

Ideal Control	NWDC Position	Further work to be achieved
The Internal Audit service understands its position with regard to the organisation’s other sources of assurance and plans its work accordingly.	Internal Audit has established close links with the other key Governance areas of the Council, though these have not been formalised. These links are used in the preparation of audit plans and specifications.	The new Governance Service should formalise these links to allow for more effective working between the various assurance functions.
The Internal Audit service understands the whole organisation, its goals and aims.	Involvement of key Officers in the preparation of the audit plan, and subsequent approval of the plan ensures work is targeted to those areas of risk and concern identified by senior Officers and Members.	
The Internal Audit service is seen as one of the drivers for change at the heart of the organisation.	Internal Audit has driven change in key strategic areas, and continues to challenge the status quo in a constructive manner.	The role and profile of Internal Audit should be enhanced by being an integral part of the new Governance Service, as part of the senior management restructure. The Audit Manager, with support from CMB, needs to remind staff of the importance of responding promptly to audit reports, and implementing agreed audit recommendations within stated timescales.
Internal Audit adds value to the organisation, and assists it in achieving its objectives.	Recommendations raised during individual audit assignments, coupled with consultancy advice and audit presence on key working groups ensures knowledge and experience is shared with the organisation.	
The Internal Audit service is involved in service improvements and projects as they develop, working across internal and external boundaries to understand shared goals and individual obligations.	Both members of the audit team have undergone project and programme management training, to ensure they can act as project assurance to key pieces of work.	Increased audit involvement in partnerships will lead to improved Governance and more efficient working.
The Internal Audit service is forward looking, knowing where the organisation wishes to be and is aware of the national agenda and its impact.	Regular review of corporate risk registers, and meetings with key Officers and members ensures Internal Audit is aware of potential risks or changes and can act to address in a timely manner.	

Self Assessment Checklist

Appendix C

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The Internal Audit service is innovative and challenging. It shapes the values and standards of the organisation, providing internal inspection and validation and encouraging service managers to take ownership of processes, systems and policy.	As the first year of an in-house service, audit work in 2006/2007 was focussed on establishing a productive audit service, covering key areas to an acceptable standard. Future areas of development and innovation to be discussed and implemented.	Initiatives such as joint working with other districts and more effective use of the outsourced IT Audit function to be continued and developed.
The Internal Audit service ensures that the right resources are available in terms of skills mix, capacity, experience and qualifications.	Current staffing levels are appropriate to the role set out for Internal Audit, supported as they are by outsourced IT audit work.	Any expansion of the role of Internal Audit will need to be resourced as current levels are only sufficient to deliver the current audit plan.
A range of performance indicators are in place, to allow Management and Audit Committee to monitor the performance of the Internal Audit service.	A suite of indicators are in place and progress reports are provided on a quarterly basis to the Final Accounts and Audit Committee.	At present PIs are only reported annually. In future performance will be summarised on a monthly basis, and a simple Red/Amber/Green report will be provided to CMB.
An internal audit function compliant with the CIPFA Code of Practice is required to achieve level 2 of KLOE 4.2 under the Audit Commission's Use of Resources assessment.	Section currently meets the stated criteria.	Internal audit outputs and resourcing will need to be kept under continuous review, to ensure current level does not drop below acceptable levels. Role of Internal Audit in assisting with improved Internal Control KLOEs to be explored.