

26 September 2018

Internal Audit Charter



Report of the Chief Internal Auditor and Corporate Fraud Manager

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 2018/19.

Background

2. 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.’

Internal Audit Charter

3. 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.
4. The Charter reflecting the changes made to the PSIAS in 2017 was previously considered by the Joint Committee at its meeting of 28 September 2017. Revisions to the Charter this time which reflect a change in the reporting of ‘follow up’ reviews undertaken and in the definitions used for the priority of Internal Audit recommendations and the Overall Assurance Opinion have been highlighted for ease of reference.

Recommendation

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

Appendix 1: Implications

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

Staffing

None

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.

Equality and Diversity / Public Sector Equality Duty

None

Accommodation

None

Crime and disorder

None

Human rights

None

Consultation

None

Procurement

None

Disability issues

None

Legal Implications

Compliance with Public Sector Internal Audit Standards