

ANNUAL HEAD OF INTERNAL REPORT 2020/21

28 July 2021

ANNEX 1

RYEDALE
DISTRICT
COUNCIL



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BACKGROUND

- 1 The work of internal audit is governed by the Public Sector Internal Audit Standards (PSIAS) and the Council's audit charter. These require the Head of Internal Audit to bring an annual report to the Overview & Scrutiny Committee. The report must include an opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control. The report should also include:
 - (a) any qualifications to the opinion, together with the reasons for those qualifications (including any impairment to independence or objectivity)
 - (b) any particular control weakness judged to be relevant to the preparation of the annual governance statement
 - (c) a summary of work undertaken to support the opinion including any reliance placed on the work of other assurance bodies
 - (d) an overall summary of internal audit performance and the results of the internal audit service's quality assurance and improvement programme, including a statement on conformance with the PSIAS



INTERNAL AUDIT WORK CARRIED OUT IN 2020/21

- 2 During the last year, the Covid-19 pandemic has had a significant impact on the Council's working practices. In addition, much of the Council's resources have been directed towards responding to Covid-related issues. This has also impacted upon the work of internal audit. Routine audit work was suspended during the initial national lockdown, with resource diverted to providing guidance on fraud risks and supplier relief, and other ad-hoc support and advice.
- 3 Due to the suspension of meetings during the pandemic, the internal audit work programme for 2020/21 was not approved by the Overview and Scrutiny Committee until 22 October 2020. The delayed commencement of 2020/21 internal audit work was as a result of the need for the Council to prioritise its response to the coronavirus pandemic. Routine audit work restarted during quarter three in areas less directly involved in response and recovery and has been ongoing since then, with all audit work being undertaken remotely.
- 4 Senior managers have continued to support delivery of internal audit work as far as they have been able since our last report to this Committee in April. However, given the ongoing response to the coronavirus and recovery efforts, and the related impact on availability of Council staff throughout the whole of 2020/21, timelines for completion of audit work have slipped. Consequently, we currently have a higher level of outstanding 2020/21 work than would normally be expected at this point.
- 5 As has previously been reported to this committee, we have also had to defer a number of audits to 2021/22 where there was either a lack of capacity to be able to support the audit or where it was no longer considered a priority for the current audit year. For clarity, these are listed below:

- **ICT:** it was agreed with the Head of Service that audit resource would be best utilised in 2021/22 after the Council has implemented Office 365 and made other key infrastructure improvements.
 - **Environmental health:** the service has been operating in a very demanding environment due to the pressures of the coronavirus pandemic and the EU transition. It was agreed with senior managers that the audit be rescheduled to 2021/22 in light of this.
 - **Health and safety:** it was agreed with senior managers that the audit be deferred until there is more capacity within the Council to support an audit in this area and so that it can provide assurance on arrangements following an eventual return to the office.
 - **Information governance (information security checks):** the vast majority of staff have been working remotely and, through the year, the Government's guidance has remained to work from home wherever possible. In light of this, it was agreed with senior managers that the audit be rescheduled to 2021/22 when it is more appropriate to perform an audit of physical information security arrangements. The move to remote working has also introduced other information security risks which will be factored into future work in this area.
 - **Debtors:** when scoping the main financial system audits we were advised by officers that the level of sundry debt is low and that collection activity has also been low. Other main financial system audits (main accounting system, creditors and payroll) were therefore prioritised for review in 2020/21. Debt collection and enforcement, taking a wider view of the Council's receivables and the impact of Covid-19 on these, is a priority area for inclusion in the 2021/22 work programme.
 - **Contract management and procurement:** it was agreed with senior managers that this work be deferred to 2021/22 and re-scoped so as to provide support and advice around the ongoing financial support package in place with the Council's leisure provider, Everyone Active.
- 6 Days from deferred audits have been used during 2020/21 to fund additional work of internal audit in delivering the business grant scheme post payment assurance review alongside Veritau's counter fraud team and certifying the Local Authority Compliance and Enforcement Grant. The days have also been used to allow for further work to be undertaken on a small number of key audits in the plan, for example on Waste & Street Scene, creditors, and insurance. As well as this, we have used the available time to provide support and advice to the Council's Change Advisory Board and other stakeholders in the redesign of the lettings management system, and to Financial Services in responding to external audit information requests.
- 7 A summary of internal audit work undertaken during the year is included in appendix A, below.

- 8 We will continue to prioritise the conclusion of remaining 2020/21 audit work over the coming weeks. Strategic Management Board also recognise that we have needed to reflect the reduction in the scope and volume of assurance work completed in 2020/21 in our annual opinion. The extent of this limitation has now been determined and is explained at paragraphs 16 -18.
- 9 Appendix B, below, provides details of the key findings arising from internal audit assignments completed, that we have not previously reported to the committee.
- 10 In 2020/21, Veritau adopted new standard opinions and definitions recommended by CIPFA. The changes are not significant but it has meant a reduction in the number of assurance levels in use from five to four. Appendix C provides an explanation of our assurance levels and priorities for management action.



FOLLOW UP OF AGREED ACTIONS

- 11 All actions agreed with services as a result of internal audit work are followed up to ensure that underlying control weaknesses are addressed. Due to the pandemic, follow up of agreed actions was suspended until the latter part of 2020/21 where it has now recommenced, focusing on higher priority actions. As a result of this work, we are generally satisfied that sufficient progress is being made to address the control weaknesses identified in previous audits. Where further assurances are required, for example in respect of Transparency Code compliance, the relevant areas will either be subject to targeted follow-up reviews in 2021/22 or included as part of other audits in the work programme.



PROFESSIONAL STANDARDS

- 12 In order to comply with Public Sector Internal Audit Standards (PSIAS) the Head of Internal Audit is required to develop and maintain an ongoing quality assurance and improvement programme (QAIP). The objective of the QAIP is to ensure that working practices continue to conform to professional standards. The results of the QAIP are reported to the committee each year as part of the annual report. The QAIP consists of various elements, including:
 - maintenance of a detailed audit procedures manual and standard operating practices
 - ongoing performance monitoring of internal audit activity
 - regular customer feedback
 - training plans and associated training and development activities
 - periodic self-assessments of internal audit working practices (to evaluate conformance to the standards)

- 13 External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The most recent external assessment of Veritau internal audit working practices was undertaken in November 2018¹. This concluded that Veritau internal audit activity generally conforms to the PSIAS².
- 14 The outcome of the recently completed self-assessment demonstrates that the service continues to generally conform to the PSIAS, including the Code of Ethics and the Standards. Further details of the QAIP are given in appendix D.
- 15 The Internal Audit Charter sets out how internal audit at the Council will be provided in accordance with the PSIAS. The Charter is reviewed on an annual basis and any proposed changes are brought to the Overview & Scrutiny Committee. No changes are proposed at this time.



OPINION OF THE HEAD OF INTERNAL AUDIT

- 16 Due to the significant reduction in audit coverage in 2020/21 (as detailed in paragraph 5), the results of the work carried out by internal audit – taken together with other sources of assurance – are not sufficient to support a comprehensive Head of Internal Audit annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 17 As a result, the opinion relates to risk management, governance and control only insofar as the audit work that has been concluded or substantially completed to this point; and where it has been possible to place a degree of reliance on other existing arrangements based on discussion with senior managers and key officers, and review of key sources of evidence³.
- 18 In the context of this limitation of scope, the overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating at the Council is that it provides **Reasonable Assurance**. There are no significant control weaknesses identified from internal audit work which, in the opinion of the Head of Internal Audit, need to be considered for inclusion in the Annual Governance Statement.

¹ Reported to the Overview & Scrutiny Committee in January 2019

² PSIAS guidance suggests a scale of three ratings, 'generally conforms', 'partially conforms' and 'does not conform'. 'Generally conforms' is the top rating.

³ In providing an annual opinion, there are a number of key aspects of risk management, governance and control that need to be considered (for example, financial governance and performance, strategic planning, procurement and contract management, programme and project management, and ICT governance) and a number of related key processes or indicators which provide a degree of insight into the adequacy and effectiveness of these arrangements. As part of the process for arriving at this opinion, conversations were held with, and information obtained from, senior managers and other key officers to obtain supplementary evidence in these key areas. Due to the nature of the evidence and the lack of audit procedures applied, the level of reliance that can be placed on this information is lower but is nonetheless still relevant in arriving at the annual opinion.

- 19 Furthermore, in giving the opinion, we would note that Covid-19 has significantly affected the Council over the last year, with a wide ranging impact on business operations and controls. While the work of internal audit is directed to the areas that are most at risk, or provide most value for the Council, it is not possible to conclude on the full extent of the impact of Covid-19 on the Council's operations and risks.
- 20 A limitation of scope should not be confused with an adverse opinion. An adverse opinion is one that is given when sufficient work has been completed by internal audit to enable the Head of Internal Audit to reasonably conclude that arrangements are not adequate and effective. A limitation of scope has been necessary this year as internal audit is unable to draw on sufficient assurance to give a full opinion.

APPENDIX A: 2020/21 INTERNAL AUDIT WORK

Audit	Status	Assurance Level
Risk management	Completed	Support and advice provided
Creditors	Final	Reasonable Assurance
Main accounting system	Final	Substantial Assurance
Waste & Street Scene	Fieldwork in progress	-
Local code of corporate governance	Draft report issued	Reasonable Assurance
Insurance	Final	Reasonable Assurance
Payroll	Fieldwork in progress	-
Health and safety	Deferred	-
Information governance	Deferred	-
ICT	Deferred	-
Contract management and procurement	Deferred	-
Debtors	Deferred	-
Other work Internal audit work has been undertaken in a range of other areas during the period, including those listed below.		
<ul style="list-style-type: none"> • Covid-related support and advice, including: Covid-19 grant post-assurance checking; supplier relief; Local Authority Compliance and Enforcement Grant certification • Support and advice provided through the year on controls and processes, such as the rent accounting system and responding to external audit information requests (ie "Informing the audit risk assessment 2020-21") • Collation and review of various sources of evidence (eg financial governance and performance, the health and safety system, procurement, complaints, information governance, and counter fraud efforts) in support of our assessment of the Council's governance, risk management and control arrangements 		

APPENDIX B: SUMMARY OF KEY ISSUES FROM AUDITS FINALISED SINCE THE LAST REPORT TO THE COMMITTEE

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
Creditors	Reasonable Assurance	The audit reviewed procedures and controls for raising orders and paying creditor invoices. It also included a review of processes for paying Covid-19 grants and follow-up of the actions agreed in the 2019/20 audit.	July 2021	<p>The purchasing system enforces separation of duties in requisitioning and approval, with appropriate documentary evidence retained through the purchase-to-pay cycle. Adequate separation of duties and authorisation was found to be in place for the payment of Covid-19 grant payments to eligible beneficiaries.</p> <p>Weaknesses identified included a lack of evidence available to support supplier account amendments, a number of actual and potential duplicate payments, a significant increase in payments made against invoices without an official order, and the absence of clear guidance on corporate credit card use.</p>	<p>The requirement to document supplier amendments will form part of performance appraisal processes and be included in future training.</p> <p>Potential duplicate payments will be investigated, with appropriate action taken.</p> <p>Credit card policy requirements will be reiterated and new policy and procedures will be developed to comply with the Strong Customer Authentication rules.</p>
Main accounting system	Substantial Assurance	The audit reviewed key accounting processes and controls, including bank reconciliations, control accounts, and journals and virements. It also included a review of user access controls.	July 2021	The consolidated bank reconciliation is now carried out (and subject to separate review) on a monthly basis, with no unreconciled amounts outstanding at the time of the audit. Data is transferred automatically between key systems and Civica Financial, with regular	In addition to monthly checks already performed, twice-yearly reviews will be undertaken to confirm if access is still required by managers.

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
				<p>reconciliations performed to confirm completeness and accuracy of transfer. All journals are independently verified. Year-end closedown procedures are documented and accompanied by a comprehensive planning schedule.</p> <p>Weaknesses identified included the existence of four users with full access rights to the general ledger who did not require these permissions, and a lack of consistency in the way in which virements are entered on Civica Financials and their approval is documented.</p>	<p>Use of the virement function in Civica will be investigated to establish the benefits. A log of virements will be developed and maintained, and referred to in new guidance to be drafted and shared with budget managers.</p>
Insurance	Reasonable Assurance	The audit was primarily undertaken as a process review focused on the design of controls relating to the claims administration process but it did include some, limited elements of compliance testing where appropriate.	July 2021	<p>The Council receives a low volume of claims across its assurance classes and the extent of its involvement in the claims process is to pass them to the insurer and to liaise with them during the process – the insurers are responsible for all processing, up to and including settlement.</p> <p>Roles and responsibilities within the process are understood, expected cover is in place, legal is consulted where advice is required, and the renewal process – facilitated by the Council’s broker – is sufficiently detailed, with the Chief Finance Officer authorising final prices.</p>	<p>A six-monthly review process will be undertaken, and reported to the Strategic Management Board meeting, which will include details of outstanding claims, risks identified and lessons learned. The Council’s website will be updated to include information on how to submit a claim.</p>

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
				Weaknesses identified included a lack of regular review and management oversight of outstanding claims and an absence of management information on current and historic claims data from which to monitor performance, identify trends, and ensure completion of actions. Customer-facing information on how to make a claim is not available via the Council's website.	

APPENDIX C: AUDIT OPINIONS AND PRIORITIES FOR ACTIONS

Audit opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 4 grades of opinion, as set out below.

Opinion	Assessment of internal control
Substantial assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

APPENDIX D: INTERNAL AUDIT - QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME

1.0 Background

Ongoing quality assurance arrangements

Veritau maintains appropriate ongoing quality assurance arrangements designed to ensure that internal audit work is undertaken in accordance with relevant professional standards (specifically the Public Sector Internal Audit Standards). These arrangements include:

- the maintenance of a detailed audit procedures manual
- the requirement for all audit staff to conform to the Code of Ethics and Standards of Conduct Policy
- the requirement for all audit staff to complete annual declarations of interest
- detailed job descriptions and competency profiles for each internal audit post
- regular performance appraisals
- regular 1:2:1 meetings to monitor progress with audit engagements
- induction programmes, training plans and associated training activities
- attendance on relevant courses and access to e-learning material
- the maintenance of training records and training evaluation procedures
- membership of professional networks
- agreement of the objectives, scope and expected timescales for each audit engagement with the client before detailed work commences (audit specification)
- the results of all audit testing and other associated work documented using the company's automated working paper system (Sword Audit Manager)
- file review by senior auditors and audit managers and sign-off at each stage of the audit process
- the ongoing investment in tools to support the effective performance of internal audit work (for example data interrogation software)
- post audit questionnaires (customer satisfaction surveys) issued following each audit engagement
- performance against agreed quality targets monitored and reported to each client on a regular basis
- regular client liaison meetings to discuss progress, share information and evaluate performance

On an ongoing basis, samples of completed audit work are subject to internal peer review by a Quality Assurance group. The review process is designed to ensure audit work is completed consistently and to the required quality standards. The work of the Quality Assurance group is overseen by an Assistant Director. Any key learning points are shared with the relevant internal auditors and audit managers. The Head of Internal Audit will also be informed of any general areas requiring improvement. Appropriate mitigating action will be taken where required (for example, increased supervision of individual internal auditors or further training).

Annual self-assessment

On an annual basis, the Head of Internal Audit will seek feedback from each client on the quality of the overall internal audit service. The Head of Internal Audit will also update the PSIAS self-assessment checklist and obtain evidence to demonstrate conformance with the Code of Ethics and the Standards. As part of ongoing performance management arrangements, each internal auditor is also required to assess their current skills and knowledge against the competency profile relevant for their role. Where necessary, further training or support will be provided to address any development needs.

The Head of Internal Audit is also a member of various professional networks and obtains information on operating arrangements and relevant best practice from other similar audit providers for comparison purposes.

The results of the annual client survey, PSIAS self-assessment, professional networking, and ongoing quality assurance and performance management arrangements are used to identify any areas requiring further development and/or improvement. Any specific changes or improvements are included in the annual Improvement Action Plan. Specific actions may also be included in the Veritau business plan and/or individual personal development action plans. The outcomes from this exercise, including details of the Improvement Action Plan are also reported to each client. The results will also be used to evaluate overall conformance with the PSIAS, the results of which are reported to senior management and the board⁴ as part of the annual report of the Head of Internal Audit.

External assessment

At least once every five years, arrangements must be made to subject internal audit working practices to external assessment to ensure the continued application of professional standards. The assessment should be conducted by an independent and suitably qualified person or organisation and the results reported to the Head of Internal Audit. The outcome of the external assessment also forms part of the overall reporting process to each client (as set out above). Any specific areas identified as requiring further development and/or improvement will be included in the annual Improvement Action Plan for that year.

2.0 Customer Satisfaction Survey 2021

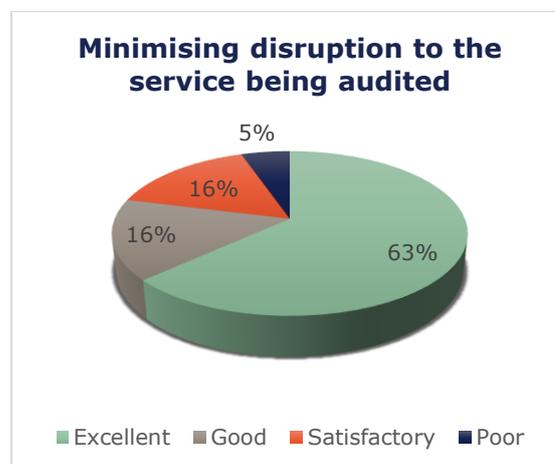
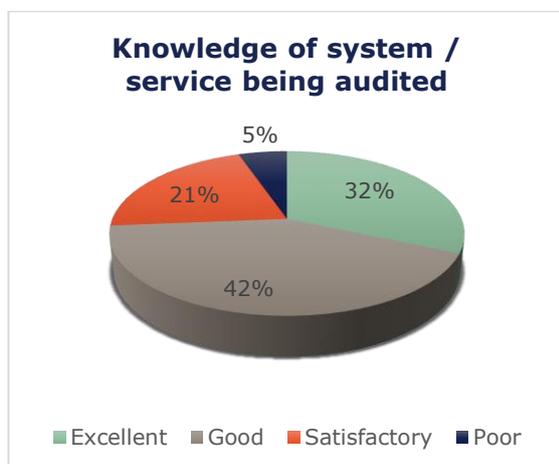
In March 2021 we asked clients for feedback on the overall quality of the internal audit service provided by Veritau. Where relevant, the survey also asked questions about counter fraud and information governance services. A total of 165 surveys (2020 – 136) were issued to senior managers in client organisations. A total of 19 responses were received representing a response rate of 12% (2020 – 11%). The surveys were sent using Survey Monkey and the respondents were required to identify who they were. Respondents were asked to rate the different elements of the audit process, as follows:

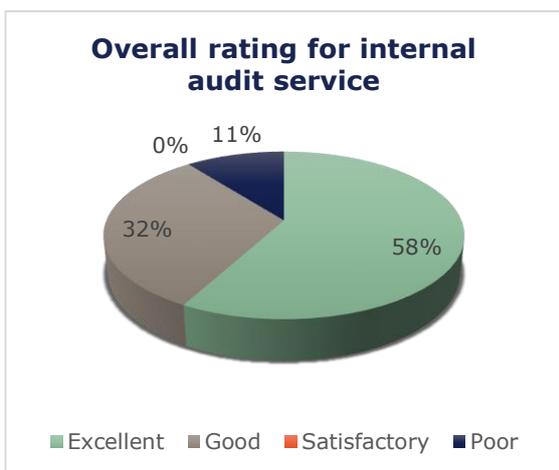
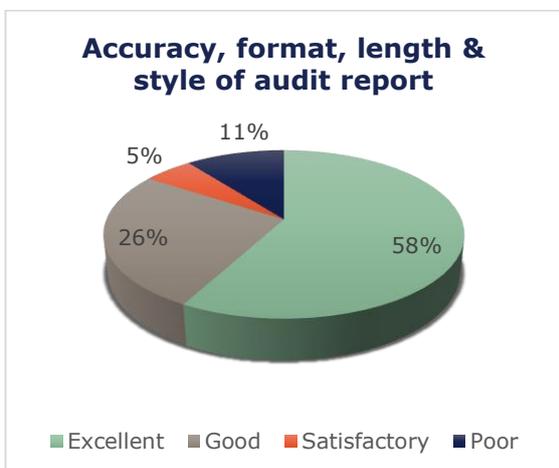
- Excellent (1)
- Good (2)

⁴ As defined by the relevant audit charter.

- Satisfactory (3)
- Poor (4)

Respondents were also asked to provide an overall rating for the service. The results of the survey are set out in the charts below. These are presented as percentages, for consistency with previous years. However, it is recognised that the low number of respondents means that the percentage for each category is sensitive to small changes in actual responses (1 respondent represents about 5%).





The overall ratings in 2021 were:

	2021		2020	
Excellent	11	58%	3	20%
Good	6	32%	11	73%
Satisfactory	0	0%	0	0%
Poor	2	11%	1	7%

The feedback shows that the majority of respondents continue to value the service being delivered.

3.0 Self-Assessment Checklist 2021

CIPFA has prepared a detailed checklist to enable conformance with the PSIAS and the Local Government Application Note to be assessed. The checklist was originally completed in March 2014 and has since been reviewed and updated annually. Documentary evidence is provided where current working practices are considered to fully or partially conform to the standards. A comprehensive update of the checklist was undertaken in 2020, following revisions by CIPFA.

Current working practices are considered to be at standard. However, as in previous years there are a few areas of non-conformance. These areas are mostly as a result of Veritau being a shared service delivering internal audit to a number of clients as well as providing other related governance services. None of the issues identified are considered to be significant. Existing arrangements are considered appropriate for the circumstances and require no further action.

The following areas of non-compliance remain largely unchanged from last year.

Conformance with standard	Current position
Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the audit committee before the engagement was accepted?	Consultancy services are usually commissioned by the relevant client officer (generally the s151 officer). The scope (and charging arrangements) for any specific engagement will be agreed by the Head of Internal Audit and the relevant client officer. Engagements will not be accepted if there is any actual or perceived conflict of interest, or which might otherwise be detrimental to the reputation of Veritau.
Does the risk-based plan set out the respective priorities of audit work?	Audit plans detail the work to be carried out and the estimated time requirement. The relative priority of each assignment will be considered before any subsequent changes are made to plans. Any significant

Conformance with standard	Current position
	<p>changes to the plan will need to be discussed and agreed with the respective client officers (and reported to the audit committee).</p> <p>Work is currently ongoing to introduce flexible audit planning arrangements. As part of this exercise, we will be seeking to assign priorities to audit activities on an ongoing basis during the course of the relevant reporting period. Once complete, the new arrangements will remove this area of non-compliance.</p>
<p>Are consulting engagements that have been accepted included in the risk-based plan?</p>	<p>Consulting engagements are commissioned and agreed separately.</p>
<p>Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?</p>	<p>An approach to using other sources of assurance, where appropriate is currently being developed (see below).</p>

4.0 External Assessment

As noted above, the PSIAS require the Head of Internal Audit to arrange for an external assessment to be conducted at least once every five years to ensure the continued application of professional standards. The assessment is intended to provide an independent and objective opinion on the quality of internal audit practices.

An external assessment of Veritau internal audit working practices was last undertaken in November 2018 by the South West Audit Partnership (SWAP). SWAP is a not for profit public services company operating primarily in the south west of England. As a large shared service internal audit provider it has the relevant knowledge and expertise to undertake external inspections of other shared services and is independent of Veritau.

The assessment consisted of a review of documentary evidence, including the self-assessment, and face to face interviews with a number of senior client officers and Veritau auditors. The assessors also interviewed audit committee chairs.

A copy the external assessment report was reported to this committee on 24 January 2019.

The report concluded that Veritau internal audit activity generally conforms to the PSIAS⁵ and, overall, the findings were very positive. The feedback included comments that the internal audit service was highly valued by its member Councils and other clients, and that services had continued to improve since the last external assessment in 2014.

5.0 Improvement Action Plan

The external assessment identified a number of areas for further consideration and possible improvement. An action plan was developed to address these areas. These actions have all been completed, other than one area (shown below) which remains in progress.

Recommendation	Current Position
<p>Whilst reliance may be placed on other sources of assurance, the self-assessment brought attention to the fact that there has not been an assurance mapping exercise to determine the approach to using other sources of assurance. Completion of such an exercise would ensure that work is coordinated with other assurance bodies and limited resources are not duplicating effort. (Attribute Standard 2050).</p>	<p>This work is in progress. Work has been undertaken over the last two years to identify other sources of assurance for each client. This exercise is ongoing, and more detailed actions have been incorporated into a longer term development strategy for Veritau internal audit services (see below).</p>

In 2020/21, the Quality Assurance group reviewed internal processes for the follow up of actions agreed during internal audit assignments. It found that follow up work is generally being undertaken routinely, and in line with expected procedures. In the majority of cases, actions raised in our reports are completed by the client and these actions address the issues originally raised.

Findings from follow up work are recorded on the Veritau internal audit management system. In most cases, sufficient evidence is held on the system to show that actions have been completed. However there are some cases where responses received from clients do not fully demonstrate that those actions have addressed the original findings. We also found that some improvements are needed to documenting and updating of information on the system. In particular, records were not always up to date, with some actions which had passed the agreed deadline remaining outstanding. This is partly due to the impact of Covid 19 – with a number of clients requesting an easing of follow up work during the pandemic. In 2021 we will review all outstanding actions, to bring details up to date. We will also be providing further training to the audit teams on documenting evidence to support the findings from follow up work.

⁵ PSIAS guidance suggests a scale of three ratings, 'generally conforms', 'partially conforms' and 'does not conform'. 'Generally conforms' is the top rating.

In the last year, we have also recognised the need for a more fundamental review of internal audit practices within Veritau. While current arrangements meet the standards, the pace of change in local government and the wider public sector mean that we need to update aspects of the service to ensure it stays up to date and continues to deliver good value. We have therefore developed a three year strategy to help us improve the service. The strategy sets out the actions we will be taking within Veritau to modernise our practices, from April 2021. The five key areas we are focussing on are:

- increasing engagement across all clients
- further development of strategic planning frameworks
- redesign and modernisation of audit processes (for example flexible work planning and reducing the time to deliver findings)
- increasing investment in high value data analytics work
- introducing better measures of outcomes from audit work, to enable us to direct resources to areas of most value to our clients

6.0 Overall Conformance with PSIAS ***(Opinion of the Head of Internal Audit)***

Based on the results of the quality assurance process I consider that the service generally conforms to the Public Sector Internal Audit Standards, including the *Code of Ethics* and the *Standards*.

The guidance suggests a scale of three ratings, 'generally conforms', 'partially conforms' and 'does not conform'. 'Generally conforms' is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards.