

HAMBLETON DISTRICT COUNCIL

Report To: Audit, Governance and Standards Committee
26 March 2014

From: Director of Resources

Subject: INTERNAL AUDIT CHARTER

All Wards

1.0 PURPOSE AND BACKGROUND:

1.1 The provision of Internal Audit is a statutory requirement (Accounts & Audit Regulations).

2.0 THE REPORT

2.1 The new Public Sector Internal Audit Standards (PSIAS) require the Council to adopt an audit charter setting out the purpose, authority and responsibility of internal audit. Prior to April 2013, the Council had set its requirements for internal audit in terms of reference. These were in line with the former standards set by CIPFA in the Code of Practice for Internal Audit in Local Government in England and Wales (2006). The new PSIAS require that the Council adopts an internal audit charter instead. The purpose of the charter is broadly similar to the terms of reference although some of the detail required is different. For example, the new standards are more explicit about how the Head of Internal Audit reports to the "Board" (represented by the Audit, Governance and Standards Committee). The proposed audit charter is attached at **Annex 1**. This has been prepared in accordance with the PSIAS and additional guidance from CIPFA.

2.2 There is no direct linkage to any of the Council's Priorities, as internal audit is a support service, which provides internal control and activity assurance to Directors on the operation of their services, and specifically to the Council's S151 Officer on financial systems.

3.0 CONCLUSION:

3.1 Having regard to this report, the proposed Internal Audit Charter should give sufficient assurance to the Council that the internal audit service delivered by Veritau will comply with the revised standards.

4.0 DECISIONS SOUGHT:

4.1 It is recommended that the Committee approve the new internal audit charter.

5.0 RISK ANALYSIS:

5.1 There are no risks associated with the recommendations in the report.

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 It is recommended that the attached report is approved.

JUSTIN IVES

Background papers:

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