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Chartered Institute of
Internal Auditors

External Quality Assessment (EQA)

Report for:

Audit Risk Assurance



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approved reviewers for

The Chartered Institute of Internal Auditors

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1.1 Background and Scope

The internal audit service provided by Audit Risk Assurance (ARA) operates under a Shared Service agreement between Gloucestershire County Council, Gloucester City Council and Stroud District Council. It also delivers internal audit services to Ubico Ltd.

The Chief Internal Auditor (CIA) reports functionally to the three Audit and Governance, or Audit and Standards, Committees, who are responsible for ensuring that there is a satisfactory standard of risk management, governance and internal control within each Council.

In addition, the CIA reports strategically to the Shared Services Board, comprising of the three partner organisations' Chief Financial Officers (Section 151 Officers) and/or their nominated Deputies.

ARA's Mission is to be 'a collaborative partnership delivering a modern, innovative, customer focused service aligned to business needs to enhance and protect organisational value by providing risk based, independent and objective assurance, consulting activity, advice and insight.'

The Chartered Institute of Internal Auditors previously undertook an external quality assessment (EQA) of ARA in 2015. We are delighted to have been asked to undertake this current EQA.

Our review included a thorough validation of the ARA's self-assessment, a significant number of interviews with key stakeholders across the three partner organisations, Ubico Ltd, and the ARA team, as well as an extensive customer and staff survey. Given the pandemic, we conducted this EQA remotely.

1.2 Key Achievements

ARA is an established and effective internal audit service, valued by key stakeholders in each of its partner organisations.

The governance framework over ARA is mature, with well-established Shared Services Board and Audit Committee oversight, regular meetings, reporting and performance monitoring.

A very experienced CIA leads the ARA team. Engagement with key stakeholders is regular and effective, with the CIA being viewed as a trusted, respected leader, colleague and adviser.

ARA team members have diverse professional backgrounds, qualifications, experience and skills, making them a flexible and effective service. They are capable of tackling a wide range of assurance, consulting and investigatory challenges. More specialist, technical IT audit is supplied by an external party under a co-sourced arrangement.

Our customer survey results were very good. Individual comments were supportive, with very few areas for improvement identified. We also received positive responses to our questions from the key stakeholders we interviewed. Individuals particularly welcomed the ARA team's professionalism, engagement, partnering, flexibility and support. Suggested areas for improvement were minimal.

Audit Charters are comprehensive, up to date and supported by an appropriate Audit Strategy for each partner organisation. The team develop and deliver annual risk-based audit plans for each of their clients. Key stakeholders are actively engaged in the design of these plans. The ARA team document progress and the CIA reports on this at regular Board, Audit and Governance, or Audit and Standards, Committee meetings.

Performance is actively monitored, KPIs are measured and reported, and a thorough, documented Quality Assurance and Improvement Programme is in place. The team are also making initial progress on implementing their vital Data Analytics Strategy.

We believe that the supporting operational ARA team processes, documentation and associated templates are fit for purpose. These are detailed in a variety of key documents.

Our file reviews showed appropriate compliance with the team's methodology and evidence of appropriate scope, objectives, testing, evidence, supervision and review.

1.3 EQA Assessment Conclusion

We are pleased to report that the ARA team meet each of the Standards, as well as the Definition, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard for quality in Internal Auditing.

To summarise, we are delighted to report that the ARA team are excellent in their:

- Reflection of the Standards
- Focus on performance, risk and adding value
- Quality Assurance and Improvement Programme

We believe that the ARA team are good in their:

- Operating with efficiency

Finally, like many internal audit functions at the present time, we consider that the ARA team is satisfactory in:

- Coordinating and maximising assurance

The need to consider how best to rely on and coordinate with other assurance providers remains an emerging area of internal audit, and assurance practice. It depends as much on the other assurance providers as it does on internal audit.

In conclusion, this is an excellent result and the CIA and the ARA team as a whole should be justifiably proud of their service, its approach, working practices and how key stakeholders' value it.

It is therefore appropriate for the function to say in reports and other literature 'Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing'.

1.4 Conformance Opinion

The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards.

There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles.

It is our view that the Audit Risk Assurance Shared Service internal audit function conforms to 64 of these principles.

This is summarised in the table below.

Summary of Conformance	Standards	Generally Conforms	Partially Conforms	Does not conform	Not relevant	Total
Definition of IA and Code of Ethics	Rules of conduct	12				12
Purpose	1000 - 1130	8				8
Proficiency and Due Professional Care (People)	1200 - 1230	4				4
Quality Assurance and Improvement Programme	1300 - 1322	7				7
Managing the Internal Audit Activity	2000 - 2130	12				12
Performance and Delivery	2200 - 2600	21				21
Total		64				64

As a result, we make no formal recommendations for improvement.

The Chartered Institute regards conformance to the IPPF as the foundation for effective internal audit practice. However, our EQA reviews also seek feedback from key stakeholders and we benchmark each function against the diversity of professional practice seen on our EQA reviews and other interviews with heads of internal audit, summarised in an internal audit maturity matrix.

We then interpret our findings into suggestions for further development based upon the wide range of guidance published by the Chartered Institute.

It is our aim to offer advice and a degree of challenge to help internal audit activities continue their journey towards best practice and excellence.

In the following pages we present this advice in three formats:

- A SWOT analysis to recognise the accomplishments of the team and to highlight potential threats and opportunities for development. [\(See 2.1\)](#)
- A matrix describing the key criteria of effective internal audit, highlighting the level ARA has achieved and the potential for further development, recognising that effective internal audit goes further than purely conformance with internal auditing standards. [\(See 2.2\)](#)
- A series of improvement opportunities and suggestions which the internal audit team could use as a basis for an action plan. [\(See 2.3\)](#)

2.1 SWOT Analysis

What works well (Strengths)

- Effective relationships with key stakeholders, both councillors and officers
- An experienced, diverse and professional team, with a broad mix of qualifications, backgrounds and specialisms
- The CIA is well-respected, confident and knowledgeable
- ARA respond flexibly to new challenges and priorities, e.g. the need for further engagements recently with Gloucestershire Fire and Rescue Service
- Management are well-engaged in annual plan development
- ARA governance is clearly documented (Charters, Strategies, Audit Manual, QAIP, KPIs and Data Analytics Strategy etc.)
- Engagements provide an assurance opinion on both risk identification maturity and the control environment
- Sufficient work is currently undertaken in each partner organisation to fully justify an annual opinion by the CIA.
- Self-evaluation after each engagement encourages learning
- The Trainee Auditor programme has helped the CIA and team manage key ARA recruitment and retention risks
- The team includes a professional, experienced and respected counter fraud service

What could be done better (Weaknesses)

- Lengthy elapsed time for some internal audit engagements

What could deliver further value (Opportunities)

- Expanding the shared service further, while ensuring that there is no detrimental effect on current partners and clients
- Developing an in-house technical IT audit capability would reduce reliance on external contractors and ensure ARA can provide assurance and advisory services on key areas of risk for every partner and client
- Progressing the implementation of the Data Analytics Strategy would enable more comprehensive testing and reliable, insightful conclusions and reporting
- Increased sharing of lessons, benchmarking and good practice from similar audit engagements across partners and clients would demonstrate further added value and be warmly welcomed by stakeholders
- Now that ARA is fully resourced - particularly in respect of filling Principal Auditor (portfolio lead), Senior Auditor and Trainee Auditor posts - each tier within the team will continue to be empowered to deliver, be accountable for and own their respective areas of responsibility. This should enable greater capacity/time within the structure, especially for the CIA and Group Manager to better focus on ARA Strategy and strategic management.

What could stand in your way (Threats)

- Further partner and client funding cuts would threaten internal audit delivery, resourcing, resilience and the ability of the CIA to provide an evidence-based annual opinion
- Second line of defence functions need to mature more fully. Unless this happens, ARA will not be able to place further reliance on them or coordinate their work more effectively with them
- Staff turnover, with a number of key ARA staff likely to depart over the next two years. A failure to proactively manage these likely departures, and promote or recruit replacements in a timely manner, could impact ARA service delivery and stakeholder relations
- Excessive staff vacancies, coupled with competition from external local and national external internal audit service providers, could threaten the future viability of ARA

2.2 Internal Audit Maturity Matrix (Highlight the area to confirm assessment)

Assessment	IIA standards	Focus on performance, risk and adding value.	Coordination and maximising assurance	Operating with efficiency	Quality Assurance and Improvement Programme
Excellent	Outstanding reflection of the IIA standards, in terms of logic, flow and spirit. Generally Conforms in all areas.	IA alignment to the organisation's objectives, risks and change. IA has a high profile, is listened to and is respected for its assessment, advice and insight.	IA is fully independent and is recognised by all as a 3rd line of defence. The work of assurance providers is coordinated with IA reviewing reliability of.	Assignments are project managed to time and budget using tools/techniques for delivery. IA reports are clear, concise and produced promptly.	Ongoing efforts by IA team to enhance quality through continuous improvement. QA&IP plan is shared with, and approved by, AC.
Good	The IIA Standards are fully integrated into the methodology – mainly Generally Conforms.	Clear links between IA engagement objectives to risks and critical success factors, with some acknowledgement of the value-added dimension.	Coordination is planned at a high-level around key risks. IA has established formal relationships with regular review of reliability.	Audit engagements are controlled and reviewed while in progress. Reporting is refined regularly, linking opinions to key risks.	Quality is regarded highly, includes lessons learnt, scorecard measures and customer feedback with results shared with A.C
Satisfactory	Most of the IIA Standards are found in the methodology, with scope to increase conformance from Partially to Generally Conform in some areas.	Methodology requires the purpose of IA engagements to be linked to objectives and risks. IA provides advice and is involved in change, but criteria and role require clarity.	The 3 lines of defence model is regarded as important. Planning of coordination is active and IA has developed better working relationships with some review of reliability.	Methodology recognises the need to manage engagement efficiency and timeliness, but further consistency is needed. Reports are informative and valued.	Clear evidence of timely QA in assignments with learning points and coaching. Customer feedback is evident. Wider QA&IP may need formalising.
Needs improvement	Gaps in the methodology with a combination of Non-conformances and Partial Conformances to the IIA Standards.	Some connections to the organisation's objectives and risks, but IA engagements are mainly cyclical and prone to change at management request.	The need to coordinate assurance is recognised but progress is slow. Some informal coordination occurs but reviewing reliability may be resisted.	Multiple guides that are slightly out of date and form a consistent and coherent whole. Engagements go beyond deadline and a number are deferred.	QC not consistently embedded across the function. QA is limited / late or does not address root causes.
Poor	No reference to the IIA Standards, with significant levels of non-conformance.	No relationship between IA engagements and the organisation's objectives, risks and performance. Many audits are ad hoc.	IA performs its role in an isolated way. There is a feeling of audit overload, with confusion about what various auditors do.	Lack of a defined methodology with inconsistent results. Reports are usually late with little perceived value.	No evidence of ownership of quality by the IA team.

2.3 Improvement Opportunities

This section of the report details additional feedback and observations which, if addressed, could strengthen the impact of Internal Audit. These observations are not conformance points but support Internal Audit's ongoing development.

These suggestions do not require a response; they will not form part of any subsequent follow up if undertaken.

Opportunity A

Recruitment - recruiting and retaining good, experienced internal auditors is a challenge for every organisation at the present time. As a result, ARA have developed a Trainee Auditor Programme to support recruitment, retention and succession planning. This is an excellent response to recruitment risk and is working successfully. Any internal audit service is only as good as its people.

Suggestion: Further publicise the success and value of the Trainee Auditor Programme, perhaps through an article for the Audit and Risk magazine. We can put you in contact with the editor. This may help with future recruitment exercises; and it is certainly a great initiative that helps manage a key risk - I think what you've done is worth sharing more widely.

Opportunity B

Elapsed time on internal audit engagements - there is a long, elapsed time from start to finish for some of the internal audit engagements carried across the partner organisations. There will be no single reason for this, but ARA economy, efficiency and

effectiveness would be improved if elapsed time was reduced. The CIA has recognised this as an area for improvement and has included this within the QAIP for review by the PAG.

Suggestion: The CIA and the Principal Auditors' Group (PAG) could usefully revisit ARA engagement delivery to better assess the root causes of delays, and pilot solutions. Potential solutions may include employing a more agile approach on some audits, deploying task-based teams on specific engagements, or undertaking further, similar audits using the same team members across each partner organisation, to increase pace and efficiency. We support the CIA's intention to focus on improving this area.

Opportunity C

Data Analytics - the ARA Data Analytics Strategy is an excellent road map to embed this activity, and the associated mindset, in team working practices over the next few years, and to enhance maturity in this critically important area.

Suggestion: Some leading internal audit teams have moved to a methodology position of having to justify why data analytics should not be employed on a particular engagement. The expectation is that use of data analytics is the default position for every engagement. The CIA could consider how best to increase and embed the use of data analytics more rapidly across ARA to enhance the depth and breadth of assurances provided.

Opportunity D

Technical ICT Audit - this has been delivered by an external provider under contract to date.

Suggestion: Given the prevalence and criticality of ICT to every organisation, as demonstrated at the time of our review by the partners' pandemic response, the CIA could consider whether it would be beneficial to develop greater inhouse technical ICT audit capability and (gradually) reduce reliance on external providers. A recent Chartered IIA SW Region event was entitled "why we all need to be IT auditors now". The CIA could also develop a wider IT Audit Strategy to complement the Data Analytics Strategy.

Opportunity E

ARA Structure - this has evolved over time, with a hybrid model of some team members working exclusively, or almost exclusively for one partner, and others who work across the range of partners.

Suggestion: There is no perfect, or single most suitable delivery model for a shared internal audit service. Different models and different approaches could, and would, work in this environment. However, the current approach seems fit for purpose, with, potentially the best of both worlds - in-depth local knowledge, which will be vital on some internal audit engagements, coupled with flexible, deployable team members who could conduct similar engagements efficiently across each partner, identifying common themes and sharing good practice(s). Care should be taken to select the most appropriate approach and team make-up on each engagement to maximise the opportunity for added value. The CIA

should review the current structure, from time to time, to ensure it remains fit for purpose and maximises value-add.

Opportunity F

Emerging areas of internal audit interest - organisational culture, ethics and values, as well as IT Governance, are hot topics for many internal audit teams given recent UK governance failures.

Suggestion: Many internal audit teams are increasingly delivering explicit engagements looking at organisational culture, ethics and values, as well as IT Governance. These are mentioned in part in Performance Standard 2110. The ARA could consider how best to incorporate auditing culture, ethics and values in their methodology, as well as IT Governance, for future annual plans.

Opportunity G

Audit Opinions of Risk Management and Control - ARA employ a 'three box' model, covering substantial, satisfactory and limited assurance opinion options.

Suggestion: The CIA could consider revisiting the current approach and the benefits of employing a 'four box' model. Many internal audit teams employ a 'four box' model as it gives slightly more granularity for opinions and can help better illustrate progress made on follow up engagements. This could also be beneficial and motivational for clients.

Opportunity H

Engagement Report template - this has evolved and been updated over time. Stakeholders generally gave positive feedback about team reporting and the report format is clean, fresh and professional. However, the overall audit opinions are quite far into the main body, and few reports made particular use of colour, graphics or root cause analysis. The latter is being introduced to the ARA team's working practices, following a training session earlier this year.

Suggestion: Consider revisiting the current report template to establish whether it remains fit for purpose for the post-pandemic environment. Many internal audit teams are making greater use than ARA of colour, graphics, charts and root cause analysis to add greater insight and impact, while reducing narrative. Some internal audit teams are including a summary of the overall opinion, the number of recommendations and their criticality on the coversheet to aid the busy reader. Finally, many internal audit teams make greater use of active rather than passive tense, which leads to clearer reporting and aids the reader's understanding.

We have used the following rating scale in this report:

Generally Conforms (GC)	<p>The reviewer 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.</p>
Partially Conforms (PC)	<p>The reviewer has concluded that the activity is making good-faith efforts to comply with the requirements of the individual Standard or element of the Code of Ethics, section, or major category, but falls short of achieving some major objectives. These will usually represent significant opportunities for improvement in effectively applying the Standards or Code of Ethics and/or achieving their objectives. Some deficiencies may be beyond the control of the activity and may result in recommendations to senior management or the board of the organisation.</p>
Does Not Conform (DNC)	<p>The reviewer has concluded that the activity is not aware of, is not making good-faith efforts to comply with, or is failing to achieve many/all of the objectives of the individual Standard or element of the Code of Ethics, section, or major category. These deficiencies will usually have a significant negative impact on the activity's effectiveness and its potential to add value to the organisation. They may also represent significant opportunities for improvement, including actions by senior management or the board.</p>

Often, the most difficult evaluation is the distinction between general and partial. It is a judgement call keeping in mind the definition of general conformance above. The reviewer must determine if basic conformance exists. The existence of opportunities for improvement, better alternatives, or other successful practices does not reduce a "generally conforms" rating.

Stakeholder Interviews

The following individuals were interviewed as part of the review. Stakeholder surveys were also sent to a range of senior managers and Audit Committee members across the partner organisations. Unfortunately, we received just eight completed survey responses from the 37 requests we sent out – presumably because of the unprecedented pandemic situation at the time of our review. We received 25 responses from ARA staff, an excellent result. The anonymised survey results have been shared with the ARA Shared Service CIA.

Stakeholders	Title / position
Margaret Willcox	Executive Director Adult Social Care, Gloucestershire County Council
Paul Blacker	Director of Finance, Gloucestershire County Council
Jane Burns	Former Monitoring Officer, Gloucestershire County Council
Jay Penfold	Detective Constable – Gloucestershire Constabulary
Patrick Arran	Monitoring Officer, Stroud District Council
Dawn Melvin	Chair of the Audit and Governance Committee, Gloucester City Council
Gareth Edmundson	Ubico Ltd - Managing Director (at the time of our review Gareth had recently moved to become Chief Executive at Cheltenham Borough Council)
Rob Ayliffe	Director of Strategic Planning, Performance and Change and Monitoring Officer, Gloucestershire County Council

Internal Audit team	Title / position
Theresa Mortimer	Chief Internal Auditor
Josie Church	Principal Auditor Adults (GCC)
Stephanie Payne	Group Manager
Ben Green	Trainee Internal Auditor
Sara Causon	Principal Auditor / Client lead for Stroud District Council
Steve Jacques	Principal Auditor / Client lead for Gloucester City Council
Carolyne Wignall	Principal Auditor Counter Fraud
Anne Robinson	Audit/Risk Technical Officer

Kev Topping	Head of Housing Services, Stroud District Council
Jon McGinty	Managing Director, Gloucester City Council
Andrew Cummings	Strategic Director of Resources (CIA line manager Stroud), Stroud District Council
Nigel Studdert-Kennedy	Chair of Audit and Standards Committee, Stroud District Council
Pete Bungard	Chief Executive, Gloucestershire County Council
Wayne Bowcock	Chief Fire Officer
Nigel Robbins	Chair of the Audit and Governance Committee, Gloucestershire County Council
Jonathan Lund	Corporate Director and Monitoring Officer, Gloucester City Council
Anne Brinkhoff	Corporate Director, Gloucester City Council
Shirin Wotherspoon	Head of Law (Commercial), Gloucester City Council
Jon Topping	Head of Policy and Resources (S151 Officer / CIA line manager City), Gloucester City Council
Ruth Saunders	Head of Communities, Gloucester City Council

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Acknowledgement

We would like to thank the Internal Audit team for their time, assistance and support during this review and all those who took part in the review for their co-operation together with their open and honest views.

Feedback from stakeholder interviews and surveys

Working with the business

“It feels like we are properly working in partnership”. Stakeholder interview.

“I am most impressed by their willingness to understand the business”. Stakeholder interview.

“Auditors demonstrate a balanced and professional approach to following up lines of enquiry, researching the varied subject areas to understand the topic and providing recommendations that will help the business achieve its objectives. It is not just what you say but how you say it”. Stakeholder Survey feedback.

“Internal audit’s relations with us are robust, appropriately distanced and objective”. Stakeholder interview.

The Chief Internal Auditor is “exceptionally professional”. Stakeholder interview.

“The team have done some good work with senior management on risk management - they have particularly provided assistance with the strategic risk register”. Stakeholder interview.

“We are in a better place as a result of working with them”. Stakeholder interview.

“Theresa is very capable and very professional. We have had the odd disagreement! Theresa will pursue a point until she has clarity”. Stakeholder interview.

“It’s always felt like a partnership”. Stakeholder interview.

“I have been continuously impressed with Theresa and her team and particularly by her enthusiasm”. Stakeholder interview.

“If I had any criticism at all, it’s just that some of the internal audits have taken longer than we’d both hoped”. Stakeholder interview.

“Theresa has developed the networks and knowledge of how the organisation ticks”. Stakeholder interview.

“It’s proper partnership working because of the level of interactivity”. Stakeholder interview.

“The approach Theresa and her team take is very pragmatic and firm. They do listen”. Stakeholder interview.

“The approach has been the best I have seen in all my years at the Council. It is interactive and positive, with an opportunity to challenge”. Stakeholder interview.

“We have a great working relationship with Theresa and the audit team. I have a lot of respect for them”. Stakeholder interview.

“They have always worked closely with external audit”. Stakeholder interview.

“We now have a much more open, transparent, partnership approach”. Stakeholder interview.

“Theresa is very approachable, pragmatic and leads a good team of officers”. Stakeholder interview.

“I’ve worked with four different members of the internal audit team and it’s always been a positive experience”. Stakeholder interview.

Communication

“Reporting is excellent, clearly laid out, contextualised and justified”. Stakeholder interview.

“One thing I especially like is their warmth when speaking to us and their complete understanding when dealing with any activity”. Stakeholder Survey feedback.

“Good reports and presentations”. Stakeholder Survey feedback.

“Audit reports are clear, well organised and thorough”. Stakeholder interview.

“I’m really impressed with how relations are managed with the Audit & Governance Committee”. Stakeholder interview.

“Written reports could be more impactful”. Stakeholder interview.

“Credible, clear, concise and professional communications”. Stakeholder interview.

“Sometimes their communications feel a bit lengthy – could this briefing have been 30% quicker and this document 50% shorter. Everyone is busy”. Stakeholder interview.

“The reports are about right, with the right level of detail”. Stakeholder interview.

“Formally they have quite a limited way to express their opinion and there is quite a gap between the limited and satisfactory options”. Stakeholder interview.

“Reports are clear, concise and follow a consistent format”. Stakeholder interview.

“They have a good reputation with Councillors and this helps with Audit and Governance Committees. They are listened to”. Stakeholder interview.

“Reports are fair and very clear as to why they are giving their recommendations”. Stakeholder interview.

“It feels like a really positive relationship with audit and we’re always able to have constructive conversations with them”. Stakeholder interview.

“Reports are succinct and recommendations clear”. Stakeholder interview.

Internal audit plans and coverage

“I was well engaged in developing the internal audit plan – I felt part of it, rather than it being done to us”. Stakeholder interview.

“I am concerned that there is insufficient capacity to carry out as much internal audit as is probably required, and that there is very little external auditing of contracted or commissioned services provided by third parties. As much of the council’s expenditure is delivered through third parties’ limitations in our capacity to audit them has become an Achilles Heel for the organisation. This has not always been the case, but reductions in audit capacity and officers at board meetings etc. was pointed out by officers when we worked together to learn lessons from the sudden failure of organisations in the county. I appreciate that this is not a matter that IA can address without broader CLT support”. Stakeholder Survey feedback.

“Internal audit annual planning is seen as a really important task and fully involves senior managers”. Stakeholder interview.

“More bodies would be useful - to give enough capacity to do everything that is needed”. Stakeholder interview.

“The audit annual planning process is really effective and I’m really impressed with their risk-based approach that means they are looking at the things that really matter. We’re also able to make adjustments to the plan as we go through the year”. Stakeholder interview.

“The anti-fraud work has been excellent”. Stakeholder interview.

“The team makes quite a lot of effort to engage over the Internal Audit plan. They do the right audits in the right areas”. Stakeholder interview.

“In some instances, there was a lack of understanding of the nuances of the area being audited”. Stakeholder interview.

“They have good processes in place for agreeing the audit plan each year”. Stakeholder interview.

“I get lots of opportunity to input into the audit plan. They look at the right things”. Stakeholder interview.

“In my experience they seem quite a process driven, traditional internal audit service and don’t tend to scope many, more forward-looking, pieces of work. This may change with the current situation”. Stakeholder interview.

“Internal audit planning is very detailed – it takes into account the business as a whole and not just finance as was the case in the past”. Stakeholder interview.

“The team are very adaptable and will seek to assist if we want to request a change to the plan for sound business reasons”. Stakeholder interview.

Value

“I’m impressed by the CIA’s professionalism, integrity and competence in calling things out.” Stakeholder interview.

“There is nothing I would change - I have a huge amount of respect for the team. They are hugely responsive”. Stakeholder interview.

“It would be helpful for IA to offer an intro/guide to Audit for new managers; many don’t realise how useful audit can be in providing a fresh set of eyes and perspectives from other service areas that can help us to improve”. Stakeholder Survey feedback.

“I also like the work of the risk and counter fraud services too and am able to call upon them when I need to”. Stakeholder interview.

“From the start they have helped me in every way they could”. Stakeholder interview.

“I’m impressed by the depth and breadth of experience across the internal audit service”. Stakeholder interview.

“One of the best internal audit organisations I’ve worked with”. Stakeholder interview.

“I am very comfortable with what we are getting at the moment. I have experience of each of the big external providers, and what we get is better than what I have seen provided by them”. Stakeholder interview.

“I don’t think they get enough recognition for their contribution”. Stakeholder interview.

“The Audit and Governance Committee have high confidence in the internal audit service”. Stakeholder interview.

“The quality of the audits was mixed. What I found is that different auditors applied their own way of doing things”. Stakeholder interview.

“No improvements required!” Stakeholder interview.

“They are approachable, professional and have great attention to detail”. Stakeholder interview.

“The team have been balanced and fair and gave us really good advice”. Stakeholder interview.

“With the establishment of the Shared Service, internal audit provision has improved considerably”. Stakeholder interview.

“It’s all superb”. Stakeholder Survey feedback.

“Theresa and the team have responded really well to the challenges that GFRS presented”. Stakeholder interview.

“What I want is a real honest reflection of how a service area is operating, or not, and the internal audit team provide this. It really enhances the business by making it more open and transparent”. Stakeholder interview.

“My overall perspective on the service we get from ARA is that it is superb. I can really rely on the work that they do”. Stakeholder interview.

“I have found the internal audits fascinating as there are always little improvements we can make and things we didn’t know”. Stakeholder interview

“If I need advice on something, Theresa is one of the small handful of people I would turn to”. Stakeholder interview.

“The audit team have been good at helping us respond quickly - to whistleblowing, for example”. Stakeholder interview.

“The team are very competent and very responsive. They are engaged, motivated and reliable. The Shared Service arrangement seems to work very well”. Stakeholder interview.

Disclaimer: This review was undertaken in May 2020 by John Chesshire and Liz Sandwith on behalf of the Chartered Institute of Internal Auditors. This report provides management and the Audit Committee of Gloucestershire County Council, Gloucester City Council, Stroud District Council and Ubico Ltd with information about Internal Audit as of that date. Future changes in environmental factors and actions taken to address recommendations may have an impact upon the operation of Internal Audit in a manner that this report cannot anticipate.

Considerable professional judgment is involved in evaluating. Accordingly, it should be recognised that others could draw different conclusions. We have not re-performed the work of Internal Audit or aimed to verify their conclusions. This report is provided on the basis that it is for your information only and that it will not be quoted or referred to, in whole or part, without the prior written consent of the Chartered Institute of Internal Auditors.

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