

**Summary of Measures to demonstrate the effectiveness of Internal Audit – 2016-17 Review**

<b>Measure</b>	<b>Finding</b>
Review of the Internal Audit team against proper practice, as defined as the <i>Public Sector Internal Audit Standards and the CIPFA Local Government Application Note to the Public Sector Internal Audit Standards</i> .	The Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note to the Public Sector Internal Audit Standards were introduced as proper Practice from 1 April 2013. An independent External Quality Assessment was undertaken in the 2016/17 financial year. This confirmed that the team are considered to be working in conformance with the PSIAS overall, achieving general conformance with 43 Standards and eight partial conformances. No non-conformance was identified. An action plan has been put in place to address the areas for development.
The internal audit planning process, demonstrating that audit planning is risk-based and reflects the business objectives of the Council.	The annual audit planning exercise for the 2016/17 financial year used a risk-based methodology to ensure the most effective use of Internal Audit resource. This exercise reflects the business objectives of the Council.
Customer Satisfaction survey results.	Customer satisfaction surveys are sent to all client managers on publication of a final internal audit report. The results of surveys returned for 2016-17 to date gave an overall satisfaction measure of 100% against a target of 100%.
Key performance indicator outturns.	A set of six performance measures was developed to assess the effectiveness of the Internal Audit team in achieving a quality Internal Audit Service. As reported in the Annual Internal Audit Report 2016-17, during the year the team met six of the six performance measures.
The extent to which reliance can be placed on the work of internal audit by the external auditor.	In the Update to the July 2017 Committee for TMBC Grant Thornton will publish their conclusion and have confirmed this will be a positive statement concluding that the arrangements for internal audit contribute to an effective internal control environment.