

DECISION-MAKER:	GOVERNANCE COMMITTEE		
SUBJECT:	INTERNAL AUDIT CHARTER 2014-15		
DATE OF DECISION:	28 APRIL 2014		
REPORT OF:	CHIEF INTERNAL AUDITOR		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY			
N/A			

BRIEF SUMMARY

With effect from 1 April 2013 all public sector bodies were required to adopt the Public Sector Internal Auditing Standards [the Standards]. One of the requirements of the Standards is for 'the board' to approve annually the Internal Audit Charter

The internal audit charter is a formal document that defines internal audits purpose, authority and responsibility.

The internal audit charter establishes internal audits position within the organisation, including the nature of the chief internal auditor's functional reporting relationship with the board; authorised access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

In respect of public sector organisations the internal audit charter must also:

- define the terms 'board' and 'senior management' for the purposes of internal audit activity;
- cover the arrangements for appropriate resourcing;
- define the role of internal audit in any fraud-related work; and
- include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities.

The Internal Audit Charter 2014-15 is attached at Appendix 1.

RECOMMENDATIONS:

- (i) to approve the Internal Audit Charter 2014-15 (Appendix 1).

REASONS FOR REPORT RECOMMENDATIONS

1. In accordance with proper internal audit practices (Public Sector Internal Audit Standards), the Governance Committee is required to approve annually the internal audit charter.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (Including consultation carried out)

3. The internal audit charter 2014-15 is attached for consideration in Appendix 1.

RESOURCE IMPLICATIONS

Capital/Revenue

4. None

Property/Other

5. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

6. The Accounts and Audit (England) Regulations 2011 state ‘a relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control’.

Other Legal Implications:

7. None

POLICY FRAMEWORK IMPLICATIONS

8. None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	
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SUPPORTING DOCUMENTATION

Appendices

1.	Internal Audit Charter 2014-15
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Documents In Members’ Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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