

Characteristic of ‘effectiveness’	Evidence of achievement	Areas for development
<p>IA operates in accordance with “proper practices” as defined in professional codes of practice.</p>	<p>The IA section has operated to the CIPFA Code of Practice for Internal Audit (2006) up until 31st March 2013.</p> <p>Changes required in connection with new Public Sector Internal Audit Standards were reported to Audit Committee in June 2013 and work is ongoing to demonstrate full compliance.</p> <p>A benchmarking exercise amongst Lancashire district councils is focusing on arrangements in relation to the new standards.</p>	<p>Review the outcomes from an ongoing benchmarking exercise.</p> <p>Report to Audit Committee on outcomes from reviews of compliance with standards.</p> <p>Arrangements for future 5-yearly external reviews of compliance.</p>
<p>IA can demonstrate that its work provides assurance that the control framework is sound and that standards of risk management are improving.</p>	<p>Results of audit work are reported to each Audit Committee and summarised in the annual report and assurance statement demonstrate the level of assurance provided and how improvements are being realised.</p>	
<p>IA understands its position in relation to the organisation’s other sources of assurance and plans its work accordingly.</p>	<p>Internal audit identifies other sources of assurance and takes these into account when preparing the internal audit plan.</p>	
<p>IA understands the whole organisation, its needs and objectives.</p>	<p>The audit plan demonstrates how audit work will provide assurance in relation to the authority’s objectives.</p> <p>Individual audit assignments identify risks to the achievement of those objectives.</p>	

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IA can be seen as a catalyst for change at the heart of the organisation.	<p>Supportive role of audit for corporate developments such as corporate governance review, risk management and efficiency/value for money.</p> <p>Individual assignments may be catalyst for change, for example recent reviews of working time arrangements.</p>	<p>Continue to liaise and consult with Management Team on the options for IA to provide a corporate role.</p> <p>Contribute to the corporate programme of service reviews</p>
IA adds value and assists the organisation in achieving its objectives.	Demonstrated through individual audit assignments and also corporate work.	Continue to review scope and nature of IA’s contribution and reflect this in future plans and development programmes.
Be involved in service improvements and projects as they develop, working across internal and external boundaries to understand shared goals and individual obligations.	Internal audit provides help and advice on request and supports specific projects identified in plan and on <i>ad hoc</i> basis.	Continue to consider and promote scope for IA involvement in significant projects.
Be forward looking – knowing where the organisation wishes to be and aware of the national agenda and its impact.	<p>When identifying risks and in formulating the plan changes on the national agenda are considered.</p> <p>The audit section maintains awareness of new developments in the services it audits, risk management and corporate governance and disseminates this knowledge to other parts of the local authority.</p>	Continue to develop through consultation with Management Team and service managers

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<p>Be innovative and challenging – shaping the values and standards of the organisation; providing internal inspection and validation and encouraging service managers to take ownership of processes, systems and policy.</p>	<p>Internal audit has taken an innovative approach to its reporting arrangements by focusing on risks and engaging managers in developing actions to manage risks, thereby encouraging ownership of the control environment amongst managers.</p>	<p>Develop greater liaison with and shared understanding with service managers</p>
<p>Ensure the right resources are available – the skills mix, capacity, specialism and qualifications/experience requirements all change constantly.</p>	<p>Resource issues are addressed in the audit planning process. Ongoing consideration is given to alternative sources of audit resource, including areas requiring specialist skills.</p>	