



Watford Borough Council  
Audit Committee Progress Report  
25 November 2021

Recommendation

Members are recommended to:

- Note the Internal Audit Progress Report for the period to 12 November 2021
- Approve amendments to the Audit Plan as at 12 November 2021
- Agree the change to the implementation date for 3 recommendations (paragraph 2.5) for the reasons set out in Appendix C
- Agree removal of implemented audit recommendations set out in Appendix C
- Approve the revised Audit Charter for 2021/22

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# 1. Introduction and Background

## Purpose of Report

- 1.1 This report details:
- a) Progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's Annual Audit Plan for 2021/22 as at 12 November 2021.
  - b) Proposed amendments to the approved 2021/22 Annual Audit Plan.
  - c) Implementation status of all outstanding previously agreed audit recommendations from 2018/19 onwards.
  - d) An update on performance management information at 12 November 2021.

## Background

- 1.2 The work of internal audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan.
- 1.3 The 2021/22 Annual Audit Plan was approved by Audit Committee on 11 March 2021.
- 1.4 The Audit Committee receives periodic updates on progress against the Annual Audit Plan from SIAS, the most recent of which was brought to this Committee on 16 September 2021.

# 2. Audit Plan Update

## Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 12 November 2021, 35% of the 2021/22 Audit Plan days had been delivered for the combined WBC and Shared Services audit plans (excludes 'To Be Allocated' days). Appendix A provides a status update on each individual deliverable within the audit plan.
- 2.2 The following 2020/21 audit report has been finalised since September 2021 Audit Committee:

Audit Title	Date of Issue	Assurance Level	Number and Priority of Recommendations
NDR	Sep '21	Satisfactory	None

The following 2021/22 audit reports have been finalised since September 2021 Audit Committee:

<b>Audit Title</b>	<b>Date of Issue</b>	<b>Assurance Level</b>	<b>Number and Priority of Recommendations</b>
Payroll System	Sep '21	Substantial	One Low
Customer Services Digitalisation (Follow-Up)	Nov '21	Substantial	One Low

### Status of Audit Recommendations

- 2.3 Members will be aware that a Final Audit Report is issued when it has been agreed by management and includes an agreement to implement the recommendations made. It is SIAS's responsibility to bring to Members' attention the implementation status of all audit recommendations. It is the responsibility of officers to implement recommendations by the agreed date.
- 2.4 The table below summarises progress in implementation of all outstanding internal audit recommendations as at November 2021, with full details given in Appendix C:

<b>Year</b>	<b>Recommendations made No.</b>	<b>Implemented</b>	<b>Not yet due</b>	<b>Outstanding &amp; request made for extended time or no update received</b>	<b>Percentage implemented %</b>
2018/19	30	29	0	1	98%
2020/21	28	22	2	4	79%
2021/22	2	0	2	0	0%

- 2.5 Since September 2021 Audit Committee, extension to implementation dates have been requested by action owners for three recommendations as follows:
- a) One from the 2018/19 Benefits audit,
  - b) One from the 2020/21 Communications audit, and
  - c) One from the 2020/21 Main Accounting audit.
- 2.6 In respect of the two recommendations from the 2020/21 Debtors audit, no updates were received from the action owner. Both recommendations have a 31 October 2021 target date.

### Proposed Audit Plan Amendments

- 2.7 Since September 2021 Audit Committee, Management have requested the following changes to the 2021/22 Audit Plan:

### Cancellations

- Development Management (Enforcement) – 8 days  
The Service is subject to significant operational changes over the next few months and the audit is best conducted in quarter 1 of 2022/23.
- Asset Management System Data – 10 days  
Implementation of the new system has been delayed until late quarter 4 2021/22 and as the audit is intended to be a post-implementation review, this will need to be deferred to quarter 1/2 of 2022/23.

### Additions

- Procurement Cards (Shared Services Plan) – 8 days  
To provide assurance over the set-up, record keeping, nature of expenditure incurred and treatment of VAT for purchases made via procurement cards.

The remaining 10 unused audit days have been returned to the Contingency budget (part of the Shared Services Audit Plan) and discussions are ongoing with Management to identify alternative audit work for these days.

## Performance Management

### Reporting of Audit Plan Delivery Progress

- 2.8 To help the Committee assess the current situation in terms of progress against the projects in the 2021/22 Audit Plan, we have provided an analysis of agreed start dates at Appendix B. These dates have been agreed with management and resources allocated.
- 2.9 Annual performance indicators and associated targets were approved by the SIAS Board in March 2021. Actual performance for Watford Borough Council against the targets that can be monitored for 2021/22 is shown in the table below.

Performance Indicator	Annual Target	Profiled Target to 12 November 2021	Actual to 12 November 2021
<b>1. Planned Days</b> – percentage of actual billable days against planned chargeable days completed (excluding unused contingency).	95%	44% (100/229 days)	35% (79.5/229 days)
<b>2. Planned Projects</b> – percentage of actual completed projects to draft report stage against planned completed projects.	95%	24% (4/17 projects to draft)	12% (2/17 projects to draft)

<b>3. Client Satisfaction</b> – percentage of client satisfaction questionnaires returned at 'satisfactory' level.	100%	100%	100% (based on 2 received)
<b>4. Number of Critical / High Priority Audit Recommendations agreed</b>	95%	95%	N/A (None yet made in 2021/22)

2.10 In addition, the performance targets listed below are annual in nature. Performance against these targets will be reported on in the 2021/22 Head of Assurance's Annual Report:

- **5. Annual Plan** – prepared in time to present to the March meeting of each Audit Committee. If there is no March meeting, then the plan should be prepared for the first meeting of the civic year.
- **6. Head of Assurance's Annual Report** – presented at the Audit Committee's first meeting of the civic year.

2.11 The original Audit Plan approved in March 2021 included 12 non-financial audits and a block of time for financial systems audits, to be allocated to specific audits mid-year and delivered towards the second half of the year, which is the usual profiling for financial systems audits.

In terms of profiling of non-financial systems audits, at the start of the year, it was anticipated that 6 of the 12 planned audits would be fully completed or significantly in progress by the end of October. At the time of writing this report (12 November), 2 audits have been completed, 2 are in progress and 2 have been cancelled (with one substitute audit identified). In addition, as a result of the deferral of some of the remaining audits to later in the year, 5 audits (representing 50% of the total for the year) are now due to start in January and February 2022. This plan position presents the following risks:

- In the event of further deferrals or cancellations, there is unlikely to be sufficient time to find alternative audits and the audit days will not be used.
- With 50% of the non-financial audits due to start in quarter 4 there is a risk that one or more will not get completed by the year-end, impacting on performance targets and leading to an increase in carry-over work into 2022/23 to complete these projects.
- Significant movement in audit start dates causes resource allocation issues within SIAS as delivery of all client audit plans is reliant on a degree of smoothing through the year to balance resource requirements.
- In the event of significant further slippage of planned audits beyond the end of the financial year, the reduced level of audit coverage across non-financial systems could lead to the Head of Assurance needing to consider whether they can issue the annual assurance opinion or whether they will need to consider a limitation of scope, i.e. the Head of Assurance is unable to draw on sufficient assurance from internal audit and other forms of

assurance to issue a complete annual opinion in accordance with the professional standards. As a result, Leadership Board may not receive independent assurance that the framework of governance, risk management and control is adequate and effective, the Council's external auditor may take the limitation on the audit opinion or non-conformance with PSIAS into account when reviewing overall governance arrangements, and there may be an impact on the requirements of the Financial Management Code and the reputation of the Council. In the event of such a limitation this would be reported within the Head of Assurance Annual Assurance Statement brought to the first meeting of Audit Committee in the Civic year and in the Council's Annual Governance Statement, as appended to the Statement of Accounts.

To mitigate these risks, SIAS has clarified start dates with Service Heads for the remaining audits (as detailed in Appendix B), however, further slippage will have potential impacts as noted above.

### 3. Public Sector Internal Audit Standards

#### Public Sector Internal Audit Standards (PSIAS) External Quality Assessment

- 3.1 The Public Sector Internal Audit Standards (PSIAS) and the International Standards for the Professional Practice of Internal Auditing require that an external quality assessment (EQA) of an internal audit activity must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The EQA can be accomplished through a full external assessment or a self-assessment with independent validation.
- 3.2 SIAS appointed Orbis and South West London Audit Partnership (SWLAP) as the qualified, independent external assessment team to conduct a validation of the self-assessment by SIAS. In addition, the assessment team was also asked to consider, drawing on their previous extensive partnership experiences, what actions might be taken to further improve the overall quality and effectiveness of the service.
- 3.3 The above review was undertaken at the start of June 2021, with the draft Independent External Assessment Report being issued to SIAS on 30th June 2021.
- 3.4 Within the above report the External Assessors concluded that SIAS partially conforms with the Standards and the associated Code of Ethics. This opinion is defined in the Standards as "Deficiencies in practice are noted that are judged to deviate from the Standards and the Code of Ethics; however, these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner".
- 3.5 In respect of the above, the assessors concluded that "Overall, we identified two main areas of non-conformance with the Standards that we believe means that SIAS currently only 'Partially Conforms'. These primarily relate to defining and

clarifying the Board and Chief Audit Executive (CAE) role(s) across the partnership. Whilst reasonably significant in the context of the Standards, both issues are relatively easy and swift to resolve, and once addressed, would enable the service to be classified as 'Generally Conforms'. A small number of other areas of partial conformance were also identified, however, these were minor observations, and none were significant enough to affect the overall opinion".

- 3.6 It should be noted that in all material respects, SIAS delivered the functions and requirements of the CAE role as defined in the PSIAS. Similarly, the Audit Committee carried out the functions and requirements of the Board role as defined in the PSIAS. The findings were about clearly identifying the person or post fulfilling the CAE role, and the body fulfilling the role of the Board, given that these roles are integral to the PSIAS, and ensuring that accountability was clearly assigned in the Internal Audit Charter.
- 3.7 The report also highlighted that SIAS was a "well-regarded internal audit partnership, delivering professional and quality services to its partner organisations with a high-level conformance with PSIAS. Whilst some areas of partial conformance with the Standards have been identified, these can be relatively easily and swiftly resolved".
- 3.8 In response to the report, SIAS have revised the Audit Charters for each individual partner council to address the issues that gave rise to a partially conforms opinion and the revised Charter for Watford Borough Council is presented in Appendix D of this report. Audit Committee are asked to approve the revised Charter which, upon approval, will allow SIAS to self-assess compliance with the PSIAS as "Generally Conforms" (the highest rating). Any revisions are shown by being struck through (deletions) or in red (additions).

## APPENDIX A - PROGRESS AGAINST THE 2021/22 AUDIT PLAN AT 12 NOVEMBER 2021

### 2021/22 SIAS Audit Plan

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
<b>Key Financial Systems</b>									
Benefits (shared services plan)						12	Yes	2	Terms of Reference Issued
Council Tax (shared services plan)						12	Yes	2	Terms of Reference Issued
Creditors (shared services plan)						10	Yes	1	Terms of Reference Issued
Main Accounting (shared services plan)						9	Yes	1	Terms of Reference Issued
NDR (shared services plan)						12	Yes	2	Terms of Reference Issued
Payroll (shared services plan)						10	Yes	0.5	In Planning
<b>Operational Audits</b>									
Asset Management System Data						0	N/A	0	Cancelled
CIL Spend						8	Yes	0	Due quarter 4
Customer Services Digitalisation (Follow Up)	Substantial	0	0	0	1	7	BDO	7	Final Report Issued
Development Management (Enforcement)						0	N/A	0	Cancelled
Single Homelessness Pathway						10	Yes	5	In Fieldwork
Operational Buildings Compliance						10	BDO	0	Due quarter 4
Payroll System (shared services plan)	Substantial	0	0	0	1	12	BDO	12	Final Report Issued

## APPENDIX A - PROGRESS AGAINST THE 2021/22 AUDIT PLAN AT 12 NOVEMBER 2021

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
Project Management – Oxhey Activity Park						10	BDO	0.5	In Planning
Safeguarding						8		0	Due quarter 4
Procurement Cards (shared services plan)						8		0	Due quarter 4
<b>Contract Management, Project Management &amp; Procurement</b>									
Contract Spend						8	Yes	0	Due quarter 4
Veolia Contract Payments						8	Yes	6	In Fieldwork
<b>IT Audits</b>									
Cyber Security (shared services plan)						15	BDO	0	Due quarter 4
<b>Shared Learning / Joint Reviews</b>									
Shared Learning / Joint Reviews						4		0	
<b>Follow Ups</b>									
Follow up of Audit Recommendations						9		7	Through Year
<b>To Be Allocated</b>									
Unused Contingency (shared services plan)						10		0	To Be Allocated
<b>Strategic Support</b>									

## APPENDIX A - PROGRESS AGAINST THE 2021/22 AUDIT PLAN AT 12 NOVEMBER 2021

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
2022/23 Audit Planning						6		0	Due quarter 4
Annual Governance Statement						3		3	Complete
Audit Committee						10		7	Through Year
Head of Audit Opinion 2020/21						3		3	Complete
Monitoring & Client Meetings						9		5	Through Year
SIAS Development						3		3	Complete
<b>Completion of 2020/21 audits</b>									
Time required to complete work commenced in 2020/21 (8 days shared plan; 5 days WBC)						13		12.5	In Progress (8 days shared services plan / 4.5 days WBC plan)
<b>WBC TOTAL</b>						<b>121</b>		<b>51</b>	
<b>SHARED SERVICES TOTAL</b>						<b>118</b>		<b>28.5</b>	
<b>COMBINED TOTAL</b>						<b>239</b>		<b>79.5</b>	

Key to recommendation priority levels: C = Critical; H = High; M = Medium; L = Low / Advisory.

Apr	May	June	July	August	September
		New Payroll System (shared services plan) <b>Final Report Issued</b>		Single Homelessness Pathway <b>In Fieldwork</b>	Customer Services (Digitalisation) – Follow Up <b>Final Report Issued</b>

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

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				Veolia Contract Payments In Fieldwork	

October	November	December	January	February	March
Council Tax	Benefits	Project Management – Oxhey Activity Park	Cyber Security (shared services plan)	Safeguarding	

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

(shared services plan) <b>Terms of Reference Issued</b>	(shared services plan) <b>Terms of Reference Issued</b>	<b>In Planning</b>			
NDR (shared services plan) <b>Terms of Reference Issued</b>	Main Accounting (shared services plan) <b>Terms of Reference Issued</b>	Creditors (shared services plan) <b>Terms of Reference Issued</b>	CIL Spend	Contract Spend	
			Operational Building Compliance	Payroll (shared services plan) <b>In Planning</b>	
			Procurement Cards		

## Audit Plan 2018/19

Benefits 2018/19 Final report issued April 2019							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	We recommend that testing of the module is carried out to reinstate the ability to delete obsolete data.	Medium	<p>Position – 21 August 2019 The system is designed to destroy all documents that are older than 6 years plus current. We discovered that the system was not working properly and has destroyed some documents that are still required to support live Benefit claims and therefore we need to retain. Clearly we could not allow that to continue so the system was been suspended. We have sought advice on how to fix this issue from the system provider and are awaiting their response. I have chased this today and have also now asked if it's possible to use the system in part so that we can carry on destroying old documents that we no longer require for Council Tax and Business Rates and unsuspend the Benefits part of the system once we have fixed the problem. I will escalate this issue in a week if I have not had a response.</p> <p>Position – September 2019 Issue has now been escalated with Northgate.</p> <p>Position – November 2019 No update received.</p> <p>Position – February 2020 The Northgate system is currently being upgraded. The upgrade is now available in test and the live upgrade is due to take place 1<sup>st</sup> and 2<sup>nd</sup> May 2020. We will test this module of the system as part of the overall testing. If this module works, we will be able to run scripts which will 'back archive' documents that would have been due to be archived since it was</p>	Benefits Manager	31 May 2019	*	<p><del>31 October 2019</del></p> <p><del>30 June 2020</del></p> <p><del>30 Sept 2020</del></p> <p><del>31 March 2021</del></p> <p><del>30 Sept 2021</del></p> <p><del>30 November 2021</del></p> <p><b>31 January 2022</b></p>

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

Benefits 2018/19 Final report issued April 2019							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
			<p>discovered the system was not working properly.</p> <p>Position – July 2020 The required Northgate system upgrade was due to be live now but has been delayed as a result of COVID-19. Northgate have currently rescheduled the upgrade for 8-9 September 2020 and when this takes place, we will test the module and if this is working as expected, run the necessary scripts to archive the data that should have been deleted.</p> <p>Position – September 2020 No update received.</p> <p>Position – November 2020 The required system upgrade was planned for the end of October but did not go live due to system performance issues. This is now expected in March 2021. Discussions are however, taking place with Northgate to see if an interim measure is available so that obsolete data can be removed from the system.</p> <p>Position – February 2021 We are on schedule to upgrade the information@work system 19/20 March 2021. Once it's upgraded we can re-test the retention and destruction module.</p> <p>Position – July 2021 The system upgrade planned for March 2021 did not go-ahead as we had limited time to carry out testing and were not in a position to be able to sign off the product. A new go-live date has been set for 7/8 September 2021 and testing has commenced.</p>				

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

<b>Benefits 2018/19</b> <b>Final report issued April 2019</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✕ or ✓	Revised Deadline
			<p>Position – September 2021 We currently are unable to upgrade due to not having a fully operational Test system. All parties are in communication and are trying to identify the issue so that we can progress with testing.</p> <p><b>Position – November 2021</b> <b>The upgrade to our Document Processing System is now scheduled to take place on 20 &amp; 21 January 2022. Revs and Bens have been working with our IT department and our supplier to overcome the problems we had with the test system. Testing is scheduled to start this month (November 2021).</b></p>				

## Audit Plan 2020/21

### Customer Services - Digitalisation 2020/21

Final report issued February 2021

Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
02	<p>Management should put arrangements in place for the FirmStep system to be stress and load tested to ensure user and transaction levels can meet business needs. Testing results should be documented and communicated to Senior Management and, where issues are identified, action plans should be established to ensure that the issues are followed up to resolution.</p> <p>Furthermore, Management should document the interfaces and interactions of the FirmStep system with other systems and applications and establish reconciliation procedures to ensure that the importing and exporting of information and documents, where applicable, is appropriately controlled.</p>	Medium	<p>Digital Service Improvement Manager to contact supplier and ICT to understand current arrangements for stress and load testing. Appropriate arrangements to be scoped and testing undertaken.</p> <p>Position – July 2021 Advice sought from ICT on how to progress this.</p> <p>Position – September 2021 The supplier has provided the following information in relation to stress and load testing: The system leverages AWS capabilities to auto scale based on system load. We use Cloud Watch, Logic Monitor, Pingdom and New Relic to monitor our data and services in AWS.</p> <p>Further clarification from the supplier is being sought on how effective this approach is for our purposes.</p> <p>The interfaces between systems are documented on each of the design documents for each Firmstep process. These integrations are fully automated and therefore issues are identified by exception.</p> <p><b>Position – November 2021 Implemented as confirmed in recently finalised follow-up audit.</b></p>	Head of Customer Services	31 August 2021	✓	31 October 2021

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

<b>Customer Services - Digitalisation 2020/21</b> <b>Final report issued February 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
04	<p>Management should define the mechanisms and procedures for responding to subject access requests and requests for data portability or data erasure with regards to the data held on supporting databases to the FirmStep system.</p> <p>The procedures should be tested, approved and communicated to staff and they should be reviewed on a routine basis or following a significant change to the operation of the Council, the Customer Services Department or the FirmStep system.</p>	Medium	<p>Digital Service Improvement Manager to develop and document process to fulfil subject access requests and data erasure requests.</p> <p>Position – July 2021 In progress.</p> <p>Position – September 2021 This work is underway however other work priorities have led to a delay in finalising the procedures – a revised deadline of November.</p> <p><b>Position – November 2021</b>  <b>Partially implemented as confirmed in recently finalised follow-up audit. This recommendation has been updated and superseded and is now included under the 2021/22 section. Target date remains unchanged (30 November 2021).</b></p>	Head of Customer Services	31 August 2021	<p>✓ (see 2021/22 Follow Up audit)</p>	30 November 2021

<b>Cyber Security 2020/21</b> <b>Final report issued March 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>Management should ensure that physical network ports are configured to the appropriate authentication control (802.1X).</p> <p>Furthermore, management should establish a network access control to block unknown or unauthorised devices from connecting to the Councils' IT network. This should</p>	Medium	<p>We have an intrusion detection system in place, which would identify any devices connecting to the network. This is a project we will review and look to implement, assuming budget is available to do so.</p> <p>Position – July 2021 Resources are focussed on the Littlefish transition and implementation. This implementation is not yet due until March</p>	Head of ICT	31 March 2022	*	

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Cyber Security 2020/21 Final report issued March 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	include restricting the ability to physically connect to the Council's IT network.		2022.  Position – September 2021 Resources are focussed on the Littlefish transition and implementation. This implementation is not yet due until March 2022.  <b>Position – November 2021</b> <b>As above.</b>				

Main Accounting 2020/21 Final report issued April 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	A formal scheme of delegation document should be finalised. Limits inherited from historical system migrations should be reviewed in light of the scheme of delegation and revised where necessary.	Medium	We will review limits for journals and document that in the form of a scheme of delegation.  Position - July 2021 Colin South and Stephen Farrer to produce an export of Authorised Limits to be checked and signed off by Director of Finance.  Position – September 2021 No update received.  <b>Position – November 2021</b> <b>Completed</b>	Head of Finance	1 October 2021	✓	
03	a) Suspense account balances older than one year should be reviewed by senior management to decide whether any amounts need to be written off.	Medium	We will put a write off process in place for older suspense balances.  Position - July 2021 Write off process meeting scheduled for	Finance Manager and Assistant Finance Manager	1 October 2021	*	<b>30 November 2021</b>

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Main Accounting 2020/21 Final report issued April 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
			<p>30/06/21 to put finalise procedures.</p> <p>Position – September 2021 No update received.</p> <p><b>Position – November 2021</b> <b>We have in Finance agreed that the best approach is to write off suspense balances as at year end 2020/21. This will be done before the end of November 2021.</b></p>				

Payroll 2020/21 Final report issued April 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
02	<p>An appropriate policy and procedure document should be drawn up to provide clear procedural guidance on details of the recovery of overpayments.</p> <p>This document should be readily accessible to all staff and should be subject to annual review or updated when processes are changed.</p>	Low	<p>There was one overpayment in this period and it was recovered adequately. The Contract of Employment notes that we will recover any overpayment that occurs and in this instance the employee was sent an overpayment recovery letter setting out the process for recovery.</p> <p>However, we will strengthen this and ensure an overpayment policy is drawn up.</p> <p>Position - June 2021 A policy is currently being drafted and will be published by 30 September 2021.</p> <p>Position – September 2021 A policy is currently being drafted and is on track to be finalised and published by 30 September 2021.</p>	Head of HR Operations	30 September 2021	✓	

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Payroll 2020/21 Final report issued April 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
			<b>Position – November 2021</b> <b>Overpayment Policy has been approved by Functions Committee and is now live.</b>				

Communications 2020/21 Final report issued May 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
01	<p>We recommend that the service updates all its policies to ensure that they reflect the current process followed.</p> <p>Going forward, the service should ensure that the policies are updated at regular intervals, and proper version control introduced.</p>	Low	<p>These policies were due to be updated in 2020 but due to the impact of Covid-19 this has been delayed.</p> <p>Position – July 2021 No update received.</p> <p>Position – September 2021 The service has had a very busy summer leading on the communications and engagement for a range of priority council initiatives and projects (e.g. mass vaccination clinics, Sustainable Transport Strategy). An additional resource provided by a Kickstart appointment will be supporting this work.</p> <p><b>Position – November 2021</b>  <b>Overall guidance on publicity and communications has been updated. The team is still working through additional policies.</b></p>	Head of Communications and Engagement	31 October 2021	✗	<b>28 February 2022</b>

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<b>Communications 2020/21</b> <b>Final report issued May 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
03	We recommend that the service should report periodically the analysis of social media usage and any reactions to Leadership Board.	Medium	<p>Agreed.</p> <p>Position – July 2021 No update received.</p> <p>Position – September 2021 First report planned for October 2021.</p> <p><b>Position – November 2021</b>  <b>The service is now collating the information and these will be reported to Leadership Team.</b></p>	Executive Head of Strategy and Communications	From June 2021	✓	31 October 2021

<b>Council Tax 2020/21</b> <b>Final report issued June 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✗ or ✓	Revised Deadline
01	<p>We recommend that Revenues Officers be reminded to enter review dates for discounts and exemptions on the Academy system. The nature of the review should be determined on a case-by-case basis.</p> <p>The service should check that reviews have been undertaken by the review date noted in the system where required. Where there is a valid reason for not undertaking a review, this should be noted, and the review date updated.</p>	Medium	<p>Position – July 2021 We will check all accounts with a discount or exemption, regardless of the type, and check they all have review dates and will enter a review date where one is missing.</p> <p>Position – September 2021 On-going. We are currently reviewing all accounts with a Single Persons Discount. Once this discount review is complete, we will move on to another discount.</p> <p><b>Position – November 2021</b>  <b>The Revenues Team are currently reviewing all accounts with a Single Person's Discount in place as this is the discount awarded the most. We will then</b></p>	Billing Team Leader and Interim Revenues Manager	30 September 2021	✗	31 December 2021

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

<b>Council Tax 2020/21</b> <b>Final report issued June 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>move on to review the other discounts where a review date has been reached. We are also working on a schedule of reviews over the course of a calendar year.</b>				

<b>Debtors 2020/21</b> <b>Final report issued June 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	We recommend that the proposed write-offs are authorised and cleared from the system.	Medium	Position – July 2021 An exercise is underway to clear any outstanding debts with a pending write-off code which will clear any that are outstanding.  Position – September 2021 Underway for all debtor types.  <b>Position – November 2021</b> <b>No updated received.</b>	Recovery Team Leader and Revenues Manager.	31 July 2021	*	31 October 2021
03	Consideration should be given to an annual review of debtor accounts to identify duplicate or dormant for deletion or deactivation.	Low	Position – July 2021 We will speak to Finance about the best way of doing this.  Position – September 2021 A complete review of the entire Sundry Debtor service has recently been commenced and this will be included as part of the review.  <b>Position – November 2021</b> <b>No update received.</b>	Recovery Team Leader, Revenues Manager and Finance.	31 August 2021	*	31 October 2021

**Audit Plan 2021/22**

<b>Payroll System 2021/22</b>							
<b>Final report issued September 2021</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>Management should establish a process for reviewing user access profiles for the iTrent system on a regular basis to ensure that system users are only allocated access to system information and functions that are required for their duties.</p> <p>Any user profiles that are found to have irrelevant, inappropriate or no longer required access rights should be updated and access rights should be revoked as necessary.</p>	Low	<p><b>Position – November 2021</b>  <b>Our Go-Live date was 1 April 2021. User access rights will be reviewed at regular intervals to ensure that the appropriate rights are allocated.</b></p>	Payroll Advisor	31 March 2022	*	

<b>Customer Services - Digitalisation 2021/22</b>							
<b>Final report issued November 2021</b>							
Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline	
<p>Management should complete the work required to set the agreed data retention periods against each live process in the system and develop the scripts and processes for data erasure.</p> <p>The defined procedures should be formally documented, tested and communicated to staff and they should be reviewed on a routine basis</p>	Low	<p><b>Position – November 2021</b>  <b>Work is underway to agree, test and communicate data retention periods within the Firmstep system with services and formally document the process for responding to subject access requests.</b></p>	Head of Customer Services	30 November 2021	*		

## APPENDIX C – INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP - NOVEMBER 2021

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### Customer Services - Digitalisation 2021/22

Final report issued November 2021

Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved ✖ or ✓	Revised Deadline
or following a significant change to the operation of the Council, the Customer Services Department or the FirmStep system.						



## **Audit Charter 2021/2022**

### **1. Introduction and Purpose**

- 1.1. Internal auditing is an independent and objective assurance and consulting activity. It is guided by a philosophy of adding value to the operations of an organisation. It assists a council in achieving its objectives and ultimately provides assurance to the public by systematically evaluating and improving the effectiveness and efficiency of risk management, control, and governance processes.
- 1.2. The purpose of the Shared Internal Audit Service (SIAS) is to provide independent, objective assurance and consulting services designed to add value and improve client operations. The mission of internal audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. SIAS helps clients accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

### **2. Scope**

- 2.1. This Charter applies to all clients of the Shared Internal Audit Service (SIAS).

### **3. Statutory Basis of Internal Audit**

- 3.1. Local government is statutorily required to have an internal audit function. 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'.
- 3.2. In addition, a council's Chief Finance Officer has a statutory duty under Section 151 of the Local Government Act 1972 to establish a clear framework for the proper administration of the authority's financial affairs. To fulfil this requirement, the S151 Officer relies, amongst other sources, upon the work of internal audit.

### **4. Role**

- 4.1. SIAS internal audit activity is overseen by each client council's committee charged with fulfilling audit committee responsibilities herewith referred to as the Audit Committee. As part of its oversight role, the Audit Committee is responsible for defining the responsibilities of SIAS via this Charter.

- 4.2. SIAS may undertake additional consultancy activity requested by management. The ~~Head of Assurance~~ **Client Audit Manager** will determine such activity on a case-by-case basis assessing the skills and resources available. Significant additional consultancy activity not already included in the Internal Audit Plan will only be accepted and carried out following consultation with the Audit Committee.

### 5. Professionalism

- 5.1. SIAS governs itself by adherence to the Public Sector Internal Audit Standards (PSIAS). These standards include the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (IPPF). They set out the fundamental requirements for the professional practice of internal auditing and the evaluation of the effectiveness of an internal audit function.
- 5.2. SIAS also recognises the Mission of Internal Audit as identified within the IPPF, 'To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight' and the Core Principles for the Professional Practice of Internal Auditing, which demonstrate an effective internal audit function, achieving internal audit's mission.
- 5.3. SIAS operations are guided by its operating procedures manual as well as applicable, Chartered Institute of Internal Auditors (CIIA) and Chartered Institute of Public Finance and Accountancy (CIPFA) Position Papers, Practice Advisories and Guides, and relevant council policies and procedures, including compliance with the Bribery Act 2010.
- 5.4. Should non-conformance with the PSIAS be identified, the ~~Head of Assurance~~ **Head of SIAS** will investigate and disclose, in advance if possible, the exact nature of the non-conformance, the reasons for it and, if applicable, its impact on a specific engagement or engagement outcome.

### 6. Authority and Confidentiality

- 6.1. Internal auditors are authorised full, free, and unrestricted access to any and all of a client's records, physical property, and personnel as required to carry out an engagement. All client employees are requested to assist SIAS in fulfilling its roles and responsibilities. Information obtained during an engagement is safeguarded and confidentiality respected in accordance with the Council's GDPR and information security policies.
- 6.2. Internal auditors will only use information obtained to complete an engagement. It will not be used in a manner that would be contrary to the law, for personal gain, or detrimental to the legitimate and ethical objectives of the client organisation(s). Internal auditors will disclose all material facts known, which if not disclosed could distort a report or conceal unlawful practice.

### 7. Organisation

- 7.1. The ~~Head of Assurance~~ **Client Audit Manager** and their representatives have free and unrestricted direct access to Senior Management, the Audit Committee, the Managing Director, the Chair of the Audit Committee and the External Auditor. The ~~Head of Assurance~~ **Client Audit Manager** will communicate with any and all of the above parties at both committee meetings and between meetings as appropriate.
- 7.2. The Chairman of the Audit Committee has free and unrestricted direct access to both the ~~Head of Assurance~~ **Client Audit Manager** and the Council's External Auditor.
- 7.3. The ~~Head of Assurance~~ **Client Audit Manager** is line managed by the ~~host authorities~~ **Director of Resources Head of SIAS** who approves all decisions regarding the performance evaluation, appointment, or removal of the ~~Head of Assurance~~ **Client Audit Manager**, in consultation with the SIAS Board. ~~Each client's Section 151 Officer is asked to contribute to the annual appraisal of the Head of Assurance.~~

### 8. Stakeholders

The following groups are defined as stakeholders of SIAS:

- 8.1. The **Head of SIAS**, working with the ~~Head of SIAS~~ **Client Audit Manager**, both suitably experienced and qualified (CCAB and / or CMIIA), is responsible for:
- hiring, appraising and developing SIAS staff in accordance with the host authority's HR guidance
  - maintaining up-to-date job descriptions which reflect the roles, responsibilities, skills, qualifications, and attributes required of SIAS staff
  - ensuring that SIAS staff possess or obtain the skills, knowledge, and competencies (including ethical practice) needed to effectively perform SIAS engagements
- 8.2. The Audit Committee is responsible for overseeing the effectiveness of SIAS and holding the ~~Head of Assurance~~ **Client Audit Manager** to account for delivery. This is achieved through the approval of the annual audit plan, approval of performance targets set by the SIAS Board and receipt of regular reports.
- 8.3. The Audit Committee is also responsible for the effectiveness of the governance, risk, and control environment within the Council, holding operational managers to account for its delivery.
- 8.4. Where stated in its Terms of Reference, the Audit Committee provides an annual report to the Council detailing the Committee's activities through the year. In addition, and as required, the Committee ensures that there is appropriate communication of, and involvement in, internal audit matters from the wider publicly elected Member body.
- 8.5. The ~~Head of SIAS~~ **Client Audit Manager** is responsible for ensuring that the outcome of all final Internal Audit reports is reported to all members of the Audit Committee,

and that where applicable, Executive Members receive reports that pertain to their portfolio.

- 8.6 Senior Management, defined as the Head of Paid Service, Chief Officers, and their direct reports, are responsible for helping shape the programme of assurance work. This is achieved through analysis and review of key risks to achieving the Council's objectives and priorities.
- 8.7 The SIAS Board is the governance group charged with monitoring and reviewing the overall operation of SIAS and reporting to the Audit Committee its findings, including:
- resourcing and financial performance
  - operational effectiveness through the monitoring performance indicators
  - the overall strategic direction of the shared service.

### 9. Independence and Objectivity

- 9.1. No element in the organisation should interfere with audit selection, scope, procedures, frequency, timing, or report content. This is necessary to ensure that internal audit maintains the necessary level of independence and objectivity.
- 9.2. As well as being impartial and unbiased, internal auditors will have no direct operational responsibility or authority over any activity audited. They will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that might impair their judgment.
- 9.3. When asked to undertake any additional roles/responsibilities outside internal auditing, the ~~Head of Assurance~~ **Client Audit Manager** will highlight to the Audit Committee any potential or perceived impairment to independence and objectivity having regard to the principles contained within the PSIAS Code of Ethics as well as any relevant requirements set out in other professional bodies to which the ~~CAE~~ **Client Audit Manager** may belong. The Audit Committee will approve and periodically review any safeguards put in place to limit any impairments to independence and objectivity.
- 9.4. Where SIAS has been required to provide assurance to other partnership organisations, or arm's length bodies such as trading companies, the **Client Audit Manager and Head of Assurance SIAS** will ensure that the risks of doing so are managed effectively, having regard to the ~~Head of Assurance's~~ **SIAS's** primary responsibility to the management of the partners for which they are engaged to provide internal audit services.
- 9.5. The ~~Head of Assurance~~ **Client Audit Manager** will confirm to the Audit Committee, at least annually, the organisational independence of SIAS.

### 10. Conflicts of Interest

- 10.1. Internal auditors will exhibit clear professional objectivity when gathering, evaluating, and communicating engagement information. When forming judgments, they will make a balanced assessment of all relevant circumstances and not be influenced by their own interests or the views and interests of others.

- 10.2. Each auditor will comply with the ethical requirements of his/her professional body and proactively declare any potential conflict of interest, whether actual or apparent, prior to the start of an engagement.
- 10.3. All auditors sign an annual declaration of interest to ensure that the allocation of work avoids conflict of interest. Auditors who undertake consultancy work or are new to the team will be prohibited from auditing in those areas where they have worked in the past year. Audits are rotated within the team to avoid over-familiarity and complacency.
- 10.4. SIAS procures an arrangement with an external delivery partner to provide service resilience, i.e., additional internal audit days on request. The external delivery partner will be used to deliver engagements as directed by the ~~Head of Assurance~~ **Client Audit Manager** in particular providing advice and assistance where SIAS staff lack the required skills or knowledge. The external delivery partner will also be used to assist with management of potential and actual conflicts of interest in internal audit engagements, providing appropriate independence and objectivity as required.
- 10.5. In the event of a real or apparent impairment of independence or objectivity, (acceptance of gifts, hospitality, inducements, or other benefits) the ~~Head of Assurance~~ **Client Audit Manager** will investigate and report on the matter to appropriate parties.

## 11. Responsibility and Scope

- 11.1. The scope of SIAS encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management, and internal control processes (as they relate to the organisation's priorities and objectives) and the promotion of appropriate ethics and values.
- 11.2. Internal control and risk management objectives considered by internal audit extend to the organisation's entire control and risk management environment and include:
- consistency of operations or programs with established objectives and goals, and effective performance
  - effectiveness and efficiency of governance, operations, and employment of resources
  - compliance with significant policies, plans, procedures, laws, and regulations
  - design, reliability and integrity of management and financial information processes, including the means to identify, measure, classify, and report such information
  - safeguarding of assets
- 11.3. SIAS is well placed to provide advice and support on emerging risks and controls and will, if requested, deliver consulting and advisory services, or evaluate specific operations.
- 11.4. SIAS is responsible for reporting to the Audit Committee and senior management, significant risk exposures, control and governance issues and other matters that emerge from an engagement.

- 11.5. Engagements are allocated to (an) internal auditor(s) with the appropriate skills, experience, and competence. The auditor is then responsible for carrying out the work in accordance with the SIAS Operating Procedures Manual, and must consider the relevant elements of internal control, the needs and expectations of clients, the extent of work required to meet the engagement's objectives, its cost effectiveness, and the probability of significant error or non-compliance.

### 12. Role in Anti-Fraud

- 12.1. The SIAS work programme, designed in consultation with Senior Management and the Audit Committee seeks to provide assurance on how the council manages the fraud risks to which it is exposed.
- 12.2. SIAS must have sufficient knowledge to evaluate the risk of fraud and the way it is managed by the Council but are not expected to have the expertise of a person or team whose primary responsibility is detecting and investigating fraud.
- 12.3. SIAS will exercise due professional care by considering the probability of significant errors, fraud, or non-compliance when developing audit scopes and objectives.
- 12.4. The ~~Head of Assurance~~ **Client Audit Manager** should be notified of all suspected or detected fraud, corruption, or impropriety so that the impact upon control arrangements can be evaluated.

### 13. Internal Audit Plan

- 13.1. Following discussion with appropriate senior management, the ~~Head of Assurance~~ **Client Audit Manager** will submit a risk-based plan to the Audit Committee for review and approval. This will occur at least annually. The plan sets out the engagements agreed by ~~Operational Directorate Boards and subsequently the Section 151 Officer and Chief Executive~~ **Leadership Board** and demonstrates the priorities of both SIAS (the need to produce an annual internal audit opinion) and those of the organisation. Also included will be any relevant declarations of interest.
- 13.2. The plan will be accompanied by details of the risk assessment approach used and will take into account the organisation's assurance framework. Also shown will be the timing of an engagement, its budget in days, details of any contingency for new or changed risks, time for planning and reporting and a contribution to the development of SIAS.
- 13.3. The plan will be subject to regular review in year and may be modified in response to changes in the organisation's business, risks, operations, programmes, systems, and controls. All significant changes to the approved internal audit plan will be communicated in the quarterly update reports.

### 14. Reporting and Monitoring

- 14.1. A draft written Terms of Reference will be prepared and issued to appropriate personnel at the start of an engagement. It will cover the intended objectives, scope and reporting mechanism and will be agreed with the client. Changes to the terms of

reference during the engagement may occur and will be agreed following consultation with the client.

- 14.2. A report will be issued to management on completion of an engagement. It will include a reasoned opinion, details of the time period and scope within which it was prepared, management's responses to specific risk prioritised findings and recommendations made and a timescale within which corrective action will be / has been taken. If recommended action is not to be taken, an explanation for this will also be included.
- 14.3. SIAS will follow-up the implementation of agreed recommendations in line with the protocol at each client. As appropriate, the outcomes of this work will be reported to the audit committee and may be used to inform the risk-based planning of future audit work. Should follow-up activity identify any significant error or omission, this will be communicated by the ~~Head of Assurance~~ **Client Audit Manager** to all relevant parties. A revised internal audit opinion may be issued on the basis of follow-up activity.
- 14.4. In consultation with senior management, the ~~Head of Assurance~~ **Client Audit Manager** will consider, on a risk-basis, any request made by external stakeholders for sight of an internal audit report.
- 14.5. Quarterly update reports to the Audit Committee will detail the results of each engagement, including significant risk exposures and control issues. In addition, an annual report will be produced giving an opinion on the overall control, governance, and risk management environment (and any other issues judged relevant to the preparation of the Annual Governance Statement) with a summary of the work that supports the opinion. **Hertfordshire County Council's** ~~The~~ Head of Assurance will also make a statement of conformance with PSIAS, using the results of the annual self-assessment and Quality Assurance and Improvement Plan (QAIP) required by the PSIAS. The statement will detail the nature and reasons for any impairments, qualifications, or restrictions in scope for which the Committee should seek reassurances from management. Any improvement plans arising will be included in the annual report.

## 15. Periodic Assessment

- 15.1. PSIAS require ~~the~~ **Hertfordshire County Council's** Head of Assurance and the SIAS Board to arrange for an independent review of the effectiveness of internal audit undertaken by a suitably knowledgeable, qualified, and competent individual or organisation. This should occur at least every five years.
- 15.2. **Hertfordshire County Council's** ~~The~~ Head of Assurance will ensure that continuous efforts are made to improve the efficiency, effectiveness, and quality of SIAS. These will include the Quality Assurance and Improvement Programme, client feedback, appraisals, and shared learning with the external audit partner as well as coaching, supervision, and documented review.
- 15.3. A single review will be carried out to provide assurance to all SIAS partners with the outcomes included in the partner's Annual Report.

**16. Review of the Audit Charter**

- 16.1. The ~~Head of Assurance~~ **Client Audit Manager** will review this charter annually and will present, to the first audit committee meeting of each financial year, any changes for approval.
- 16.2. The ~~Head of Assurance~~ **Client Audit Manager** reviewed this Audit Charter in July 2021. It will next be reviewed in April 2022.

**Glossary of Terms**

Audit Committee	The PSIAS defines the Audit Committee as “The governance group charged with independent assurance of the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting.”
Audit Plan	The programme of risk-based work carried out by the Shared Internal Audit Service (SIAS) on behalf of its clients.
Board	<p>The PSIAS defines the ‘Board’ as “The highest-level governing body (e.g., a board of directors, a supervisory board, or a board of governors or trustees) charged with the responsibility to direct and/or oversee the organisation’s activities and hold senior management accountable. Although governance arrangements vary among jurisdictions and sectors, typically the board includes members who are not part of management. If a board does not exist, the word “board” in the Standards refers to a group or person charged with governance of the organisation.</p> <p>For the purposes of the SIAS Audit Charter, the Board as referred to in the PSIAS shall be Watford Borough Council’s Audit Committee. All references to the Audit Committee in the SIAS Audit Charter should be read in this context.</p>
Chief Audit Executive (CAE)	The PSIAS describes the role of CAE as “a person in a senior position responsible for effectively managing the internal audit activity in accordance with the internal audit charter and the mandatory elements of the International Professional Practices Framework. The CAE or others reporting to the CAE will have appropriate professional certifications and qualifications. The specific job title and/or responsibilities of the CAE may vary across organisations.”

	<p>The CAE is fundamental to the success of the service and to the extent to which it complies with the Standards. Regular reference is made to this role throughout the PSIAS, including some specific requirements relating to whoever is designated the role.</p> <p>For the purposes of the SIAS Audit Charter, the CAE as referred to in the PSIAS shall be <b>WBC's HCC's Head of Assurance Client Audit Manager</b>. All references to the <del>Head of Assurance</del> <b>Client Audit Manager</b> in the SIAS Audit Charter should be read in this context.</p>
Management	<p>Operational officers of the Council responsible for creating corporate policy and organising, planning, controlling, and directing resources to achieve the objectives of that policy. Senior management is defined as the Head of Paid Service, Chief Officers and their direct reports.</p>
Public Sector Internal Audit Standards (PSIAS)	<p>These standards, which are based on the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF), are intended to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector. They reaffirm the importance of robust, independent and objective internal audit arrangements to provide stakeholders with the key assurances they need to support them both in managing and overseeing the organisation and in producing the annual governance statement.</p>
Shared Internal Audit Service (SIAS)	<p>SIAS is a local authority partnership comprising Hertfordshire County Council (HCC) and seven Hertfordshire district and borough councils. SIAS also provides internal audit services to a limited number of external clients. HCC is the host authority for the partnership and provides support services such as HR, technology, and accommodation.</p>
SIAS Board	<p>The Board that comprises officer representatives from the partner authorities and that is responsible for the governance of the SIAS partnership.</p>

Note:

For readability, the term 'internal audit activity' as used in the PSIAS guidance has been replaced with 'SIAS' in this Charter.