
EXTERNAL QUALITY ASSESSMENT OF THE COMBINED INTERNAL AUDIT SERVICE

1 PURPOSE OF REPORT

- 1.1 This report presents the findings from the external assessment of the Combined Internal Audit Service (**Appendix A**), carried out by the Chartered Institute of Public Finance and Accountancy (CIPFA) as to the function's compliance with the Public Sector Internal Audit Standards (PSIAS). The assessment was completed in December 2022, through a review of key documentation and a number of interviews with employees of the Internal Audit Service, key Statutory Officers within the Council and the Chairman of the Audit Committee.

2 INTRODUCTION

- 2.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1 April 2013 (revised April 2016). The standards require periodic self-assessments and an assessment by an external person every five years. This is the second such external review and the report summarises the key findings.
- 2.2 The previous assessment was completed in March 2018. At that time Rochford District Council had its own internal audit service supported by Basildon's Audit & Counter Fraud Manager. The assessment concluded that Rochford District Council's Internal Audit Service 'Generally Conforms to the requirements of the Public Sector Internal Audit Standards and the requirements of the Local Government Application Note.'
- 2.3 We are pleased to report that for 2022 the opinion of the reviewer is that the combined Internal Audit Service for Basildon Borough Council and Rochford District Council 'Fully Conforms to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.'

3 RISK IMPLICATIONS

- 3.1 There are no direct risk implications arising from this report.

4 RESOURCE IMPLICATIONS

- 4.1 None.

5 ENVIRONMENTAL IMPLICATIONS

- 5.1 None.

6 LEGAL IMPLICATIONS

- 6.1 The Accounts and Audit (England) Regulations 2015 state that “A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance”.
- 6.2 The Public Sector Internal Audit Standards (PSIAS) are based on the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) and are intended to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector. They reaffirm the importance of robust, independent and objective internal audit arrangements to provide Senior Management and the Council with the key assurances they need to support them both in managing the organisation and in producing the Annual Governance Statement.

7 PARISH IMPLICATIONS

- 7.1 None.

8 EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 An Equality Impact Assessment has been completed and found there to be no impacts (either positive or negative) on protected groups, as defined under the Equality Act 2010.

9 RECOMMENDATION

- 9.1 It is proposed that the Committee **RESOLVES**
That the results of the External Quality Assessment be noted.



Tim Willis

Interim Director of Resources

Background Papers:

None.

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External Quality Assessment of Conformance to the Public Sector Internal Audit Standards

Basildon Borough Council & Rochford District Council's Combined Internal Audit Service

Final Report

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Quality Assessment: Diana Melville, FCPFA

22nd December 2022

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Appendix A**1. Introduction**

- 1.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1st April 2013 (revised 2016 and 2017). All public sector internal audit services are required to measure how well they are conforming to the standards. This can be achieved through undertaking periodic self-assessments, external quality assessments (EQA), or a combination of both methods. However, the standards state that an external reviewer must undertake a full assessment or validate the internal audit service's own self-assessment at least once in a five-year period. The Service's last EQA was undertaken in January 2022 where the Service was deemed to be fully conforming to the standards. However, following the formal absorption of the Rochford Internal Audit Service in July 2022, (a service that was already being managed by BCAS) we recommended that the Service have a follow-up assessment to ensure the combined Service is still conforming to the Standards.

2. Background

- 2.1 Basildon Borough Council's (BBC) Audit Services (BCAS) are based at the Civic centre in Basildon although the team are all mainly working remotely. They provide internal audit services to the Council and, until the end of June 2022, they managed the Internal Audit Service at Rochford District Council (RDC). This arrangement was converted to a formal shared service arrangement from the 1st of July 2022 following the retirement of the Principal Auditor with the one remaining member of the Rochford team TUPE transferring to BCAS. The Chief Audit Executive for both Council's is the Head of Governance and Assurance but as this officer has other responsibilities to internal audit, day to day management of the Service is performed by the Audit Manager.
- 2.2 The Service is made up of nine posts in the Internal Audit team although not all posts are currently filled. They are a well-qualified and experienced Service with the Head of Governance and Assurance, the Audit Manager and the Group Auditor all holding the Chartered Internal Auditor qualification. Two of the senior auditor posts also hold relevant professional qualifications, both being fully qualified CCAB accountants. A third Senior Auditor is nearing completion of their CCAB qualification, while the fourth Senior Auditor is a very experienced internal auditor with two high level academic qualifications (degrees). The Service has entered into a contract with 'Elucidate' for the provision of IT and other specialist audits.
- 2.3 From an operational perspective, BCAS reports directly to the Director of Resources (the Section 151 Officer) and the Audit and Risk Committee at BBC and to the Assistant Director of Resources (the Section 151 Officer) and the Audit Committee at RDC. These two bodies fulfil the roles of 'senior management' and 'the board' for each authority, as defined by the Public Sector Internal Audit Standards. For both Councils, the Head of Governance and Assurance reports directly to the respective Executive Director of

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Resources (the Council's Section 151 Officer) and has direct access to each Council's Chief Executive Officer, the Monitoring Officer; the Chair and full membership of the Audit and Risk Committee (the Audit Committee for RDC). Regular reports on the respective audit plans, progress on delivering the plans and the annual opinions and outturns are made to the senior leadership team and the Audit Committees for the respective Councils.

- 2.4 Basildon Council's Internal Audit Service has been operating under PSIAS since its launch in 2013, and this is the third external quality assessment that they have commissioned, the previous ones being in 2022 and 2017.
- 2.5 Internal Audit has an audit manual that provides the auditors with a comprehensive guide to all aspects of performing an internal audit or consultancy assignment. At the time of the last EQA in February the manual needed to be revised to accommodate recent changes in operational practices and the move to remote working, brought about by the COVID-19 pandemic. Management were aware of this and to assist the Senior Auditors, have issued a set of reduced scope audit procedures / guidelines that work well for the experienced staff in the team. Some progress has been made in updating the audit manual, but this action is not yet fully complete. Standard templates are used for all engagement working papers and testing schedules, the engagement terms of references, action plans and audit reports. All these documents are held in the Service's audit management application, Pentana, for BBC, and in Word or Excel format on the Council's shared IT drives at RDC as the team there cannot currently access Pentana from the RDC IT network.
- 2.6 Supervision of the engagements takes place at every stage of the process and is recorded in Pentana for BBC and directly on the working papers and draft reports at RDC.
- 2.7 There is a quality assurance process in place that includes internal and external quality assessments of the Service, reviews of live engagements, etc and these all feed into the Service's Quality Assurance and Improvement Programme (QAIP).

3. Validation Process

- 3.1 This validation of the Service's self-assessment comprised a combination of a review of the evidence provided by BCAS; a review of a sample of completed internal audits for RDC, chosen by the assessor; questionnaires that were sent to and completed by a range of stakeholders; and interviews with the RDC Assistant Director of Resources and Chair of the Audit Committee, using MS Teams. The interviews focussed on determining the strengths and weaknesses of Internal Audit and assessed the Service against the four broad themes of Purpose and Positioning; Structure and Resources; Audit Execution; and Impact.
- 3.2 The Service provided a comprehensive range of documents that they used as evidence to support their self-assessment, and these were available for examination prior to and during this validation review. These documents included the:

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- self-assessment against the standards;
- quality assurance and improvement plan (QAIP);
- evidence file to support the self-assessment;
- the audit charters;
- the annual report and opinion;
- the audit plan and strategy;
- audit procedures manual;
- a range of documents and records relating to the team members;
- progress and other reports to the Audit and Risk Committee; and
- an update on the progress made towards implementing the actions from the February 2022 EQA.

All the above documents were examined during this EQA.

- 3.3 The main phase of the follow-up validation process was carried out during the week commencing the 24th of October 2022 and involved a review of a sample of audit files for RDC, and interviews with two key stakeholders from the Council. Overall, the feedback from the interviewees was positive with clients valuing the professional and objective way the Internal Audit delivered services.
- 3.4 The assessor reviewed examples of completed audits, to confirm his understanding of the audit process used at RDC and how Internal Audit has applied the PSIAS and LGAN in practice.

4. Opinion

It is our opinion that the self-assessment for the combined Internal Audit Service for Basildon Borough Council and Rochford District Council is accurate and as such we conclude that combined Internal Audit Service FULLY CONFORMS to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.

- 4.1 The table below shows the combined Internal Audit Service for Basildon Borough Council and Rochford District Council's level of conformance to the individual standards assessed during this external quality assessment:

Standard / Area Assessed	Level of Conformance
Mission Statement	Fully Conforms
Core principles	Fully Conforms

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Standard / Area Assessed	Level of Conformance
Code of ethics	Fully Conforms
Attribute standard 1000 - Purpose, Authority and Responsibility	Fully Conforms
Attribute standard 1100 - Independence and Objectivity	Fully Conforms
Attribute standard 1200 - Proficiency and Due Professional Care	Fully Conforms
Attribute standard 1300 - Quality Assurance and Improvement Programmes	Fully Conforms
Performance standard 2000 - Managing the Internal Audit Activity	Fully Conforms
Performance standard 2100 - Nature of Work	Fully Conforms
Performance standard 2200 - Engagement Planning	Fully Conforms
Performance standard 2300 - Performing the Engagement	Fully Conforms
Performance standard 2400 - Communicating Results	Fully Conforms
Performance standard 2500 - Monitoring Progress	Fully Conforms
Performance standard 2600 - Communicating the Acceptance of Risk	Fully Conforms

5. Areas of full conformance with the Public Sector Internal Audit Standards

5.1 Mission Statement and Definition of Internal Audit

The mission statement and definition of internal audit from the PSIAS are included in the audit charter.

5.2 Core Principles for the Professional Practice of Internal Auditing

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The Core Principles, taken as a whole, articulate an internal audit function's effectiveness, and provide a basis for considering the organisation's level of conformance with the Attribute and Performance standards of the PSIAS.

The clear indication from this EQA is that the Core Principles are embedded in the services procedures and working methodologies and that combined Internal Audit Service for BBC and RDC is a very competent, experienced, and professional service that conforms to all ten elements of the Core Principles.

5.3 Code of Ethics

The purpose of the Institute of Internal Auditors' Code of Ethics is to promote an ethical culture in the profession of internal auditing, and is necessary and appropriate for the profession, founded as it is on the trust placed in its objective assurance about risk management, control, and governance. The Code of Ethics provides guidance to internal auditors and in essence, it sets out the rules of conduct that describe behavioural norms expected of internal auditors and are intended to guide their ethical conduct. The Code of Ethics applies to both individuals and the entities that provide internal auditing services.

The clear indication from this EQA is that the combined Internal Audit Service for BBC and RDC conforms to the Code of Ethics, and this is embedded in their procedures and audit methodologies. The code of ethics is part of their overarching culture and underpins the way the Service operates.

5.4 Attribute Standard 1000 – Purpose, Authority and Responsibility

The purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing). The internal audit charter must be reviewed regularly and presented to senior management and the audit panel for approval.

There is an audit charter in place for BBC and RDC and these are reviewed on an annual basis. We reviewed these documents and found them to be comprehensive and well written documents. We are therefore satisfied that the combined Internal Audit Service for BBC and RDC conforms to attribute standard 1000 and the LGAN.

5.5 Attribute Standard 1100 – Independence and Objectivity

Standard 1100 states that the internal audit activity must be independent, and internal auditors must be objective in performing their work.

The need for independence and objectivity is an integral part of the Service's culture. The Service reports in its own name at both Authorities and directly to senior management and the Audit Committees at the respective authorities. All employees sign a declaration of interest each year and declare any

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potential impairment to independence or objectivity for each audit they undertake.

We have reviewed the Service's audit procedures and their standard documentation; their quality assurance and improvement plan; and for this follow-up review, a sample of completed audit files for RDC, having reviewed a sample of BBC audit files earlier in the year. We have also reviewed their reporting lines and Internal Audit's positioning in the two organisations. The Head of Governance and Assurance has other roles and responsibilities to Internal Audit at BBC that may be subjected to periodic internal audit. These are referred to in the audit charter and the annual report, and there are methodologies in place to avoid any potential conflicts of interest. We are satisfied that the combined Internal Audit Service for BBC and RDC conforms with attribute standard 1100 and the LGAN.

5.6 Attribute Standard 1200 – Proficiency and Due Professional Care

Attribute standard 1200 requires Basildon Borough Council's Audit Services' engagements are performed with proficiency and due professional care, having regard to the skills and qualifications of the staff, and how they apply their knowledge in practice.

It is evident from this EQA that Basildon Borough Council's Audit Service has a professional and experienced workforce with most of the team holding or working towards relevant professional qualifications.

The Service does not have a specialist IT auditor amongst the team although all members of the Team can perform basic IT audits and the Service has entered into a contract with an external provider for the more complex and technical IT audits. The Service also places reliance on the work of other sources of assurance on both Council's IT governance and systems, such as the annual PSN accreditations, routine penetration testing organised by the IT Services, and a review of cyber security at BBC commissioned from the Council's insurers. The Service does not currently use any specialist data analytics / auditing software, such as IDEA, Arbutus or ACL, but they do make use of the data analytics tools embedded in the respective Council's IT systems. We made two advisory suggestions in the January 2022 relating to this section for management to consider. One has been fully implemented whilst the other, relating to the use of specialist data analytics software, has been considered but deemed not to be appropriate for the service.

It is evident from this review that the Service's employees are experienced and well qualified and perform their duties with due professional care. We are satisfied that the combined Internal Audit Service for BBC and RDC complies with attribute standard 1200 and the LGAN.

5.7 Attribute Standard 1300 – Quality Assurance and Improvement Programmes

This standard requires the Head of Audit to develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.

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The combined Internal Audit Service for BBC and RDC has developed an effective quality assurance process that ensures engagements are performed to a high standard within the available resources and feeds into their quality assurance and improvement programme. We have examined the supporting evidence provided by the Service during this follow-up EQA and are satisfied that the combined Internal Audit Service for BBC and RDC conforms to attribute standard 1300 and the LGAN.

5.8 Performance Standard 2000 – Managing the Internal Audit Activity

The remit of this standard is wide and requires the Head of Governance and Assurance to manage the internal audit activity effectively to ensure it adds value to its clients. Value is added to a client and its stakeholders when internal audit considers their strategies, objectives, and risks; strives to offer ways to enhance their governance, risk management, and control processes; and objectively provides relevant assurance to them. To achieve this, the Head of Governance and Assurance must produce an audit plan and communicate this and the Service's resource requirements, including the impact of resource limitations, to senior management and the Audit and Risk Committee for their review and approval. The Head of Governance and Assurance must ensure that Internal Audit's resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

The standard also requires the Head of Governance and Assurance to establish policies and procedures to guide the internal audit activity, and to share information, coordinate activities and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimise duplication of efforts.

Last, but by no means least, the standard requires the Head of Governance and Assurance to report periodically to senior management and the Audit and Risk Committee on internal audits activities, purpose, authority, responsibility, and performance relative to its plan, and on its conformance with the Code of Ethics and the Standards. Reporting must also include significant risk and control issues, including fraud risks, governance issues and other matters that require the attention of senior management and/or the audit panels.

The combined Internal Audit Service for BBC and RDC has a range of procedures in place, including an audit manual, procedure notes, and supervision processes that meet the requirements of the PSIAS. In the January 2022 EQA, the Service acknowledged that the audit manual would benefit from a review and update to ensure it is aligned to the current ways of working at both Authorities. We made a recommendation regarding this in our EQA assessment report and progress is underway on updating the audit manual although the work is not yet complete. Consequently, we have not included this as a separate action following this follow-up EQA.

The Service have developed comprehensive planning processes that take into consideration the known risks and objectives and the deliverables set out in the respective corporate plans; their risk management and governance frameworks; any relevant and reliable sources of assurance that are available; key issues identified by the various service managers at each Authority; the

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Service's own risk and audit needs assessments; and any emerging risks identified through horizon scanning and networking with other organisations. From this information, the Service produces a risk-based audit plan for each Authority that is designed to enhance their risk management, governance, and control frameworks; and objectively provide them with relevant assurance and add value to the respective Council's operations. The audit plans is reviewed and approved by senior management and the Audit Committees of the respective Authorities. In the January 2022 EQA we suggested that consideration is given to prioritising the audits in the audit plans, and we can confirm that this action has been implemented.

Details of the completed audits and the risk and control issues found, together with the progress being made on delivering the audit plan and the performance of the Internal Audit Service, are reported regularly to senior management and the Audit Committees at the respective Authorities. Annual reports and opinions are also issued at the end of the year.

The clear indication from this EQA is that the combined Internal Audit Service for BBC and RDC is effectively managed and conforms to standard 2000 and the LGAN.

5.9 Performance Standard 2100 – Nature of Work

Standard 2100 covers the way the internal audit activity evaluates and contributes to the improvement of the organisation's risk management and governance framework and internal control processes, using a systematic, disciplined and risk-based approach.

This is the approach adopted by the combined Internal Audit Service for BBC and RDC and is embedded in their working methodologies. During this follow-up EQA, we reviewed a sample of audits at RDC and examined them to see if they conformed to standard 2100, the LGAN and the Service's own methodologies. We found that all the evidence that we examined complied with all three elements.

The clear indication from this EQA is that the combined Internal Audit Service for BBC and RDC conforms to performance standard 2100 and the LGAN.

5.10 Performance Standard 2200 – Engagement Planning

Performance standard 2200 requires internal auditors to develop and document a plan for each engagement, including the engagement's objectives, scope, timing, and resource allocations. The plan must consider the organisation's strategies, objectives, and risks relevant to the engagement.

As mentioned in section two of this report, the combined Internal Audit Service for BBC and RDC has an audit manual and procedure notes, supervision, and quality assurance processes in place that cover engagement planning and meets the requirements of the PSIAS. We found that all the evidence that we examined during the original EQA and this follow-up EQA conformed to standard 2200, the LGAN, and the Service's own audit procedures, and therefore we conclude that the combined Internal Audit

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Service for BBC and RDC conforms to performance standard 2200 and the LGAN.

5.11 Performance Standard 2300 – Performing the Engagement

Performance standard 2300 seeks to confirm that internal auditors analyse, evaluate and document sufficient, reliable, relevant, and useful information to support the engagement results and conclusions, and that all engagements are properly supervised.

As mentioned above, the combined Internal Audit Service for BBC and RDC has an audit manual and procedure notes, supervision and quality assurance processes in place that meet the requirements of the standards. During this EQA, we reviewed the evidence provided in support of the Service's self-assessment to see if they conformed to the standards. We found that all the evidence conformed to the standards and Service's own procedures and audit methodologies, and therefore we conclude that the combined Internal Audit Service for BBC and RDC conforms to performance standard 2300 and the LGAN.

5.12 Performance Standard 2400 – Communicating Results

This standard requires internal auditors to communicate the results of engagements to clients and sets out what should be included in each audit report, as well as the annual report and opinion. When an overall opinion is issued, it must take into account the strategies, objectives and risks of the clients and the expectations of their senior management, the audit panels and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant, and useful information. Where an internal audit function is deemed to conform to the PSIAS, reports should indicate this by including the phrase "conducted in conformance with the International Standards for the Professional Practice of Internal Auditing".

The audit manual, procedure notes, supervision and quality assurance processes cover the communication of results and meet the requirements of the PSIAS. During the previous EQA and this follow-up EQA, we reviewed the evidence provided in support of the Service's self-assessment to see if they conformed to the standards. We found that all the evidence conformed to the standards and Service's own procedures and methodologies. In the January 2022 EQA we suggested that the disclaimer section contained in the individual audit reports could be stronger. In the follow-up EQA we noted that this action has been implemented

We also reviewed the progress and annual reports to the respective Audit Committees and found that overall, these also conformed to the standards and the combined Internal Audit Service for BBC and RDC's own internal procedures.

We therefore conclude that the combined Internal Audit Service for BBC and RDC conforms to performance standard 2400 and the LGAN.

5.13 Performance Standard 2500 – Monitoring Progress

There is a comprehensive follow-up process in place at both Authorities, the objective of which is to monitor the client's progress towards the

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implementation of agreed actions. The results of the follow-up reviews are reported to the respective Audit Committees. From this EQA, it is evident that the combined Internal Audit Service for BBC and RDC conforms to performance standard 2500 and the LGAN.

5.14 Performance Standard 2600 – Communicating the Acceptance of Risk

Standard 2600 considers the arrangements which should apply if the Head of Governance and Assurance has concluded that management at either Authority has accepted a level of risk that may be unacceptable to the organisation. Situations of this kind are expected to be rare, consequently, we did not see any examples during the January 2022 EQA or this follow-up EQA. From this EQA, it is evident that the combined Internal Audit Service for BBC and RDC conforms to performance standard 2600 and the LGAN.

6. Areas of partial conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

6.1 There are no areas of partial conformance with the Public Sector Internal Audit Standards or the CIPFA Local Government Application Note.

7. Areas of non-conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

7.1 There are no areas of non-conformance with the Public Sector Internal Audit Standards or the CIPFA Local Government Application Note.

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8. Definitions

Level of Conformity	Description
Fully Conforms	The internal audit service complies with the standards with only minor deviations. The relevant structures, policies, and procedures of the internal audit service, as well as the processes by which they are applied, at least comply with the requirements of the section in all
Partially Conforms	The internal audit service falls short of achieving some elements of good practice but is aware of the areas for development. These will usually represent significant opportunities for improvement in delivering effective internal audit and conformance to the standards.
Does Not Conform	The internal audit service is not aware of, is not making efforts to comply with, or is failing to achieve many/all of the elements of the standards. These deficiencies will usually have a significant adverse impact on the internal audit service's effectiveness and its potential to add value to the organisation. These will represent significant opportunities for improvement, potentially including actions by senior

Action Priorities	Criteria
High priority	The internal audit service needs to rectify a significant issue of non-conformance with the standards. Remedial action to resolve the issue should be taken urgently.
Medium priority	The internal audit service needs to rectify a moderate issue of conformance with the standards. Remedial action to resolve the issue should be taken, ideally within six months.
Low priority	The internal audit service should consider rectifying a minor issue of conformance with the standards. Remedial action to resolve the issue should be considered but the issue is not urgent.
Advisory	These are issues identified during the course of the EQA that do not adversely impact the service's conformance with the standards. Typically, they include areas of enhancement to existing operations and the adoption of best practice.

The co-operation of the Head of Governance and Assurance, the Audit and Counter Fraud Manager and the Group Auditor in providing the information requested for the January 2022 EQA and this follow-up EQA, is greatly appreciated. Our thanks also go to the chairs of the Audit Committees and the key stakeholders from both Council

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that made themselves available for interview during the EQAs and/or completed questionnaires.

9. Disclaimer

This report has been prepared by CIPFA at the request of the combined Internal Audit Service for Basildon Borough Council and Rochford District Council, the terms for the preparation and scope of the report have been agreed with them. The matters raised are only those that came to our attention during our work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, we have only been able to base findings on the information and documentation provided. Consequently, no complete guarantee can be given that this report is necessarily a comprehensive statement of all the issues that exist with their conformance to the Public Sector Internal Audit Standards that exist, or of all the improvements that may be required.

The report was prepared solely for the use and benefit of the combined Internal Audit Service for Basildon Borough Council and Rochford District Council, including the senior management and boards of both Council's, and to the fullest extent permitted by law, CIPFA accepts no responsibility and disclaims all liability to any other third party who purports to use or rely, for any reason whatsoever on the report, its contents, conclusions, any extract, and/or reinterpretation of its contents. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.