

27 September 2019

Internal Audit Charter



**Report of Paul Bradley, Chief Internal Auditor and Corporate Fraud
Manager**

Electoral division(s) affected:

Countywide

Purpose of the Report

1. The purpose of this report is to seek agreement on the revised Internal Audit Charter to take immediate effect and to be applied to reviews undertaken as part of the Internal Audit plan for 2019/20.

Executive summary

2. The Internal Audit Charter defines the Internal Audit Service's purpose, authority and responsibility. It establishes Internal Audit's position within the organisation, including the nature of the Chief Internal Auditor and Corporate Fraud Manager's functional reporting relationship with the Joint Committee; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.
3. The Charter reflecting the changes made to the PSIAS in 2017 was previously considered by the Joint Committee at its meeting of 26 September 2018. The Charter is subject to annual review by the Chief Internal Auditor and Corporate Fraud Manager. On this occasion, with no new revisions to the PSIAS made, it is considered that no further amendments are required.

Recommendation

4. It is recommended that in considering the content of the report, the Joint Committee approve the Internal Audit Charter attached at Appendix 2.

Background

5. The Public Sector Internal Audit Standards (PSIAS), that came into effect from April 2013, and which were subsequently revised from 01 April 2017, define internal audit as,

‘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.’

Other useful documents

Report to Durham County Council’s Audit Committee on 28 June 2019

Appendix 1: Implications

Legal Implications

Compliance with the Accounts and Audit Regulations 2015 and the Public Sector Internal Audit Standards.

Finance

The broad programme of work undertaken by Internal Audit supports the Joint Committee in maintaining safe and efficient arrangements for the proper administration of its financial affairs

Equality and Diversity / Public Sector Equality Duty

There are no implications

Human Rights

There are no implications

Crime and Disorder

There are no implications

Staffing

As identified in the report.

Accommodation

There are no implications

Risk

There are no direct risk implications arising for the Joint Committee as a result of this report, although we aim through our planning arrangements to review the adequacy and effectiveness of the risk management arrangements in place.

Procurement

There are no implications