

4. EXTERNAL QUALITY ASSESSMENT

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing of the outcome of an external quality assessment of the internal audit function.

Following the reports presentation by the Audit, Risk and Counter Fraud Manager, Cathie Wyllie spoke on behalf of Dundee City Council in respect of their review of West Lothian's internal audit function. The committee were informed a lot of good practice had been identified in the running of the internal audit process.

In response to a question regarding the overall "generally conforms" conclusion, when of the 14 areas assessed, it has been determined that the internal audit service "fully conforms" in 12 and "generally conforms" in two, it was confirmed that despite the weighting being in favour of "fully conforms", the overall conclusion was appropriate.

Assurance mapping had been assessed as an area for improvement and officers were asked why this had not progressed. The committee were informed that there had been progression previously although it was not kept up to date. This subject would be revisited and kept updated to ensure it was effective.

The Service Level Agreements (SLAs) for audit work undertaken for the Improvement Service and West Lothian Leisure, were discussed and clarification was sought on whether these could not be located or were not in place. The Audit, Risk and Counter Fraud Manager understood that these had been in place although they could not be found. Members were informed that completion of an SLA was not proposed, rather that it was considered appropriate for Internal Audit Charters to be completed, for each organisation, which would be acceptable to meet the requirements and add value.

It was recommended that the committee note that the external assessor had concluded that the internal audit service generally conforms with the requirements of the Public Sector Internal Audit Standards (PSIAS).

Decision

1. To note the contents of the report; and
2. To note that the Audit, Risk and Counter Fraud Manager would consider the preparation of an Internal Audit Charter for both the Improvement Service and West Lothian Leisure.