

TITLE OF REPORT: Review of Internal Audit Charter

REPORT OF: Darren Collins, Strategic Director, Corporate Resources

Purpose of the Report

- 1 This report informs Committee of the review of the Internal Audit Charter

Background

- 2 The purpose, authority and responsibility of Internal Audit must be formally defined in an Internal Audit Charter, consistent with the definition of Internal Auditing outlined in Public Sector Internal Audit Standards (PSIAS). The Chief Internal Auditor must periodically review the internal audit charter and present it for approval.
- 3 The Internal Audit Charter was revised in March 2013 to comply with the introduction of a common set of UK Public Sector Internal Audit Standards (PSIAS) with effect from 1 April 2013.
- 4 The Standards have been revised from 1 April 2016 to incorporate the Mission of Internal Audit and Core Principles for the Professional Practice of Internal Auditing.
- 5 The Internal Audit Charter was last presented to Committee in October 2015. This report seeks comments on and approval of the Internal Audit Charter in line with best practice.

Revised Internal Audit Charter

- 6 A key element of compliance with PSIAS is the periodic review and approval by the Audit and Standards Committee of an Internal Audit Charter. The Charter is a formal document that defines Internal Audit's purpose, authority and responsibility setting out the Chief Internal Auditor's functional reporting relationships, authorises rights of access for internal audit staff and defines the scope of internal audit activity.
- 7 Following the review and Committee approval, the Charter will be reported to Senior Management within the Council for information.
- 8 This year's review adds the Mission of Internal Audit and Core Principles for the Professional Practice of Internal Auditing into the Charter to reflect their incorporation in the revised PSIAS.

Recommendation

- 9 The Committee is asked to approve the revised Internal Audit Charter to comply with Public Sector Internal Audit Standards.

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