

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Internal Audit Charter	
Report No:	PAS/SE/17/006	
Report to and date:	Performance and Audit Scrutiny Committee	25 May 2017
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Purpose of report:	To review and approve an updated version of the Internal Audit Charter included at Appendix A .	
Recommendation:	Performance and Audit Scrutiny Committee: The Committee is RECOMMENDED to approve the revised Internal Audit Charter.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	N/A	
Alternative option(s):	N/A	
Implications:		

Are there any financial implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any staffing implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any ICT implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any legal and/or policy implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any equality implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
The purpose, authority and responsibility of Internal Audit may not be clearly and formally defined.	Medium	Regular review and approval as necessary of an Internal Audit Charter which conforms to mandatory Standards.	Low
Ward(s) affected:		N/A	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		N/A	
Documents attached:		Appendix A – Internal Audit Charter	

1. Key issues and reasons for recommendation

1.1 Internal Audit Charter

- 1.1.1 The Public Sector Internal Audit Standards (the 'Standards') came into effect in April 2013 and apply to all internal audit service providers. The Standards require organisations to have an Internal Audit Charter that formally defines the purpose, mission, authority, and responsibility of the internal audit activity, and that this is consistent with the Definition of Internal Audit (contained within the Standards), the Code of Ethics and the Standards. Final approval of the document rests with the Performance and Audit Scrutiny Committee.
- 1.1.2 The Internal Audit Charter should be periodically reviewed, to ensure it remains relevant and up to date. The Charter presented at this time has been revised to take into account recent revisions to the Standards, and now includes a 'Mission' for the Internal Audit Section and 'Core Principles' for the professional practice of internal auditing.