



Quality Assurance &
Improvement Programme
Devon Audit Partnership

Version 1.5

October 2015



Auditing for achievement

Document Control

Change Record

<i>Date</i>	<i>Author</i>	<i>Position</i>	<i>Version</i>	<i>Change details</i>
24/5/2013	Robert Hutchins	Head of Partnership	1.0	Amalgamation of various development documents into one single record.
17/7/2013	Robert Hutchins	Head of Partnership	1.1	Update to include links to other document including CSE assessment report; Internal Audit report and IIA quality assessment report.
25/10/2013	Robert Hutchins	Head of Partnership	1.2	Updated to take account of action completed during the summer period
31 Jan 2014	Robert Hutchins	Head of Partnership	1.3	Updated to account of action taken up to 31 Dec 2013 and new issues emerging.
5 March 2014	Robert Hutchins	Head of Partnership	1.3	Updated to account of action arising from CSE rolling programme1 assessment.
5 March 2014	David Curnow	Dept Head of Partnership	1.3	Inserted - Added Value process
24 March 2014	David Curnow	Dept Head of Partnership	1.3	Inserted - review of audit report
28 April 2014	David Curnow	Dept Head of Partnership	1.3	Inserted - review of audit manual
4 June 2014	David Curnow	Dept Head of Partnership	1.3	Review budget monitoring process
4 June 2014	David Curnow	Dept Head of Partnership	1.3	Create Staff forum pages
19 June 2014	David Curnow	Dept Head of Partnership	1.3	PSIAS – Self-assessment progress
23 October 2014	Robert Hutchins	Head of Partnership	1.4	Incorporates results of LGAN self-assessment. Formal review and update of plan following Managers meeting
Summer 2015	David Curnow	Dept Head of Partnership	1.4	Incorporates “soft skills” requirements.
October 2015	Robert Hutchins	Head of Partnership	1.5	

Document Reviewers

<i>Version</i>	<i>Name</i>	<i>Position</i>	<i>Date</i>

Introduction

Our development priorities

Our aim is to continue to provide excellent independent, objective assurance and consulting services designed to add value and protect public resources. We aim to assist in improving the efficiency and operations of our client organisations in line with corporate values of continuously challenging services and promoting openness, accountability and high standards of risk management, internal control and governance.

We aim to further develop our audit performance by the consistent use and pro-active development of Audit Management Software and other IT solutions where possible.

Our high level objectives are have been summarized into four characteristics: -

Process	People	Customer	Pounds £
Improving the management of our relationship with customers to ensure that audit services are developed and delivered appropriately	Develop HR policies for the partnership to deliver results to support our customers strategic goals	Ensuring the customer is at the heart of what we do; listen and respond to the needs and priorities of our customers.	Delivery of a best value / Value For Money internal audit service
Organizing audit activities to deliver maximum value	Ensuring that all audit staff know what they need to do, and have the skills and competence to do it	Develop our approaches that meet individual customer needs whilst ensuring that a consistent and high quality service is delivered.	Maintaining and increasing customer base and associated revenue for contracted services
Ensuring that each element of the audit process (planning, delivery and reporting) reflects best practice	Develop management practices that support innovation and creativity	Ensure suitable arrangements are in place that engage with the customer and seek and encourage feedback at all stages of our processes.	Promote the efficient use of financial resources in terms of identifying audit deliverables and aligning resources accordingly
Ensuring equality and diversity in service delivery	Have a wider pool of experts readily available to meet short term needs of our partners and clients	Aim to “add value” to the organisations we audit so that they receive more than just assurance	Manage and control expenditure and maximize income
Using our audit “tools” (staff and IT) in a innovative way to ensure we can deliver maximum coverage and input on every audit.			

Key Changes / challenges

The Partnership - The Partners have stated that they appreciate the high quality and effective internal audit service that the Partnership provides. The partnership was extended in April 2014 and covers the period from April 2014 to March 2017.

This contract is provided with significant challenges; the Partnership is expected to make 10% cost savings in each of the next 3 years, starting from April 2014. This will result in a reduced capacity and internal audit plan; we need to ensure that we embrace technology and new ways of working to ensure that we can still provide the audit assurance opinion sought from us.

Process - The Public Sector Internal Audit Standards came into operation on the 1st April 2013; the Standards closely follow the Institute of Internal Audit Standards. In April 2014 CIPFA issued guidance in the form of a Local Government Application Note as to how local government internal audit sections should respond to meeting the PSIAS. We complete an annual assessment of how we meet both the PSIAS and the LGAN and capture any required improvements within this development plan.

We constantly review the effectiveness of our ICT; we are working with our current ICT provider to determine how we may be able to further develop our ICT and help maximize efficiency gains.

Outputs – we appreciate that senior management and audit committee members have significant calls upon their time; we have made significant changes to the way our reports are presented, with the aim of reducing text but maximizing the impact of the messages we wish to convey. We make greater use of graphics where appropriate, with the old maxim of “a picture paints a thousand words”

Added value – we know that our clients expect us to provide more than just assurance; they look to us to add value to their organisations. This is often through well-formed and business leading recommendations, or can simply be spreading best practice to common solutions. Our team look to work “across organisations” to (where appropriate) share understanding of common problems and effective solutions.

Customers - In September 2013 we were accredited with the Customer Service Excellence award. Our assessor, June Shurmer, revisited the Partnership in February 2014 and again in March 2015. She confirmed that we have addressed the small number of weaknesses she identified in her September visit. We continue to develop our processes and arrangements to ensure our customers receive a high quality, customer focused service.

People – we wish to ensure that we have all the elements of an excellent employer. As a management team we have embarked upon a self assessment process against the criteria for “Investors in People”. Our intention is to identify areas where we need to strengthen / improve our practices to ensure we get the best possible return from our most valuable resource; our employees. Any areas form

improvement will be captured in this development plan. We have canvassed the views of our staff and are interpreting the results to help inform where we may need to further develop.

Pounds - Accommodation – we are looking at how we can ensure we can provide modern and effective office accommodation that meets our needs but also minimize costs to the Partnership

Partners – partners from other organisations (e.g. SWAP, Southern Internal Audit, district councils in Devon etc.) are facing similar challenges. We wish to work closely with them to develop sound and effective responses to the challenges we face; we aim to share our solutions and will provide resources to projects that will look at how efficiencies can be gained.

Using this document

This document is expected to be a “live” document – i.e. actions identified will be taking place at all time during the year.

The report at Appendix A uses a colour coding system which shows what the status is of actions *at a moment in time* – i.e. the last time the plan was updated.

Devon Audit Partnership Plan – Key Priorities Development Plan as at October 2015

Specific tasks	Target Date	Resources (Days / £) in 2014/15	Person(s) responsible	Outcome / Measure of Success	Action / Progress
Process					
Identify and recognise efficiencies and ensure we deliver what we say we will deliver. Greater use made of MKI, IDEA and Forensic Software	On - going	To be identified as and when changes identified	DAP Management team TR / Managers	Delivery of audit plan. Delivery within financial budget. Make best use of “tools” – i.e staff and IT.	Year on year successful delivery of audit plan. Year on year financial savings made. Investment in ICT (Encase, IDEA, Mki etc.) to give more “tools in the toolbox” Use of “Theme” in MKI for <ul style="list-style-type: none"> • Added value and • Tax Compliance.
Audit programmes for irregularity and specialist work to be embedded into MKI.	March 2015	2 days development of MKI	DM / DC	Consistent methodology of capturing data relating to investigations / specialist work, enabling effective review and production of simple reports that can then be tailored for publication to clients.	Change in staff will force this change to take place – may not fully achieve by March 2015.
Review the Fraud Manual – ensure it is up to date and applied across all Offices. - Produce a 2 tier product for fraud reviews (initial/quick and detailed investigation) - Create fraud reports from MKI	30 Sept 2014 31/3/15	3 days	DM / MW DC / RM / TR	All offices aware of and follow Fraud Manual All Irregs in MKI; Investigation report and Client report used from the one audit in mki	Not yet achieved.

Specific tasks	Target Date	Resources (Days / £) in 2014/15	Person(s) responsible	Outcome / Measure of Success	Action / Progress
<p>Network file structure review.</p> <ul style="list-style-type: none"> • Consideration of Data management and Archiving / deleting arrangements. • Make best use of available software (MKI, Trim and Sharepoint) etc. 	<p>Summer 2015 plan and start in place</p> <p>Complete by 31/3/16</p>	6 days	To be decided. Do we need a non-audit person to do this?	<p>Clear network policy, ensuring documents are only saved once and are easy to locate.</p> <p>Documents are archived / destroyed promptly and effectively minimising risk of sensitive data being incorrectly managed.</p>	<p>To be actioned</p> <p>DCC to support the process of review to ensure conformance.</p>
Process / People					
<p>Ensure that we have a quality management programme to monitor quality against performance and customer service.</p> <p>e.g. for quality and timeliness and delivery against expected targets. This will require sample testing by RH / DC to ensure consistency / accuracy etc.</p>	December 2015	3 days	RH / DC then managers	<p>Clear and consistent understanding and application of quality standards.</p>	<p>A file / work review process has been written and shared with staff at Sept 2015 "development day". Template identified, sample checks undertaken.</p> <p>Model still needs refining:-</p> <ul style="list-style-type: none"> • Feedback and resolution process needed.
<p>Create Staff forum pages on network or website – start with the Excel training CW is attending</p>	October 2014	2 days	CW / DC	<p>Better sharing of staff knowledge – hints and tips</p>	<p>Not yet commenced – CW long term absence has "stalled" this.</p> <p>Need to consider if we still want this and if so kick start the process.</p>

People					
Continued development of audit staff and assessment of training needs via appraisals and use of skills matrix and competencies. Identify skill gaps <ul style="list-style-type: none"> ▪ Identify skill needs to meet Partnership work commitments ▪ Identify future staff skill set ▪ Staff Skills Audit ▪ Create training programme e.g. <ul style="list-style-type: none"> ○ Encase - further training ○ IDEA - widen use with staff 	December 2015	4 Days	Managers	Well trained and motivated staff as demonstrated by high retention and positive feedback via staff surveys	Actioned. Appraisals completed for all staff. Appraisals for 15/16 have mainly been completed – results need now to feed into the skills matrix to re-fresh the training requirements
People / Customer					
Review and update the Training & Development policy. Ensure that the Policy includes reference to how staff will be trained in Customer Service.	September 2015		RH / BD		Not yet actioned
Plan and deliver customer service training for new staff.	As and when	½ day per employee	Line Manager	Consistent understanding of our expectations in providing excellent customer service.	Two new staff commenced September 2014. Both have completed customer service training (on-line).

Customer					
<p>We will continue to develop and foster a culture of all working together seamlessly in a customer focussed approach. We aim to further improve our customer engagement through the introduction of the following methods.</p> <p>Some specific targets require attention:-</p> <ol style="list-style-type: none"> 1. Establish Customer care champions throughout the partnership; 2. Consult with our customers and continuously evaluate our engagement methodologies. 3. Increase the return rate of customer feedback to ensure it is "statistically reliable" 	End of March 2016	3	Management team	These are the "hard to do bits" but will be how we demonstrate that we care about the customer and listen to their comments.	<p>1- Customer Care Champion – via the "soft skills" on customers – "champion" could be CW</p> <p>2 - Consult with customers – make use of wide customer base we have (Torrige, Teignbridge, Dartmoor NP etc). Engagement event to be set up early 2016</p> <p>3 - Increase return rate? Offer "incentives" ??</p>
Maintain Website as an essential communication tool for existing and potential customers.	¼ ly review		Management Team	Website is easily navigated and used by customers.	Website in place. Regularly updated – e.g. with Fraud Bulletins, customer satisfaction results, annual accounts, customer testimonials.
Update / refresh Customer Care Policy on an annual basis.	December 2015	1 day	CW	Ensure that our policy reflects current trends / challenges.	

Customer / Pounds					
Maintain existing client base and respond flexibly to changes in client needs and structure changes (e.g. Commissioning / Outsourcing/ reducing direct provision of services)	On-going		All	DAP has the skills and capacity to meet client demands, dealing effectively with peaks and troughs in requests for work.	All existing clients retained 2015-16. Review again in January 2016, taking account of provisional audit plans for 16/17. Have made 10% saving in “partner” contributions in 15/16, need to make further 10% savings next year.
Continue to review the accommodation needs of the partnership including assessment of costs and benefits including timescales	January 2015	To be determined once possible options identified.	RH / DC / BD	Meet accommodation needs / requirements of DAP and partners. Need to ensure that any new location does not adversely impact on effectiveness.	DAP Plymouth office space re-organised and co-location with legal services colleagues.
Pounds					
Continue to closely monitor spending against budget to ensure we stay within financial envelope.	Quarterly throughout 2015/16	3	RH / DC and Angela Stirland.	Senior management confidence.	Mth 6 projections show a slight surplus against budget.

Specific actions resulting for a self assessment against the Local Government Application Note following issue of the Public Sector Internal Audit Standards (PSIAS).

Outstanding Actions as at October 2015

LGAN Ref	Conformance with Public Sector Internal Audit Standard	No of Questions	Yes	Partial	No	Comments	Action Required	By who?	Expected date / Action taken
3.4	1300 Quality Assurance and Improvement Programme	27	21	6					
	If the organisation is a 'larger relevant body' in England, does it conduct a review of the effectiveness of its internal audit at least annually, in accordance with the Accounts and Audit (England) Regulations 2011 section 6(3)?			•		A review of the effectiveness of internal audit is completed annually. However the results from this review have not always been presented to the Audit Committee.	Ensure that the Annual Review of the Effectiveness of Internal Audit is taken to the Audit Committee annually.	Head of DAP	by October 2015.
	Do internal assessments include ongoing monitoring of the internal audit activity, such as: a) Routine quality monitoring processes?			•		This is done; quality of audit work / the audit service is regularly reviewed by the management team but not as formally as the standard requires. Something we should consider.	This will be included within the business of the management team and will be scheduled for a quarterly review.	DAP management team	Quality monitoring process set up in summer 2015. Introduced to all staff at Sept Development Day. Will require some refinement and "embedding"

	d) Periodic assessments for evaluating conformance with the PSIAS?			•		Again, this is undertaken, but not as formally as the standard requires. Something we should consider.	This will be included within the business of the management team and will be scheduled for a six monthly review.	DAP management team	Six monthly, as part of longer managers meeting. W.e.f Dec 2014.
	Does the periodic assessment include a review of the activity against the risk-based plan and the achievement of its aims and objectives?			•		Our external assessment was completed in October 2012, before the LGAN was available. As a consequence we were not evaluated against this criteria.	Ensure that future external assessment address this point.	Head of DAP / appointed external assessor.	External assessment to be undertaken by Hertfordshire SIAS early in 2016.
4.1	2000 Managing the Internal Audit Activity	46	41	4	1				
	Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?			•		Our plan takes account of other assurance activities (e.g. Ofsted etc) but does not clearly state the assurance that will be placed on this work.	There is a need to prepare better assurance maps for each client to ensure that those charged with governance are fully aware of where assurance is being provided from.	Head of DAP / management team Organisational Development staff ?	This is a significant piece of work. DAP can kick start the process, but a wider assurance map will require input from other authority employees, e.g. Organisational Development. Nov 2015
	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?				•	No. See comments above.	See above	See above.	See above.

4.2	2100 Nature of Work	29	25	3	1				
	Has the internal audit activity evaluated the: a) design b) implementation and c) effectiveness of the organisation's ethics-related objectives, programmes and activities?				1	<ul style="list-style-type: none"> This will be part of the annual work for each client in 2014/15. 	Specific audit to be carried out during 2014/15	DAP management team.	Reviews carried out at Mid Devon & Torridge in 14/15 – needs to be rolled out across all clients in 15/16.
4.3	2200 Engagement Planning	44	43	0	1				
	Do internal auditors consider the following in planning an engagement, and is this documented: d) The activity's resources?				1	<ul style="list-style-type: none"> This is not part of our audit brief. Wider issue around outsourced and partnership working. 	Unsure. Will need to consider further.	Head of DAP	31-Dec-2015

