

## **A) Standards review**

### PSIAS core principles

<b>Demonstrates integrity.</b>			Code of Ethics and regular reminders to staff.
Having regard to your review of conformance with the Code of Ethics (Integrity, Seven Principles of Public Life), do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by demonstrating integrity?			CoLC Code of Conduct (includes principles) Any potential conflicts of interest documented Professional codes
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Demonstrates competence and due professional care.</b>			Experienced auditors
Having regard to your review of conformance with the Code of Ethics (Competence, Confidentiality, Seven Principles of Public Life) and any other evidence from the review of conformance with Standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by demonstrating competence and due professional care?			Various training options, including CIPFA and access to audit networks and Assurance Lincolnshire. Due professional care is applied to all work. Standard audit processes Audit review and supervision See QAIP for further actions
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Is objective and free from undue influence (independent).</b>			The team is objective and free from undue influence – refer to Audit Charter
Having regard to your review of conformance with the Code of Ethics (Objectivity, Seven Principles of Public Life) and any other evidence from the review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by being objective and free from undue influence (independent)?			The service sits below the S151 officer but with direct access to CMT/Chair of Audit Committee There are no restrictions in terms of audit planning/selection of audit areas. Internal audit has no operational duties.
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Aligns with the strategies, objectives, and risks of the organisation.</b>			Audit strategy and plan links to corporate strategy and risks
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by being aligned with the strategies, objectives, and risks of the organisation?			Alignment is assisted through Combined Assurance work which feeds into strategy/planning and covers the whole organisation so planned audit activity has the benefit of being aligned across the whole organisation with up to date information on risk and assurance.

CONFORMS ✓	PARTIAL	NOT CONFORMING	The QAIP includes an action to produce a separate audit strategy in 2021.
<b>Is appropriately positioned and adequately resourced.</b>			Charter/audit strategy/plan Direct access to CX/CMT; line managed via S151/CFO Resources are satisfactory having been recently benchmarked.
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by being appropriately positioned and adequately resourced?			
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Demonstrates quality and continuous improvement.</b>			Internal audit work is of a high quality and findings are appropriately supported. There are some continuous improvement areas outlined in the 2021 QAIP
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by demonstrating quality and continuous improvement?			
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Communicates effectively.</b>			This is through various mechanisms. Audit reports to management, progress reports to Audit Committee and CMT members; progress reports to the Portfolio holder. Annual report. The QAIP includes an action to report formally into CMT mid-year on the plan and any revisions.
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by communicating effectively?			
CONFORMS ✓	PARTIAL	NOT CONFORMING	
<b>Provides risk-based assurance.</b>			Risk assessment is completed as part of the audit planning process; this continues to be refined. For individual assignments a risk-based approach is taken.
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by providing risk-based assurance, based on adequate risk assessment?			
CONFORMS ✓	PARTIAL	NOT CONFORMING	

<b>Is insightful, proactive, and future-focused.</b>			Combined Assurance
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by being insightful, proactive, and future-focused?			Regular liaison meetings - current issues and emerging risks (121's with CFO/ Management/SMT meetings).  We respond proactively and can adjust audit plans as required.  A full review of the plan and emerging risks will take place around Sept.
CONFORMS ✓	PARTIAL	NOT CONFORMING	<p>We further demonstrate this principle through our advice/consultancy work which is often providing insight from a business, governance, risk and control perspective helping the organisations get these arrangements right as the project is delivered. ColC for example - Partnerships</p> <p>We participate on various professional networks and attend professional updates through CIPFA and the IIA. We subscribe to CIPFA Better Governance Forum and (through LCC) IIA Head of Internal Audit Network.</p> <p>We also horizon scan for emerging and current risks (committee reports/horizon scanning corporate document).</p> <p>See also QAIP actions in this area</p>
<b>Promotes organisational improvement.</b>			This is achieved through planned audit work, combined assurance and advice/consultancy.
Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by promoting organisational improvement?			
CONFORMS ✓	PARTIAL	NOT CONFORMING	