

Quality Assurance and Improvement Program (QAIP)

Introduction

Internal Audits Quality Assurance and Improvement Program (QAIP) is designed to provide reasonable assurance to the various stakeholders of Leeds City Council Internal Audit Service that Internal Audit:

1. Performs its work in accordance with its Charter, which is consistent with the Public Sector Internal Audit Standards, Definition of Internal Auditing and Code of Ethics;
2. Operates in an efficient and effective manner;
3. Is adding value and continually improving Internal Audits operations.

The Head of Internal Audit is ultimately responsible for the QAIP, which covers all types of Internal Audit activities. The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessments must be undertaken at least once every five years.

Internal Assessment

Internal Assessment is made up of both ongoing reviews and periodic reviews.

Ongoing Reviews

Ongoing assessments are conducted through:

- Supervision of engagements
- Regular, documented review of work papers during engagements by appropriate Internal Audit staff
- Audit policies and procedures used for each engagement including the Quality Procedures Manual to ensure compliance with applicable planning, fieldwork and reporting standards
- Feedback from customer surveys on individual engagements
- Analyses of key KPIs established to improve Internal Audits effectiveness and efficiency
- All draft and final reports and recommendations are reviewed and approved by the Head of Internal Audit.

Periodic Reviews

Periodic assessments are designed to assess conformance with Internal Audit's Charter, the Standards, Definition of Internal Auditing, the Code of Ethics, and the efficiency and effectiveness of internal audit in meeting the needs of its various stakeholders. Periodic assessments will be conducted through:

- Quality audits undertaken on a scheduled basis for performance in accordance with Internal Audits Quality Procedures Manual.
- Review of internal audit performance Key Performance Indicators by the Audit Leadership Team on a monthly basis.
- Quarterly activity and performance reporting to the Corporate Governance and Audit Committee and Section 151 officer.
- Annual self-review of conformance with the Public Sector Internal Audit Standards

Any resultant action plans will be monitored by HOA on a quarterly basis.

External Assessment

External assessments will appraise and express an opinion about Internal Audits conformance with the Standards. Definition of Internal Auditing and Code of Ethics and include recommendations for improvement, as appropriate.

An external assessment will be conducted every 5 years by a qualified, independent assessor from outside the Council. The assessment will be in the form of a full external assessment, or a self-assessment with independent external validation. The format of the external assessment must be discussed with the Corporate Governance and Audit Committee

Reporting

Internal Assessments – reports of internal assessments will be reported to the Corporate Governance and Audit Committee on an annual basis;

External Assessments – results of external assessments will be reported to the Corporate Governance and Audit Committee and Section 151 officer at the earliest opportunity following receipt of the external assessors report. The external assessment report will be accompanied by a written action plan in response to significant findings and recommendations contained in the report.

Follow Up - the Head of Internal Audit will implement appropriate follow-up actions to ensure that recommendations made in the report and action plans developed are implemented in a reasonable timeframe.