

**INTERNAL AUDIT ANNUAL PLAN 2020 - 21 &
STRATEGIC PLAN 2020 - 23 (DRAFT)**

OXFORD CITY COUNCIL

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AUDIT RISK ASSESSMENT

Background

Our risk based approach to Internal Audit uses the Council's own risk management process and risk register as a starting point for audit planning as this represents the client's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the Council's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects Oxford City Council's current risk profile.

Planned approach to internal audit plan 2020 - 21

The indicative Internal Audit programme for 2020 - 21 is shown from page 6, with an indicative strategic plan for 2020 - 23 shown from page 12. We have met with the Heads of Services and the Audit Chair in order to bring together a full plan which will be presented at the March 2020 Audit Committee. We will keep the programme under continuous review during the year and will introduce to the plan any significant areas of risk identified by management during that period.

The plan is set within the context of a multi-year approach to internal audit planning, such that all areas of key risks would be looked at over a three year audit cycle. In setting the number of days in the plan we have assumed that the control environment within the Council will improve as we work with you to address the issues you have.

Individual audits

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within the Council. Where revisions are required, we will obtain approval from the appropriate Executive Director prior to commencing fieldwork.

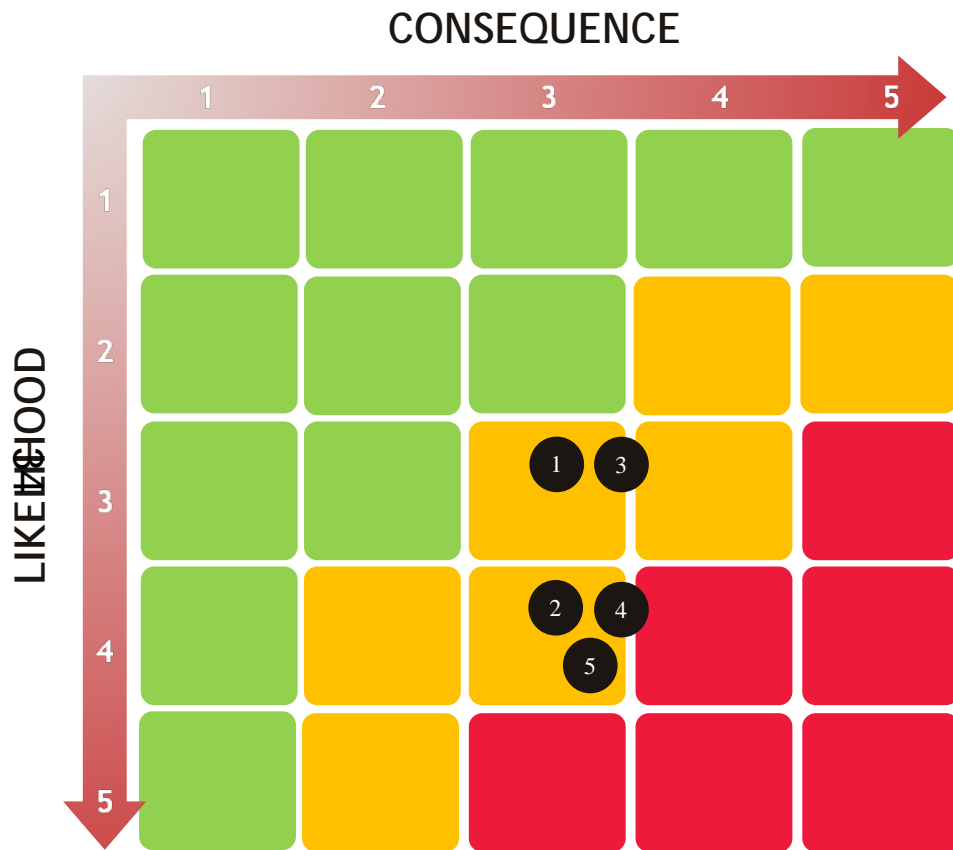
In determining the timing of our individual audits we will seek to agree a date which is convenient to the Council and which ensures availability of key management and staff.

Variations to the Plan

We review the three year strategic plan each year to ensure we remain aware of your ongoing risks and opportunities. Over the coming pages we have mapped your key risks along with the audit work we are undertaking, demonstrating we are focussing on your most important issues.

As such our strategic audit programme follows the risks identified during our planning processes and confirmed via discussions with the Heads of Service and the Head of Financial Services

MAPPING YOUR STRATEGIC RISKS



	Ref	Strategic Risks from your CRR
1	1	Enable an Inclusive Economy
2	2	Deliver More affordable housing
3	3	Support Thriving Communities
4	4	Pursue a Zero Carbon Oxford
5	5	All of the above (1234)

MAPPING YOUR CRR TO THE STRATEGIC PLAN

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Ref	Strategic Risks from your CRR	2020/21	2021/22	2022/23
1	Enable An Inclusive Economy	Car Parking Channel Shift Companies Oversight	Local Enterprise Partnership and Growth Deals Health and Safety and Fire Safety	Highways Audit
2	Deliver More Affordable Housing	Housing Rents	Major Works - Grenfell Report	Housing Investment and outsourcing model
3	Support Thriving Communities	Community Strategy	Community Capital Projects	Oxford Safer Community Partnerships
4	Pursue A Zero Carbon Oxford	Environment	Flood Risk Management	Fleet Management and Air Pollution
5	All of the above (1234)	Accounts Receivable Payroll and Overtime Data Analytics Income Collection and Cashiers Treasury Management Planning Services Corporate Performance	Data Analytics Purchase Cards General Ledger GDPR and high level Freedom of Information Cyber Security Accounts Payables and Procurement General Ledger	NNDR and Business rates pooling Project Management Sickness and Absence Management Contract Management Expenses Scheme of Delegation Fixed Assets Register

INTERNAL AUDIT OPERATIONAL PLAN 2020-21

Area	Days	Timing	Description of the Review	Reason for Inclusion
1. Enable an Inclusive Economy				
Car Parking	15	Q1	To review the operational controls and processes with regards to setting tariffs, issuing tickets and income collection. Assessment of whether the Council have taken effective steps to maximise economic activity through its parking strategy and have met legislative requirements over the use of income toward the support of transport related activity.	This review will provide the Audit Committee with assurance on whether the control and processes within car parking are being adhered to. In addition, we will provide assurance on the use of funds to support transport related activities undertaken by the Council.
Channel Shift	15	Q2	<ul style="list-style-type: none"> Review how the Council uses data to understand its customers and assess where customers can be directed on-line or to more efficient methods compare the Council's approach to those successfully implemented at other Councils assess the extent to which savings plans are being monitored and achieved Review the Council's plans to use technology to drive change in customer access and how the Council ensures this is working effectively 	This review will provide the Audit Committee with assurance on whether its Channel Shift strategy is being implemented effectively .
Companies Oversight	15	Q1	<p>The Council have set up various companies to effectively manage the ODS and the housing company. This was previously reviewed in 2018 -19 where the initial set up of the companies and achievement of objectives were reviewed.</p> <p>We will now review the overall governance arrangements in place within the joint ventures and whether there is sufficient oversight/scrutiny and performance monitoring by Non-Executive Directors.</p>	This review will provide the Audit Committee with assurance that there are adequate governance arrangements within joint ventures and performance is monitored appropriately.
Total	45			

Area	Days	Timing	Description of the Review	Reason for Inclusion
2. Deliver More Affordable Housing				
*Housing Rents	13	Q3	<p>The days have been carried forward from the 2019 - 20 Audit plan. This has been allocated to the 2020-21 plan as the QL Areon system (new housing system) was not implemented.</p> <p>This review will assess the controls and processes to manage housing rents including the effective use of the new QL Areon system implemented in April 2020. An assessment of the administration and management of policies will also be made i.e. administration of 'market rent' assessments.</p>	This review will provide the Audit Committee with assurance that the new QL Areon system have sufficient controls and processes in place to manage housing rents effectively.
Total	13			

Area	Days	Timing	Description of the Review	Reason for Inclusion
3. Support Thriving Communities				
Community Strategy	15	Q3	To assess how the Council is working with the communities, encouraging diversity and equality.	To provide assurance to the Audit committee that the Council is promoting diversity and Equality.
Total	15			

Area	Days	Timing	Description of the Review	Reason for Inclusion
4. Pursue A Zero Carbon Oxford				
*Environment	15	Q3	This review was moved from 2019 -20 to 2020-21 and therefore the audit days were carried over. We will review the design and effectiveness of controls in relation to environmental concerns, and understand the extent to which the operational footprint and strategies of the Council are reflecting its Climate Emergency declaration. We will also review the effectiveness of engagement/influencing programmes designed by the Council for driving environmental change.	To provide assurance to the Audit Committee that the Council is taking measures to respond to the climate emergency and develop programmes to reduce the carbon foot print.
Total	15			

Area	Days	Timing	Description of the Review	Reason for Inclusion
5. All Risks Above (1234)				
Accounts Receivable	15	Q3	Assess the arrangements to input, amend, record and report accounts receivable data including ensure new structures in place are robust and have met the objectives set out. Ensure Debt collection arrangements are sound and followed up appropriately.	Cyclical review of key systems and controls to provide assurance on the core financial controls in place.
Payroll and Overtime	15	Q2	This review will cover payroll and overtime arrangements within the Council	Cyclical review of key systems and controls to provide assurance on the core financial controls in place.
Data Analytics	15	Q3	To conduct data analytics on main financial system information including the ledger and payroll. This will include conducting data analytics tests and then following up on red flags identified.	Cyclical review of key systems and controls to provide assurance on the core financial controls in place.

Area	Days	Timing	Description of the Review	Reason for Inclusion
5. All Risks Above (1234)				
Income Collection and Cashiers	15	Q2	The Council will be going live in July 2020 with the replacement of the Paris system. We will review the arrangements for recording income onto the new system and cash handling arrangements.	This review will provide the Audit Committee with assurance that the new system (replacing Paris) is operating effectively.
Treasury Management	12	Q2	We have previously reviewed the Treasury management processes in 2019 - 20. The Council are due to undertake borrowings of up to £900k (housing company loans) and therefore we will assess whether the controls and processes are operating effectively and an adequate process is being followed.	This review will provide the Audit Committee with assurance on whether the Council has adequate controls and processes to manage and monitor borrowing of significant value.
Planning Services	15	Q3	Review the strategy for the service to assess whether it is fit-for-purpose, the capacity/knowledge and resilience of the team, and whether operational controls to achieve the objectives for the area are robust. In addition, identify issues on building control and planning and commercial services and whether the paper light and Idocs aspect introduced in December 2019 is working effectively	This review will provide the Audit Committee with assurance on ensuring planning services and commercial services are operating effectively and there is capacity/resilience in the team to manage planning applications.
Corporate Performance	15	Q4	In 2019-20 we reviewed the governance of corporate performance indicators and whether these are reported and monitored effectively. We will understand how corporate indicators are developed, scrutinised and subsequently approved; we will also assess whether the corporate indicators are aligned with the Council's Corporate objectives and the right parties are involved in the process.	This review will provide the Audit Committee with assurance on whether there are robust controls and processes in place to both develop, scrutinise and approve corporate indicators.
Total	102			

Area	Days	Timing	Description
Planning, Reporting and Follow up			
Planning/ liaison/ management	8	Q1-4	Creation of audit plan, meeting with each Executive Director
Recommendation follow up	8	Q1-4	Assessment and reporting of recommendations
Audit Committee	4	Q1-4	Attendance at all Audit Committees
Contingency	4	-	-
TOTAL	24		

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SUB TOTAL	214		
Less days c/f from 2019 -20 plan	(28)		Environment c/f 15 days and Housing Rents c/f 13 days.
GRAND TOTAL	186		

INTERNAL AUDIT STRATEGIC PLAN

2020 - 23

Area	2020- 21	2021 - 22	2022- 23	Description of the Review
1. Enable an Inclusive Economy				
Car Parking	15			To review the operational controls and processes with regards to setting tariffs, issuing tickets and income collection. Assessment of whether the Council have taken effective steps to maximise economic activity through its parking strategy and have met legislative requirements over the use of income toward the support of transport related activity.
Channel Shift	15			<ul style="list-style-type: none"> Review how the Council uses data to understand its customers and assess where customers can be directed on-line or to more efficient methods compare the Council's approach to those successfully implemented at other Councils assess the extent to which savings plans are being monitored and achieved Review the Council's plans to use technology to drive change in customer access and how the Council ensures this is working effectively
Companies Oversight	15			<p>The Council have set up various companies to effectively manage the ODS and the housing company. This was previously reviewed in 2018 -19 where the initial set up of the companies and achievement of objectives were reviewed.</p> <ul style="list-style-type: none"> We will now review the overall governance arrangements in place within the joint ventures and whether there is sufficient oversight/scrutiny and performance monitoring by Non-Executive Directors.
Local Enterprise Partnerships and Growth Deals		15		To keep under review the decision making and governance arrangements of the Local Enterprise Partnership in terms of setting a clear vision and operating under a clear governance framework, securing and accounting for funding, managing performance of regeneration schemes and achieving milestones and outcomes.
Health and Safety and Fire Safety		15		The Council would like to continue to monitor and assess the controls and processes in relation to health and safety and fire and safety ensuring they meet all legal requirements. This review will also include the assessment of health and fire safety controls at ODS too.

Area	2020- 21	2021 - 22	2022- 23	Description of the Review
Highways Audit			20	<p>We will review the governance framework, including the frequency and standard agenda of the performance management meetings and the associated Management Information. Review roles, responsibilities, and compliance with external regulations and internal policies and procedures.</p> <p>We will also review the Performance Indicators (PI') and the content of the performance meetings. Assurance that these meet with the standard agenda and includes an issues log. Review a sample of defects for compliance with internal processes and external highway regulations to ensure timeliness and quality expectation have been met.</p> <p>Invoicing - Ensure that purchase orders are in place and the quarterly invoices are issued by ODS and the City Council and ensure cost monitoring and performance management processes are in place.</p>
Total	45	30	20	

2. Deliver More Affordable Housing

*Housing Rents	13			<p>The days have been carried forward from the 2019 - 20 Audit plan. This has been allocated to the 2020-21 plan as the QL Areon system (new housing system) was not implemented.</p> <p>This review will assess the controls and processes to manage housing rents including the effective use of the new QL Areon system implemented in April 2020. An assessment of the administration and management of policies will also be made i.e. administration of 'market rent' assessments.</p>
Major Works - Grenfell Report		15		A review of the implementation of the Council's response to the Grenfell report, to cover both Council owned and other residential properties in Oxford.
Housing Investment and outsourcing model			15	The Council have heavily invested in the Housing market therefore, we will review the outsourcing model for the Council and ensure an effective model is used to outsource major contract works and it provides value for money.
Total	13	15	15	

Area	2020- 21	2021 - 22	2022- 23	Description of the Review
3. Support Thriving Communities				
Community Strategy	15			To assess how the Council is working with the communities, encouraging diversity and equality.
Community Capital Projects		15		Review the community projects managed by the Council and whether they provide value for money and benefits to the community
Oxford Safer Communities partnership			15	A review of how the Oxford Safer Communities Partnership engages with Local Safeguarding Boards and Multi agency Safeguarding Hub. Assess how the Council invest in services and manage relationships with external parties to protect vulnerable children and adults.
Total	15	15	15	
4. Pursue A Zero Carbon Oxford				
Environment	15			This review was moved from 2019 -20 to 2020-21 and therefore the audit days were carried over. We will review the design and effectiveness of controls in relation to environmental concerns, and understand the extent to which the operational footprint and strategies of the Council are reflecting its Climate Emergency declaration. We will also review the effectiveness of engagement/influencing programmes designed by the Council for driving environmental change.
Flood Risk Management		15		This review will assess the processes and controls in place for flood risk management. It will ensure the Council works with external parties to manage the risks of flood appropriately
Fleet Management and Air pollution			15	This review will assess the Council's Fleet Management processes in place and ensure there is an adequate fleet management strategy in place to manage fleet adequately by Oxford Direct Services. In addition, approximately 90% of vehicles run by the Council run on diesel. We will assess how far the Council and its wholly owned company have moved in electrification of the fleet in its efforts to tackle climate change and tackle air pollution.
Total	15	15	15	

Area	2020- 21	2021 - 22	2022- 23	Description of the Review
5. All Of the Above (1234)				
Accounts Receivable	15			Assess the arrangements to input, amend, record and report accounts receivable data including ensure new structures in place are robust and have met the objectives set out. Ensure Debt collection arrangements are sound and followed up appropriately.
Payroll and Overtime	15			This review will cover payroll and overtime arrangements within the Council
Data Analytics	15	15		To conduct data analytics on main financial system information including the ledger and payroll. This will include conducting data analytics tests and then following up on red flags identified.
Income Collection and Cashiers	15			The Council will be going live in July 2020 with the replacement of the Paris system. We will review the arrangements for recording income onto the new system and cash handling arrangements.
Treasury Management	12			We have previously reviewed the Treasury management processes in 2019 - 20. The Council are due to undertake borrowings of up to £900k (housing company loans) and therefore we will assess whether the controls and processes are operating effectively and an adequate process is being followed.
Planning Services	15			Review the strategy for the service to assess whether it is fit-for-purpose, the capacity/knowledge and resilience of the team, and whether operational controls to achieve the objectives for the area are robust. In addition, identify issues on building control and planning and commercial services and whether the paper light and I docs aspect introduced in December 2019 is working effectively
Corporate Performance	15			In 2019-20 we reviewed the governance of corporate performance indicators and whether these are reported and monitored effectively. We will understand how corporate indicators are developed, scrutinised and subsequently approved; we will also assess whether the corporate indicators are aligned with the Council's Corporate objectives and the right parties are involved in the process.
Purchase Cards		15		Review the controls and processes in place for purchase cards. Ensure purchases are approved by appropriate persons and suitable transactions are undertaken
NNDR and Business rates pooling			15	Review the controls and processes in place for NNDR and business rates
GDPR and high level Freedom of Information		15		We previously reviewed the preparedness of the council for new GDPR regulations ahead of May 2018. We will now review the GDPR plan and ensure the plan is embedded within the Council and regulations are adhered to. We will also revisit Freedom of Information and ensure there are controls in place to manage and address Freedom of Information requests appropriately.
Project			15	We recently reviewed project management in 2018 -19. We will review the methodology and practice in the Council to

Area	2020- 21	2021 - 22	2022- 23	Description of the Review
Management				manage projects and projects at RPO sites. We will review particular projects in detail and assess whether the Council's approach was adhered to. Furthermore, a wider assessment of where projects have failed to meet objectives, to consider the root-cause of this with the aim of improving future project management arrangements
Cyber Security		15		Due to the rapid evolution of cyber security threats, the Council and its partners may not be able to prevent an attack on infrastructure in an effective or timely manner, resulting in a breach of security. Therefore, we will review the IT infrastructure in place within the Council.
Sickness and absence management			15	To review the sickness absence management process and ensure the Council have adequate controls and triggers in place to monitor and manage sickness absence effectively. We will also assess measures undertaken by the Council to enable staff to return to work quickly.
Accounts Payables and Procurement		15		Assess the arrangements to input, amend, record and report accounts payable data including whether the software/procurement methods in place is effective and whether opportunities for efficiencies have been identified.
General Ledger		15		To review general ledger controls from access controls, suspense accounts, journals, chart of accounts and upgrades.
Contract Management			15	There were a number of high priority findings in this report and therefore, we will revisit this area on 2022-23 and assess the most important contracts at the Council and how these are managed in terms of: whether the contract in place is robust and effective, variations to contracts are approved and embedded promptly, performance management is clear, understood and reported with appropriate action taken and if the culture between parties is effective.
Expenses			15	Review a sample of expense claims and ensure these are in line with the Council's Policy
Scheme of Delegation			10	Review the Council's Scheme Of Delegation. Ensure the scheme of delegation is up to date, has been approved by senior management, limits are appropriate, embedded into workflows and systems. The scheme of delegation is communicated to all staff appropriately. Ensure the Council updates and informs all relevant staff accordingly.
Fixed Assets Register			15	Review the Fixed assets register, ensure PPE is recorded on the fixed assets register, valued appropriately, depreciated in line with their useful economic life and sale proceeds are accurately recorded.
Total	102	90	100	

Planning, Reporting and Follow up				
Planning/ liaison/ management	8	8	8	Creation of audit plan, meeting with each Executive Director
Recommendati on follow up	8	8	8	Assessment and reporting of recommendations raised
Audit Committee	4	4	4	Attendance at all Audit Committees
Contingency	4	1	1	
Total	24	21	21	
Less c/f 28 days	(28)	Environment 15 days and Housing Rents 13 days		

Grand Total	186	186	186	
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APPENDIX I

Internal Audit Charter - Role and Scope of Internal Audit

Purpose of this charter

This charter is a requirement of Public Sector Internal Audit Standards (PSIAS).

The charter formally defines internal audit's mission, purpose, authority and responsibility. It establishes internal audit's position within [Client Name] and defines the scope of internal audit activities.

Final approval resides with the Board, in practice the charter shall be reviewed and approved annually by management and by the Audit Committee on behalf of Oxford City Council [the Council]

Internal audit's mission

Internal audit's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

Standards of internal audit practice

To fulfil its mission, internal audit will perform its work in accordance with PSIAS, which encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF): Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing.

Internal audit definition and role

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal audit acts primarily to provide the Audit Committee with information necessary for it to fulfil its own responsibilities and duties. Implicit in internal audit's role is that it supports management to fulfil its own risk, control and compliance responsibilities. The range of work performed by internal audit is set out in PSIAS and not repeated here.

Internal audit's scope

The scope of internal audit activities includes all activities conducted by the Council. The Internal Audit Plan sets out those activities that have been identified as the subject of specific internal audit engagements.

The provision of assurance services is the primary role for internal audit in the UK public sector. This role requires the chief audit executive to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control.

Assurance engagements involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are determined by internal audit.

Consulting engagements are advisory in nature and are generally performed at the specific request of management, with the aim of improving governance, risk management and control and contributing to the overall opinion. The nature and scope of consulting engagement are subject to agreement with management. When performing consulting services, internal audit should maintain objectivity and not assume management responsibility.

Effective internal audit

Our internal audit function is effective when:

- It achieves the purpose and responsibility included in the internal audit charter
- It conforms with the Standards
- Its individual members conform with the Code of Ethics and the Standards
- It considers trends and emerging issues that could impact the organisation.

The internal audit activity adds value to the Council (and its stakeholders) when it considers strategies, objectives and risks, strives to offer ways to enhance governance, risk management and control processes and objectively provides relevant assurance.

We will agree with you an audit plan for a total number of days activity. Once agreed, we will turn this into a cash budget which we will work to, in order to ensure that you have certainty around the fees you will pay us.

Independence and internal audit's position within Oxford City Council

The Internal Audit function within Oxford City Council is currently provided by BDO LLP, a limited liability partnership providing, accounting, audit and assurance, tax and financial advisory services. The Head of Internal Audit function is provided by Greg Rubins, a partner in BDO.

To provide for internal audit's independence, its personnel and external partners report to the Head of Financial Services, who reports functionally to the Audit Committee and provides day to day oversight of the contract with BDO. The Head of Internal Audit has free and full access to the Chair of the Audit Committee.

The appointment or removal of the Head of Internal Audit will be performed in accordance with established procedures and in consultation with the Chair of the Audit Committee.

The internal audit service will have an impartial, unbiased attitude and will avoid conflicts of interest. The internal audit service is not ordinarily authorised to perform any operational duties for the Council.

In the event that internal audit undertakes non-audit activities, safeguards will be agreed to ensure that independence or objectivity of the internal audit activity are not impaired. This might include a separate partner review of the work or a different team undertaking the work. Such arrangements will be in consultation with the Audit Committee prior to commencement.

In the event that internal audit provides assurance services where it had previously performed consulting services, an assessment will be undertaken to confirm that the nature of the consulting activity did not impair objectivity and safeguards will be put in place to manage individual objectivity when assigning resources to the engagement. Such safeguards will be communicated to the Audit Committee.

Internal audit must be free from interference in determining the scope of internal auditing, performing work and communicating results. Should any interference take place, internal audit will disclose this to the Audit Committee to discuss the implications.

Internal audit's role in fraud, bribery and corruption

Management, not internal auditors are responsible for the prevention and detection of fraud, bribery and corruption. Auditors will, however, be alert in all their work to risks and exposures that could allow fraud or corruption as well as seeking to identify indications that fraud and corruption may have been occurring. Audit procedures alone, even when performed with due professional care, cannot guarantee that fraud and corruption will be detected. In the event that internal audit suspect a fraud, this will be referred to appropriate management in the first instance and then the audit committee.

Access to records and confidentiality

There are no limitations to internal audit's right of access to the Council's officers, records, information, premises, or meetings which it considers necessary to fulfil its responsibilities.

When the auditors receive confidential information about your affairs it shall at all times be kept confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable. All information will be maintained in line with appropriate regulations, for example the Data Protection Act 1998.

Coordination and reliance with other assurance providers

In co-ordinating activities internal audit may rely on the work of other assurance and consulting service providers.

A consistent approach is adopted for the basis of reliance and internal audit will consider the competency, objectivity, and due professional care of the assurance and consulting service providers. Due regard will be given to understanding of the scope, objectives and results of the work performed by other providers of assurance and consulting services.

Where reliance is placed upon the work of others, internal audit is still accountable and responsible for ensuring adequate support for conclusions and opinions reached by the internal audit activity.

Internal audit's commitments to Oxford City Council

Internal audit commits to the following:

- working with management to improve risk management, controls and governance within the organisation
- performing work in accordance with PSIAS
- complying with the ethical requirements of PSIAS
- dealing in a professional manner with the Council staff, recognising their other commitments and pressures
- raising issues as they are identified, so there are no surprises and providing practical recommendations
- liaising with external audit and other regulators to maximise the assurance provided to Oxford City Council

- Reporting honestly on performance against targets to the Audit Committee.

Internal audit performance measures and indicators

The tables on the right contain some of the performance measures and indicators that are considered to have the most value in assessing the efficiency and effectiveness of internal audit.

The Audit Committee should approve the measures which will be reported to each meeting and / or annually as appropriate. In addition to those listed here we also report on additional measures as agreed with management and included in our Progress Report.

Quality assurance and improvement programme

As required by PSIAS an external assessment of the service will be performed at least every five years. BDO also has an internal quality assurance review process in place, which takes place annually. This is performed by a separate team independent to the internal audit team.

The results of internal and external assessments will be communicated to the Audit Committee as part of the internal audit annual report, along with corrective action plans.

Table One: Performance measures for internal audit

Measure / Indicator
<p><i>Audit Coverage</i></p> <p>Annual Audit Plan delivered in line with timetable</p> <p>Actual days are in accordance with Annual Audit Plan</p>
<p><i>Relationships and customer satisfaction</i></p> <p>Customer satisfaction reports - overall score at average at least 3.5 / 5 for surveys issued at the end of each audit.</p> <p>Annual survey to Audit Committee to achieve score of at least 70%</p> <p>External audit can rely on the work undertaken by internal audit (where planned)</p>
<p><i>Staffing and Training</i></p> <p>At least 60% input from qualified staff</p>
<p><i>Audit Reporting</i></p> <p>Issuance of draft report within 3 weeks of fieldwork `closing` meeting</p> <p>Finalise internal audit report 1 week after management responses to report are received.</p> <p>90% recommendations to be accepted by management</p>

Information is presented in the format requested by the customer.

Audit Quality

High quality documents produced by the auditor that are clear and concise and contain all the information requested.

Positive result from any external review

Management and staff commitments to Internal Audit

The management and staff of Oxford City Council commit to the following:

- providing unrestricted access to all of [Client Name]'s records, property, and personnel relevant to the performance of engagements
- responding to internal audit requests and reports within the agreed timeframe and in a professional manner
- implementing agreed recommendations within the agreed timeframe
- being open to internal audit about risks and issues within the organisation
- not requesting any service from internal audit that would impair its independence or objectivity
- providing honest and constructive feedback on the performance of internal audit

Management and staff performance measures and indicators

The following three indicators are considered good practice performance measures but we go beyond this and report on a suite of measures as included in each Audit Committee progress report.

Table Two: Performance measures for management and staff

Measure / Indicator

Response to Reports

Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt

Implementation of recommendations


Audit sponsor to implement all audit recommendations within the agreed timeframe

Co-operation with internal audit

Internal audit to confirm to each meeting of the Audit Committee whether appropriate co-operation has been provided by management and staff

BDO contacts

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