

Performance and Audit Scrutiny Committee



Forest Heath
District Council

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| Title of Report: | Internal Audit Charter | |
| Report No: | PAS/FH/17/020 | |
| Report to and dates: | Performance and Audit Scrutiny Committee | 27 July 2017 |
| Portfolio holder: | Steven Edwards Portfolio Holder for Resources and Performance Tel: 01638 660518 Email: steven.edwards@forest-heath.gov.uk | |
| Lead officer: | Jon Snares Service Manager (Internal Audit) Tel: 01284 757239 Email: jon.snares@westsuffolk.gov.uk | |
| 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: | | |

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| 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 Performance and Audit Scrutiny Committee – 25 May 2017

1.2.1 On 25 May 2017, the meeting was declared inquorate, with there only being two Members of the Forest Heath Performance and Audit Scrutiny Committee in attendance this item could not be formally resolved. Therefore, this item was deferred for consideration to the next meeting of the Committee on 27 July 2017.

1.2 Internal Audit Charter

1.2.1 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.

1.2.2 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.