Internal Auditing Procedure

1.   Purpose

Inala Community House (ICH) is committed to implementing a strong quality management system that focuses on monitoring, reviewing and continually seeking opportunities to improve upon the services and operations of the organisation. This procedure provides detailed guidance about how ICH undertakes internal audits, which are a key element of ICH's quality management system.

2.   Scope

This procedure applies to all employees, contractors, students and volunteers within ICH. For the purpose of this procedure, these persons shall be referred to as workers.

3.   Definitions

Quality management: for the purpose of this procedure, quality management refers to pursuing excellence in the services delivered and in the operation of the organisation. It describes a process which includes planning, implementation, evaluation and refinement which enables ICH to drive quality services and operations.

Compliance: is adherence to all legislative, regulatory and funding requirements. Ensuring compliance forms part of the quality management system.

Continuous Improvement: refers to an ongoing process of consistently evaluating opportunities to improve within the organisation. By implementing a quality management system which includes continuous improvement, ICH can provide a higher level of service to all stakeholders.

External Audit: for the purpose of this procedure, an external audit is a mandatory contractual or legislative requirement that ICH must undertake to ensure both quality and compliance. An external audit usually involves being assessed by an independent organisation or government body against legislated standards such as the Human Services Quality Framework (HSQF) or the National Disability Insurance Scheme (NDIS) Practice Standards. External audits are a 'starting point' from which ICH builds and excels in providing quality services.

Internal Audit: for the purpose of this procedure, an internal audit is undertaken by an ICH worker or contractor to review the quality and compliance of a specific service or work area. Using an agreed audit tool with quality and compliance indicators, the ICH worker or contractor identifies strengths and areas of

improvement following the review of the ICH case management system and/or other records.

4. Procedure

Internal audits are undertaken in accordance with the ICH Quality and Compliance Policy. As a key component of ICH's Quality Management System, the internal audit process occurs monthly and assesses the quality and compliance of specific services or work areas using agreed audit tools unique to each service's requirements. The audit tools may change over time to reflect individual service needs, compliance and quality issues, as agreed by the service manager and internal auditor.

Service user case files are assessed, which provides detailed information about the practice of individual workers, as well as identifying more strategic themes or trends. The internal auditor may also review other service related documents as required, for example ensuring that relevant service documents have privacy and/or consent sections.

Information gathered through the internal audit process is used to help prepare for external audits, enhance practice by providing specific feedback to individual workers, and can inform changes in policy, procedure and process.

4.1 Internal Audit Preparation

An ICH worker or contractor with appropriate quality auditing expertise and experience shall undertake the internal audits. To ensure that the auditing process is impartial and transparent, it is preferred that the internal auditor does not work directly with the service or work area being audited.

The internal auditor shall work in partnership with the manager responsible for the service or work area being audited. Using Microsoft Excel, the internal auditor and manager shall develop an audit tool that assesses the service's unique quality and compliance requirements. The internal auditor replicates the audit tool in worksheets allocated to each month of the year. As the audit tool becomes a working document where the internal auditor records his/her findings, it must be saved in a shared location, accessible only by people with authorisation to view the files.

4.2 General Internal Audit Process

The following general internal audit process can be refined to meet the needs and preferences of the service managers.

1.	Each month, the internal auditor selects a sub-set of case files based on advice from the service managers about the highest risk cases, or alternatively case files are selected randomly where high-risk cases are not identified. The number of case files selected may fluctuate depending on

	the capacity of the internal auditor, and at times it may not be possible for internal audits to be undertaken due to competing priorities.
2.	Using the agreed audit tool with compliance and quality indicators, the internal auditor reviews the case management system and documents their findings, which is saved on the shared drive.
3.	The internal auditor also records when an audit was undertaken on an agreed spreadsheet for each service, so there is strategic oversight and monitoring of the audits being undertaken.
4.	At the end of each month, the internal auditor provides feedback about the audit outcomes via email to the responsible service manager. The feedback may provide specific information about workers' practice, or more strategic feedback where common themes are arising. The internal auditor may also recommend changes to practice or process to improve performance.
5.	The service manager reviews the internal auditor's feedback and audit outcomes prior to discussing this with individual workers as part of their monthly supervision process, or at team meetings where appropriate.
6.	Any change initiatives arising from the internal auditing process are documented on the continuous improvement register, and implementation is planned accordingly.

5.   Review

This procedure shall be reviewed every two years.

6.   Related Documents

Policies
ICH Code of Conduct
ICH Quality and Compliance Policy
ICH Anti-Bullying Policy
ICH Anti-Discrimination Policy
ICH Whistleblowing Policy
ICH Supervision Policy

Legislation
Child Protection Act 1999
National Disability Insurance Scheme Act 2013 and Rules
Education and Care Services National Law and Regulations

Other Documents
NDIS Practice Standards
HSQF Standards
FDC National Quality Standards