

DRAFT Internal Audit Charter

Audit Committee

Date: 24th September 2103

Author: Head of Internal Audit
Wards: None
Locality Affected: None
Parishes Affected: None

1. Purpose and Reasons

- 1.1 The purpose of the report is to provide Audit Committee with an updated Internal Audit Charter that meets the requirements of the Public Sector Internal Audit Standards for comment.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.

2. Recommendations

The Committee is recommended to:

- 2.1 It is recommended that the Audit Committee reviews and approves the updated Internal Audit Charter.

3. Detail

- 3.1 The requirement for an Audit Charter is set out in the Public Sector Internal Audit Standards (PSIAS). These Standards are mandatory guidance that constitutes the principles of the fundamental requirements for the professional practice of internal auditing within the public sector and for the evaluation of the effectiveness of Internal Audit's performance.
 - 3.2 The Public Sector Internal Audit Standards have replaced the CIPFA's Code of Practice for Internal Audit in Local Government as the mandatory guidance for internal audit in the public sector.
 - 3.3 One of the requirements of the PSIAS is for an Audit Charter to be in place. The Internal Audit Charter is a formal document that defines Internal Audit's purpose, authority and responsibility. The internal audit charter establishes Internal Audit's position within the organisation, including the nature of the Head of Internal Audit's functional reporting relationship with Audit Committee; rights of access to records, personnel and physical properties relevant to the performance of audits; and defines the scope of internal audit activities.
 - 3.4 Previously the Internal Audit section had terms of reference that was approved by this Committee, and contained the majority of the requirements of the PSIAS. However, there are a number of additional requirements that have now been included in the Audit Charter, attached as Appendix 1.
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Further information on the subject of this report can be obtained from Nick Hobbs,
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4. Alternative Options

4.1 Not Applicable

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 There are no direct financial implications arising from this report.

Legal and Human Rights Implications

5.2 The Audit Charter ensures compliance with the mandatory guidance under the Accounts and Audit (England) Regulations 2011.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None

Links to One Swindon, Strategic Objectives, Plans and Policies

5.4 Internal Audit's remit is to examine the adequacy of the Council's governance, risk management and internal controls. Effective systems of governance, risk management and internal control within the Council will help to ensure that the objectives set out in One Swindon and the Council's Corporate Strategy is achieved.

Diversity Impact Assessment

5.5 None

Risk Management

5.6 Not applicable

6. Consultees

6.1 The Board Director Finance, Revenues, Benefits and Property (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

7.1 None

8. Appendices / Background papers

Appendix 1 – The DRAFT Internal Audit Charter

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- 9. Key Decision/Decision in Forward Plan**
Not Applicable