards and the results of any quality assurance and improvement programme,
  - the outcomes of the performance indicators and
  - the degree of compliance with CIPFA's Statement on the Role of the Head of Internal Audit.

3.3.3 In order to achieve the above internal audit operates within the standards and uses a risk based approach to audit planning and to each audit assignment undertaken. The control environment for each audit area reviewed is assessed for its adequacy and effectiveness of the controls and an assurance rating applied.

## **4. How internal audit services links to the organisational objectives and priorities**

4.1 In addition to the approach taken as outlined in section 3.2 (Internal Audit Planning), which ensures that the service links to the organisations objectives and priorities and thereby through the risk based approach adds value, internal audit also ensure an awareness is maintained of local and national Issues and risks.

4.2 The annual audit planning process ensures that new or emerging risks are identified and considered at a local level. This strategy ensures that the planning process is all encompassing and reviews the records held by the Authority in respect of risks and issue logs and registers, reports that are taken through the Authority Committee meetings, and through extensive discussions with senior management.

4.3 Awareness of national issues is maintained through the contract in place with the external internal audit provider through regular "horizon scanning" updates, and annually a particular focus provided on issues to be considered during the planning process. Membership and subscription to professional bodies such as the Institute of Internal Auditors and the CIPFA on-line query service, liaison with External Audit, and networking with, all help to ensure developments are noted and incorporated where appropriate.

## **5. How internal audit resource requirements have been assessed**

5.1 Through utilising an external audit contractor the risk based internal audit plan can be developed without having to take into account the existing resources, as you would with an in-house team, thus ensuring that audit coverage for the year is appropriate to the Authority's needs and not tied to a particular resource.



- 5.2 That said a core team of staff is provided to deliver the audit plan, and these staff bring with them considerable public sector knowledge and experience. These core staff can be supplemented with additional staff should the audit plan require it, and in addition specialists, e.g. computer auditors, contract auditor, fraud specialists, can be drafted in to assist in completing the internal audit plan and focusing on particular areas of specialism.
- 5.3 All audit professionals are encouraged to continually develop their skills and knowledge through various training routes; formal courses of study, in-house training, seminars and webinars. As part of the contract with TIAA Ltd the contractor needs to ensure that each member of staff completes a day's training per quarter.

## APPENDIX 2 – STRATEGIC INTERNAL AUDIT PLAN

Audit Area	Last reviewed & assurance	Associated risk or critical activity	Joint?	2018/19	2019/20	2020/21
<b>Annual Opinion / Governance audits</b>						
Corporate Governance	2016/17 Reasonable 2017/18 - Audit Due	Integral to all critical activities	√	4	4	4
Risk Management	Due 2017/18	Integral to all critical activities	√		3	
Corporate Performance and Corporate Plan	2017/18 - Substantial	Integral to all critical activities	√		7	
Procurement and Contract Management	2017/18 - cf to 2018/19	CA09 Commercial approach	√	8		8
Key Controls and Assurance	2015/16 - Reasonable 2016/17 - Substantial 2017/18 - audit due	High risk due to links to Statement of Accounts		10	10	10
ARP Governance	2014/15 - Substantial	Medium risk due to necessity to deliver a high quality service to a number of Councils		8		
Transformation Programme - benefits realisation	Management request	CA08 - Deliver transformation programme to drive through efficiencies & achieve resilience	√	6	6	6
<b>Fundamental Financial Systems</b>						
Accountancy Services includes control accounts, banking, bank reconciliation, asset register, budgetary control, insurance and treasury management	2015/16 - Substantial 2017/18 - Substantial	High risk due to links to Statement of Accounts			16	
Accounts Payable	2016/17 - Substantial	High risk due to links to Statement of Accounts		12		12
Accounts Receivable	2015/16 - Reasonable 2017/18 - Substantial	High risk due to links to Statement of Accounts			10	
Income	2015/16 - Substantial 2017/18 - Reasonable	High risk due to links to Statement of Accounts			8	
Payroll and Human Resources includes officers expenses, car loans and leased cars	2016/17 - Reasonable	High risk due to links to Statement of Accounts	√	15		17

Audit Area	Last reviewed & assurance	Associated risk or critical activity	Joint?	2018/19	2019/20	2020/21
<b>Directorate audits</b>						
<b>Executive Director Commercialisation</b>						
Breckland Bridge	2016/17 - Substantial	CA09 Commercial approach		10		
Asset Management	2016/17 - Substantial	CA09 Commercial approach			10	
Delivery Unit Team	New area for review	CA09 Commercial approach	√	6		
Strategic Housing	2016/17 - Reasonable (Affordable Housing)	CA21 Housing Solutions			10	
Economic Development	ERDF funding previously reviewed			10		
<b>Executive Director Strategy and Governance</b>						
Licensing and Business Support	2016/17 - Reasonable	CA12 Regulatory services	√		5	
Corporate Health and Safety	2016/17 - Reasonable	CA12 Regulatory services	√		3	
Environmental Protection	2017/18 - Limited	CA12 Regulatory services	√	8		
Food, Health & Safety	2012/13 - Limited	CA12 Regulatory services	√	8		8
Democratic Services	2015/16 - Substantial cf to 2018/19	CA11 Skills	√	8		
Elections and Electoral Registration	2017/18 - Reasonable	CA12 Regulatory services	√			8
<b>Executive Director Place</b>						
Housing needs, allocation, homelessness and housing register	2016/17 - Limited (housing register, homelessness, temp accommodation & rent deposits)	CA21 Housing Solutions		10		10
Private Sector Housing includes DFGs, empty properties & enforcement, HMO licensing & standards	2017/18 - audit due	CA21 Housing Solutions			10	
Community development and safety	2015/16 - Reasonable 2017/18 - Substantial	CA06 Reduce & prevent crime				8
Leisure (PFI)	2015/16 - Substantial	CA20 Health & Wellbeing			10	

<b>Audit Area</b>	<b>Last reviewed &amp; assurance</b>	<b>Associated risk or critical activity</b>	<b>Joint?</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Environmental Services - contract management (SERCO), refuse collection, street cleansing, recycling, grounds maintenance and abandoned vehicles. Also includes review of JV	2012/13 - Substantial 2016/17 - Reasonable 2017/18 - Reasonable	CA09 Commercial approach			18	
Planning - contract management (CAPITA), development control, enforcement, s106 agreements, land charges	2015/16 - Reasonable 2017/18 - Reasonable	CA12 Regulatory services			18	
Building Control	2015/16 - Limited 2017/18 - Reasonable	CA12 Regulatory services			8	
<b>ICT Audits</b>						
IT audits	2016/17 - various 2017/18 - project review & input 2018/19 - ISO reviews	Integral to all critical activities	v	25	25	25
<b>Follow Up of audit recommendations</b>						
All previous audits BRK				12	12	12
<b>Total number of days delivered by EIAS</b>				<b>160</b>	<b>193</b>	<b>128</b>
<b>ARP Service area audits</b>						
Council Tax	2016/17 - Reasonable	CA12 Regulatory services		11	11	11
National Non Domestic Rates	2016/17 - Limited	CA12 Regulatory services		11	11	11
Benefits	2016/17 - Reasonable	CA12 Regulatory services		13	13	13
<b>Days provided by other Internal Audit Services</b>				<b>35</b>	<b>35</b>	<b>35</b>
<b>Total Internal Audit provision</b>				<b>195</b>	<b>228</b>	<b>163</b>

### APPENDIX 3 – ANNUAL INTERNAL AUDIT PLAN

Audit Area	No of days	Q1	Q2	Q3	Q4	Joint?	Notes
<b>Annual Opinion / Governance audits</b>							
Corporate Governance	4			4		v	The General Data Protection Regulation comes into force in May 2018, the Council's have an action plan that they need to work towards to ensure that they meet the requirements of this legislation. This focus will review the progress to date in this key area and ensure that robust controls are in place.
Procurement & Contract Management	8	8				v	This audit has been brought forward from 2017/18 to allow the new team time to embed at both Councils. The audit scope is; the recent procurement exercises and awards of contracts, to ensure these have been carried out in line with relevant legislation and the financial procedure rules. As it is also a requirement of the Public Contract Regulations 2015 (Regulations 22 and 53) that local authorities are required to offer e-procurement by April 2017, this will also be focused on.
Key Controls & Assurance	10				10		This is an annual review of key controls that feed into the Statement of Accounts, for those systems not subject to an audit review within the year. This will cover; Accountancy Services, Accounts Receivable, Income and the assurance framework.
ARP Governance	8		8				This review will be a high level review of the strategic governance and the internal governance arrangements will also be reviewed to ensure that operational delivery is well managed and that there is a plan of work for implementing and delivering key activities.
Transformation Programme - benefits realisations	6				6	v	Internal Audit involvement over the financial year as a critical friend, to ensure appropriate challenge is provided, in relation to benefits proposed, i.e. cashable savings, improved performance, resilience, customer focus, quality etc.

Audit Area	No of days	Q1	Q2	Q3	Q4	Joint?	Notes
<b>Fundamental Financial Systems</b>							
Accounts Payable	12			12			This review is undertaken every two years to ensure that the controls in place are adequate, efficient and effective. There is key information that feeds into the Statement of Accounts and it is important to regularly review these aspects. The scope of this review is; policy, procedure & systems, ordering & creditors.
Payroll and Human Resources	15			15		v	This joint review will focus on the key controls in the areas of: legislative requirements in particular gender pay reporting and IR35, starters & leavers, changes to payroll records, pension contributions, reconciliations and payroll processing. The audit will also focus on the arrangements between the two teams which are designed to enable closer working and joint policy and reduce duplication of effort. There will also be a focus on the recruitment processes.
<b>Directorate audits</b>							
<b>Executive Director Commercialisation</b>							
Breckland Bridge	10				10		Over 2018/19 there will be due diligence undertaken on the Breckland Bridge partnership extension proposals, once this has been undertaken an internal audit review will follow to ensure all the appropriate arrangements are in place to enable delivery.
Delivery Unit Team	6			6		v	This joint review will assess the processes in place within this team with a view to being able to place reliance on the outcomes of the team going forwards, thus ensuring a more joined up approach.
Economic Development - Snetterton Project	10	10					Once the LEP funding has been finalised and the Council moves forward with this project an internal audit review will assess the project management controls in place to ensure these are adequate, efficient and effective and will enable this project to progress.

Audit Area	No of days	Q1	Q2	Q3	Q4	Joint?	Notes
<b>Executive Director Strategy and Governance</b>							
Environmental Protection	8				8	√	This audit will follow up on the recent review of this service area to ensure that controls have been improved and recommendations embedded. The audit scope will cover; air quality, private water supplied and contaminated land.
Food, Health & Safety	8		8			√	A joint review will be undertaken to review the commercial activity within the team to assess the objectives that were set and how these are being met. The scope will also assessed the key processes within Food, Health and Safety and the associated controls that are in place. .
Democratic Services	8		8			√	This joint review has been brought forward from 2017/18 and will focus on Member Training, Allowances and Expenses.
<b>Executive Director Place</b>							
Housing Needs, Allocations, Homelessness & Housing Register	10		10				This review will revisit this high risk area and ensure that the recommendations raised as part of the 2016/17 have been fully implemented and embedded within day to day processes.
<b>ICT Audits</b>							
IT Project Delivery	25	5	10	5	5	√	The IT audits will follow on from the ISO Policy review late in 2017/18 to review the ISO processes that are subsequently being implemented to ensure that these are adequate effective and efficient.
<b>Follow Up of audit recommendations</b>							
All previous audits BRK	12	3	3	3	3		Follow up of recommendations and evidence of closure verified, following updates from management on Covalent.
<b>Total number of days delivered by EIAS</b>	<b>160</b>	<b>26</b>	<b>47</b>	<b>41</b>	<b>46</b>		
<b>ARP service area audits</b>							
Areas audited are: Council Tax, National Non-Domestic Rates, Housing Benefits, Overpayments and ARP Enforcement	35			20	15		ARP audits are now undertaken by West Suffolk Audit Services, East Suffolk Audit Services and Fenland DC - scopes are agreed in advance by the relevant Heads of Internal Audit.
<b>Days provided by other Internal Audit Services</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>15</b>		
<b>Total Internal Audit provision</b>	<b>195</b>	<b>26</b>	<b>47</b>	<b>61</b>	<b>61</b>		

## APPENDIX 4 – PERFORMANCE MEASURES

Area / Indicator	Target
<u>Audit Committee / Senior Management</u> 1. Audit Committee Satisfaction – measured annually 2. Chief Finance Officer Satisfaction – measured quarterly	Adequate  Good
<u>Internal Audit Process</u> 3. Each quarters audits completed to draft report within 10 working days of the end of the quarter 4. Quarterly assurance reports to the Contract Manager within 15 working days of the end of each quarter 5. An audit file supporting each review and showing clear evidence of quality control review shall be completed prior to the issue of the draft report ( a sample of these will be subject to quality review by the Contract Manager) 6. Compliance with Public Sector Internal Audit Standards 7. Respond to the Contract Manager within 3 working days where unsatisfactory feedback has been received.	100%  100%  100%  Full  100%
<u>Clients</u> 8. Average feedback score received from key clients (auditees) 9. Percentage of recommendations accepted by management	Adequate  90%
<u>Innovations and Capabilities</u> 10. Percentage of qualified (including experienced) staff working on the contract each quarter 11. Number of training hours per member of staff completed per quarter	60%  1 day