

X Learning Ltd

David Newman

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Risk Area	Assessment	Mitigation Plan	RFO Evidence / Tick
1. Competence of the Internal Auditor			
Qualifications & Experience	Does the auditor hold relevant qualifications and experience?	Request up-to-date certifications and examples of past work.	Undertaken PIALC/Member of IAF, clerk. MBA, Banking Diploma and Financial Services Diploma. David has over 20 years' service in banking and finance; analysing and interpreting financial information. David currently works with the universities in Newcastle in exam invigilation roles which involves checking processes and academic rigour.
Understanding of Local Government Finance	Is the auditor familiar with statutory obligations and accounting standards?	Ask for evidence of knowledge in relevant regulations.	Undertaken ILCA
Continuous Professional Development	Does the auditor keep up with changes in auditing standards and laws?	Ensure participation in ongoing training.	Yes
2. Independence and Objectivity			
Independence from Council Operations	Is the auditor free from council decision-making processes?	Verify the absence of operational involvement or conflicts of interest.	Yes
Conflicts of Interest	Are there financial or personal interests that may compromise objectivity?	Obtain a formal declaration of any potential conflicts.	No

Engagement Rotation	Has the auditor been with the Council too long, affecting objectivity?	Consider rotating auditors after several years of engagement.	1 year only
3. Audit Processes and Reporting			
Audit Plan	Does the internal auditor provide a comprehensive plan, covering high-risk areas?	Review the plan in advance to ensure thorough coverage.	yes
Methodology	Is the auditor's approach suitable for identifying risks and testing controls?	Evaluate the methodology for completeness and rigour.	yes
Communication of Findings	Are findings clearly communicated, with actionable recommendations?	Regular updates during the audit process and clear final reporting.	yes
4. Audit Resources and Capacity			
Staffing Levels	Does the auditor have adequate personnel to complete the audit on time?	Request confirmation of resource availability.	yes
Access to Expertise	Does the auditor have access to specialists, if needed (e.g., IT, fraud)?	Ensure arrangements for expert consultations where necessary.	yes
5. Reputation and Track Record			
Past Performance	Has the auditor delivered quality audits in the past?	Review feedback from past clients or performance in previous audits.	New to auditing
Feedback from Clients	Are there positive reviews from similar councils or organisations?	Seek references or feedback from other local authorities.	Other councils satisfied
6. Compliance with Regulatory Standards			
Internal Audit Standards	Does the auditor comply with PSIAS or other relevant local council audit standards?	Check adherence to relevant auditing frameworks.	Yes
Legal Compliance	Is the auditor familiar with relevant laws, e.g., the Local Government Act?	Verify knowledge and compliance with all applicable regulations.	Yes

7. Follow-Up on Past Audit Recommendations			
Implementation of Recommendations	Has the Council acted on past audit recommendations?	Document follow-up actions and review their effectiveness.	Yes
8. Fraud Detection			
Fraud Risk Assessment	Does the auditor assess and detect potential fraud risks effectively?	Request details of fraud detection methodology and whistleblowing policies.	Yes