

GOVERNANCE COMMITTEE

12th June 2018

REPORT OF HEAD OF INTERNAL AUDIT

INTERNAL AUDIT CHARTER & STRATEGY

1.0 PURPOSE OF REPORT

- 1.1 To provide Members with a copy of the Internal Audit Charter and Strategy for annual 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 Since 1st April 2017, the Council's Internal Audit service has been formally delegated to LGSS. As such, at that point the Head of Internal Audit reviewed the Internal Audit Charter and Strategy, and updated this to reflect best practice and the standard approach adopted across the LGSS client base. This was formally approved by the Committee in June 2017.

- 3.3 The Committee should note that no significant amendments to the Charter are proposed for 2018/19. The only amendment included in the attached version is to revert back to the previous classification of audit recommendations of 'High', 'Medium' and 'Low' rather than 'Essential', 'Important' and 'Standard'. This is based on feedback received from officers and Members across the Partnership that the former descriptions are more meaningful and assist in distinguishing the key actions for prioritisation.

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 In delivering its services, an effective Internal Audit team should help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

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: 24/05/2018

Appendices : A – Internal Audit Charter & Strategy

Background Papers: N/A

Reference : N/A