

GOVERNANCE COMMITTEE7th APRIL 2016**REPORT OF HEAD OF WELLAND INTERNAL AUDIT CONSORTIUM****INTERNAL AUDIT CHARTER****1.0 PURPOSE OF REPORT**

1.1 To provide Members with a copy of the Internal Audit Charter for review and approval.

2.0 RECOMMENDATIONS

2.1 **That Members review and approve the Internal Audit Charter.**

3.0 INTERNAL AUDIT CHARTER

3.1 The Public Sector Internal Audit Standards define the internal audit charter as 'a formal document that defines the internal audit activity's purpose, authority and responsibility. The internal audit charter establishes the internal audit activity's position within the organisation, including the nature of the chief audit executive's functional reporting relationship with the board; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities'.

3.2 The Head of Internal Audit has undertaken an annual review of the Internal Audit Charter to confirm that this remains fit for purpose and compliant with good practice and the Public Sector Internal Audit Standards. No material changes have been made to the document or audit approach following this review. The only minor changes proposed are as follows:

- To include a mission statement for the Consortium – 'to enhance and protect Melton Borough Council's organisational value by providing risk-based and objective assurance, advice and insight'; and
- To amend the reference to the Audit Manager discharging some of the key roles of the Audit Executive, to reflect that these will usually be undertaken by the Head of Internal Audit but can be discharged by an Audit Manager as required (e.g. responsibilities of the Chief Audit Executive 'are discharged by the Audit Manager' changed to 'can be exercised by an Audit Manager, if required'). This is to reflect some minor changes to management responsibilities which have been introduced as a result of the current management agreement with LGSS which requires these key tasks to be delivered by LGSS management and provides consistency across the consortium.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 There are no wider policy implications arising from this report.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 There are no financial or other resource implications arising directly from this report.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 There are no legal implications arising directly from this report

7.0 **COMMUNITY SAFETY**

7.1 There are no community safety implications arising directly from this report.

8.0 **EQUALITIES**

8.1 There are no equalities implications arising directly from this report.

9.0 **RISKS**

9.1 If the Consortium does not deliver the approved Audit Plan the assurance that it can provide about the Council's control framework would be compromised.

10.0 **CLIMATE CHANGE**

10.1 There are no climate change implications arising directly from this report.

11.0 **CONSULTATION**

11.1 N/A

12.0 **WARDS AFFECTED**

12.1 All wards are indirectly affected by the report.

Contact Officer Rachel Ashley-Caunt

Date: 07/04/2016

Appendices : A – Internal Audit Charter

Background Papers: N/A

Reference : N/A