

Report to:	AUDIT COMMITTEE
Relevant Officer:	Tracy Greenhalgh – Head of Audit and Risk
Date of Meeting	7 March 2019

INTERNAL AUDIT CHARTER 2019/2020

1.0 Purpose of the report:

1.1 To present the updated Internal Audit Charter 2019/2020 for approval.

2.0 Recommendation(s):

2.1 To approve the Internal Audit Charter 2019/2020.

3.0 Reasons for recommendation(s):

3.1 To ensure that the Internal Audit continues to adhere to the Public Sector Internal Audit Standards.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

3.4 None.

4.0 Council Priority:

4.1 The work of the internal audit team contributes to the achievement of all of the Council's priorities.

5.0 Background Information

5.1 The Internal Audit Charter defines internal audit's mission, purpose, authority and responsibility. It establishes internal audit's position within the Council and defines the scope of internal audit activities and reporting lines. CIPFA and the CIIA set the internal audit standards in respect of local government across the UK and adopted a common set of Public Sector Internal Audit Standards (PSIAS) in April 2013. The

standards were updated in March 2016 and the Internal Audit Charter has been updated accordingly. The revised Charter follows the model document provided by the Chartered Institute of Internal Auditors.

5.2 Does the information submitted include any exempt information? No

5.3 List of Appendices:

Appendix 8(a) – Internal Audit Charter 2019/2020

6.0 Legal considerations:

6.1 All local authorities are subject to the Accounts and Audit (England) Regulations (2015) which requires them to make provision for internal audit in accordance with the Public Sector Internal Audit Standards (PSIAS) as well as the CIPFA Local Government Application Note.

7.0 Human Resources considerations:

7.1 The Internal Audit Charter will be delivered using existing resources.

8.0 Equalities considerations:

8.1 The work required to deliver the internal audit plan is identified through a regular risk assessment process. This is carried out using an established methodology that is designed to show that all potential audit areas are considered fairly.

9.0 Financial considerations:

9.1 Effective internal controls and an effective internal audit service can have a positive impact on the Council's financial position through identification of areas where controls can be strengthened, losses prevented and value for money improved.

10.0 Risk management considerations:

10.1 The work of internal audit forms a key element of the Council's overall system of internal control. An effective internal audit service also helps to promote and implement best practice and process improvements in the management of risks.

11.0 Ethical considerations:

11.1 Internal audit work will be carried out in line with the Code of Ethics set out in the Public Sector Internal Audit Standards.

12.0 Internal/ External Consultation undertaken:

12.1 The Charter was approved by the Corporate Leadership Team on 29 January 2019.

13.0 Background papers:

13.1 Public Sector Internal Audit Standards (2013).