

INTERNAL AUDIT CHARTER

1.0 EXECUTIVE SUMMARY

1.1 This report outlines the proposed changes to the Internal Audit Charter. The Internal Audit Charter has been updated to include the new assurance levels as agreed at the March meeting of the Audit Committee.

2.0 RECOMMENDATIONS

2.1 The Audit Committee to approve the updates to the Internal Audit Charter.

3.0 DETAIL

3.1 Under the Public Service Internal Audit Standards (PSIAS), Internal Audit is required to prepare an Internal Audit Charter.

3.2 The Chief Internal Auditor will review the Internal Audit Charter and present it to senior officers within the Council and the Audit Committee for approval on a biennial basis.

3.3 The Internal Audit Charter is expected to:

- define the scope of internal audit activities
- establish the responsibilities and objectives of internal audit
- establish the organisational independence of internal audit
- establish the accountability, reporting lines and relationships between the Chief Internal Auditor (CIA) and:
 - the 'board' (the audit committee)
 - those to whom the CIA may report functionally
- recognise that internal audit's remit extends to the entire control environment of the organisation
- establish internal audit's right of access to all records, assets, personnel and premises, including those of partner organisations, and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities
- the general arrangements for appointing staff and the skills required
- the role of internal audit (the scope and also limitations) in any fraud-related work
- the arrangements for avoiding conflicts of interest when carrying out non-audit activities, and

- a definition of the term 'board' (for the purposes of internal audit activity).

4.0 CONCLUSION

4.1 The Internal Audit Team has updated the Internal Audit Charter to include the new assurance levels agreed at March Audit Committee.

5.0 IMPLICATIONS

5.1 Policy – None

5.2 Financial - None

5.3 Legal - None

5.4 HR - None

5.5 Equalities - None

5.6 Risk - None

5.7 Customer Service - None

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For further information please contact: Internal Audit (01369 708505)

APPENDICES:

1. INTERNAL AUDIT CHARTER