

Allerdale Borough Council

Audit Committee – 25 February 2019

The Internal Audit Charter

The Reason for the Decision	To set out how we intend to deliver an Internal Audit Service in line with the Public Sector Internal Auditing Standards (PSIAS) 1 April 2017.
Summary of options considered	To obtain agreement of the Assurance Risk and Audit Charter
Recommendations	To approve the Assurance Risk and Audit Charter
Financial / Resource Implications	No additional resource required to deliver this.
Legal / Governance Implications	This Strategy has been completed in line with the statutory requirements and professional guidance recommendations.
Community Safety Implications	None specific to this matter.
Health and Safety and Risk Management Implications	This contributes to the effectiveness of the Assurance Risk and Audit Team in Enterprise-wide Risk Management.
Equality Duty considered / Impact Assessment completed	Considered – not required.
Wards Affected	None specifically
The contribution this decision would make to the Council's priorities	This will contribute to the achievement of all council plan priority areas.
Is this a Key Decision	No
Portfolio Holder	Cllr Joan Ellis
Lead Officer	Emma Thompson Assurance Risk and Audit Manager (01900) 702988 emma.thompson@allerdale.gov.uk

Report Implications (Please delete where applicable)

Community Safety	N	Employment (external to the Council)	N
Financial	Y	Employment (internal)	N
Legal	Y	Partnership	N
Social Inclusion	N	Asset Management	N
Equality Duty	N	Health and Safety	N

1.0 Introduction

- 1.1 The PSIAS were revised and introduced 1 April 2017. The review was to interpret the Chartered Institute of Internal Audit Standards to achieve consistent application in Public Sector. These standards clarify the position in relation to additional roles and responsibilities undertaken by Internal Audit and these should be defined with the Audit Charter alongside how any impairments to independence and objectivity will be overcome.

2.0 The Charter

- 2.1 The Public Sector Internal Auditing Standard 1000, Purpose, Authority and Responsibility states:

‘The internal audit charter is a formal document that defines the internal audit activity’s purpose, authority and responsibility. The internal audit charter establishes the internal audit activity’s position within the organisation, including the nature of the chief audit executive’s functional reporting relationship with the board; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. Final approval of the internal audit charter resides with the board’

At Allerdale Borough Council the roles and responsibilities of the ‘board’ are carried out by the Audit Committee, the role of ‘senior management’ is carried out by the Senior Management Team and the Chief Audit Executive is the Assurance, Risk and Audit Manager.

The Assurance Risk and Audit Charter has been updated to reflect these responsibilities. (See appendix 1 to this report)

3.0 Finance/Resource Implications

- 3.1 The charter supports the delivery of Internal Audit resource at Allerdale Borough Council.

4.0 Legal Implications and Risks

- 4.1 This charter has been completed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS).

5.0 Recommendations

5.1 To approve the Assurance Risk and Audit Charter.

Emma Thompson
Assurance Risk and Audit Manager