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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>27 JULY 2017</b>
<b>REPORT OF THE:</b>	<b>RESOURCES &amp; ENABLING SERVICES LEAD (s151) PETER JOHNSON</b>
<b>TITLE OF REPORT:</b>	<b>UPDATE OF INTERNAL AUDIT CHARTER</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 The report highlights changes made to the Council's internal audit charter

### **2.0 RECOMMENDATION(S)**

- 2.1 It is recommended the Committee approve the changes to the Council's internal audit charter.

### **3.0 REASON FOR RECOMMENDATION(S)**

- 3.1 In accordance with the responsibility of the committee to consider reports dealing with the management of the internal audit function, and for the Council to comply with proper practice for internal audit.

### **4.0 SIGNIFICANT RISKS**

- 4.1 The council will not comply with the requirements of the Accounts and Audit Regulations 2015 if it does not have an audit charter.

### **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 The work of internal audit supports the council's overall aims and priorities by promoting probity, integrity and honesty and by helping support the council to become a more effective organisation.

### **6.0 REPORT DETAILS**

- 6.1 The Accounts and Audit Regulations 2015 require the council to have an effective internal audit service that complies with public sector internal audit standards. Cipfa is responsible for setting those standards for councils.

- 6.2 Cipfa works jointly with other bodies responsible for internal audit standards in the UK public sector (such as HM Treasury and the Department of Health) to produce common standards - the Public Sector Internal Audit Standards (PSIAS). The PSIAS are based on standards set by the Global Institute of Internal Auditors (IIA).
- 6.3 An updated version of the PSIAS has recently been published to reflect changes made to the International Professional Practices Framework (IPPF) by IIA. The changes are relatively minor in nature and mostly consist of further clarification. Other changes include revisions to job titles. Some changes are now required to the Authority's Internal Audit Charter. The revised Audit Charter with tracked changes to show those changes is attached as Appendix 1.

## **7.0 IMPLICATIONS**

- 7.1 The following implications have been identified:
- a) Financial  
None
  - b) Legal  
None
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None

**Peter Johnson**

**Resources & Enabling Services Lead (s151)**

**Author:** Stuart Cutts Audit Manager.  
Veritau Limited  
**Telephone No:** 01653 600666  
**E-Mail Address:** [stuart.cutts@veritau.co.uk](mailto:stuart.cutts@veritau.co.uk)

### **Background Papers:**

Public Sector Internal Audit Standards

CIPFA Local Government Application Note (for the United Kingdom Public Sector Internal Audit Standards)