

HAMBLETON DISTRICT COUNCIL

Report To: Audit, Governance and Standards Committee
30 January 2013

From: Director of Resources

Subject: **ANNUAL REVIEW OF THE AUDIT VISION AND CHARTER**

All Wards

1.0 PURPOSE AND BACKGROUND:

1.1. The purpose of this report is update Members on the position regarding the Audit Vision & Charter for the Internal Audit Service.

2.0 THE REPORT

2.1 The Accounts and Audit Regulations require, all Councils to provide an adequate and effective Internal Audit function. For Hambleton DC this is provided through Veritau North Yorkshire (VNY). This service is delivered in accordance with the Audit Vision and Charter approved by the Committee.

2.2 The view of the Audit Commission and the Council's external Auditors, Deloitte, is that the Vision and Charter documents should be reviewed annually and a review of the Vision and Charter had been scheduled for the meeting of 29 January 2013. However, CIPFA, the Chartered Institute of Internal Auditors (CIIA) and HM Treasury have recently consulted on a new set of Public Sector Internal Audit Standards (PSIAS) which will supersede those currently used in the various parts of the public sector. This consultation has now been completed and the new standards are expected to take effect from 1 April 2013.

2.3 As the current Vision and Charter is based on the CIPFA Code of Practice, Veritau North Yorkshire (VNY) propose to prepare a new Vision and Charter which complies with the new PSIAS for approval by the Committee after that date.

3.0 CONCLUSION:

3.1 The revised Internal Audit Vision and Charter needs to reflect the latest Public Sector Internal Audit Standards due to take effect from 1 April 2013.

4.0 DECISIONS SOUGHT:

4.1 Members are asked to approve a postponement of the review of the Audit Vision and Charter until after the revised Public Sector Internal Audit Standards (PSIAS) come into force.

5.0 RISK ANALYSIS:

5.1 The Council should ensure that its Internal Audit service operates to the appropriate standards. Failure to do so could have an impact with the Council's External Auditor's overall view of the governance system within the Council.

6.0 **FINANCIAL IMPLICATIONS:**

6.1 There are no financial implications associated with the recommendations in the report.

7.0 **LEGAL IMPLICATIONS:**

7.1 There are no legal implications associated with the recommendations in the report.

8.0 **RECOMMENDATIONS:**

8.1 The Internal Audit Vision & Charter for 2013/14 be revised and submitted to the committee for approval at the first suitable meeting of the 2013/14 financial year.

JUSTIN IVES

Background papers:

Author ref: RP

Contact: *Roman Pronyszyn; Client Relationship Manager; Veritau*
roman.pronyszyn@veritau.co.uk

Max Thomas; Head of Internal Audit