

THURSDAY, 26 JULY 2018

REPORT OF THE HEAD OF AUDIT & GOVERNANCE

INTERNAL AUDIT CHARTER

EXEMPT INFORMATION

None

PURPOSE

To seek member endorsement of the revised Internal Audit Charter following the recent management restructure and changes to the role of the Head of Audit & Governance.

RECOMMENDATIONS

That the Committee endorses the attached Internal Audit Charter.

EXECUTIVE SUMMARY

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes (IIA – UK & Ireland).

The consideration and approval of an appropriate Internal Audit Charter by Members is an important element in providing assurance to the organisation that adequate arrangements are in place to provide the expected independent, objective opinion. The Charter complies with the Public Sector Internal Audit Standards (effective 1st April 2013). The Internal Audit Charter is approved by Members on an annual basis.

Following the recent management restructure, the Internal Audit Charter has been amended to take into account the additional operational areas now under the remit of the head of Audit & Governance and to ensure that her independence and objectivity is not compromised. The revised Charter is attached as **Appendix A**.

The Charter has been amended so that all other operational areas are detailed under **Independence & Objectivity** and now includes that all pre audit briefs and draft reports are issued to the Chief Executive at the same time as the Head of Audit & Governance.

Other minor changes have been made to show current posts within the Authority and not referencing to the posts stipulated in the PSIAS to avoid confusion.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

An up to date Internal Audit Charter is a requirement of the Public Sector Internal Audit Standards (PSIAS), failure to have a Charter in place will constitute non-compliance with the PSIAS.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Audit & Governance ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix A - Internal Audit Charter