

AUDIT COMMITTEE
23RD JANUARY 2018

INTERNAL AUDIT CHARTER & STRATEGY 2018-19

Cabinet Member Councillor Peter Hare-Scott
Responsible Officer Audit Team Manager, David Curnow

Reason for Report: To present the Committee with the Internal Audit Charter and Strategy for effective operation of the internal audit service.

RECOMMENDATIONS:

- a) The Committee approves the Internal Audit Charter (Appendix 1).
- b) The Committee approves the Internal Audit Strategy (Appendix 2).

Relationship to Corporate Plan: Effective Internal Audit is a fundamental element of being an economic, efficient and effective council and can assist with reducing costs and doing things differently and better.

Financial Implications: Inadequate Internal Audit delivery and coverage would mean that the Internal Audit Manager cannot form a reliable opinion as to the effectiveness of MDDC's internal control environment.

Legal Implications: None arising from this report.

Risk Assessment: Potential failure to comply with the Public Sector Internal Audit Standards (PSIAS). This could result in comment from the external auditors when they complete their annual review of the Council's arrangements

Equality Impact Assessment: No equality issues identified for this report.

1. One of the requirements of the Public Sector Internal Audit Standards (PSIAS) is that the purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The internal audit charter for this financial year is set out in detail in the report attached.
2. The PSIAS sets additional Public Sector requirements where 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.
3. This Charter complies with the mandatory requirements of the Public Sector Internal Audit Standards.
4. Delivery of the Internal Audit Service will be by the Devon Audit Partnership, a shared services arrangement between Devon, Plymouth, Torbay Torridge & Mid Devon Councils in accordance with the agreed internal audit plan.

Contact for more Information: David Curnow, Audit Team Manager

Circulation of the Report: Cabinet Member and Management Team