

**AUDIT AND GOVERNANCE COMMITTEE**

**27 June 2014**

**REVIEW OF INTERNAL AUDIT 2013/14**

**Report of the Head of Assurance, Procurement and Projects**

**1. Purpose of Report**

- 1.1 The purpose of this report is to inform the Committee of the results of the review of Internal Audit undertaken by the External Auditor, Mazars.

**2. Background**

- 2.1 The Public Sector Internal Audit Standards and CIPFA Application Note require that every local government internal audit service is subject to an external assessment of its work against the standards, at least once every five years. The External Auditor, Mazars, has undertaken a review of the Internal Audit service against these standards in relation to 2013/14, the first year that the standards have applied.

**3. Findings of the Review**

- 3.1 The findings of the review are attached in the External Auditor's report. The approach used was to conduct a review of Internal Audit's self assessment against the standards and a detailed review of a sample of Internal Audit files to assess how well the standards are complied with.
- 3.2 The External Auditor's review concluded that:

*'We conclude that the IAS is compliant with the requirements of the Public Sector Internal Audit Standards and the CIPFA Application Note.'*

- 3.3 A small number of minor improvement points were identified during the detailed file reviews which have been agreed and will be addressed.

**4. Recommendations**

- 4.1 The Committee is asked to note the positive opinion provided.

