

INTERNAL AUDIT CHARTER 2020/21

Audit Committee - 16 July 2020

Report of Audit Manager

Status For Decision

Key Decision No

Executive Summary: The Audit Charter (Appendix A) sets out the purpose, authority and responsibility of the Audit Service, in accordance with the Public Sector Internal Audit Standards. The Charter also sets out the safeguards which are necessary to protect the objectivity and independence of the service and sets out the governance arrangements for the Council.

Portfolio Holder Cllr. Matthew Dickins

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Recommendation to Audit Committee:

That the Internal Audit Charter (Appendix A) is **agreed**.

Reason for recommendation: As those charged with governance, the Audit Committee is required through its Terms of Reference to consider and approve the Charter.

Introduction and Background

- 1 The Internal Audit Charter is a requirement of the [Public Sector Internal Audit Standards](#) (PSIAS). It is a key governance document that sets out the purpose, authority, and responsibility of Internal Audit. In addition, the Charter reinforces the 'mission' of Internal Audit as a service that provides vital assurance, insight and improvement to the Council. The Audit Committee last considered and approved the Internal Audit Charter in March 2019.

Key Implications

Financial

There are no financial implications.

Legal Implications and Risk Assessment Statement

The Account and Audit Regulations 2015 require an organisation to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”. The Charter is a key governance document under these standards.

If a Charter is not maintained and approved, there is a risk that the remit and authority of Internal Audit within the organisation becomes unclear, meaning that it is unable to deliver an effective service.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Conclusions

This report allows Members to discuss and approve the Internal Audit Charter.

Appendices

Appendix A - Internal Audit Charter - July 2020.

Background Papers

The previous Charter was reported to the Audit Committee in March 2019 and is publically available on the Council’s [website](#).

Adrian Rowbotham

Chief Officer - Finance and Trading