

Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of Head of Finance and Chief Finance officer

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Internal Audit Charter 2023-24

Executive Summary

Appendix 1 presents the proposed Internal Audit Charter for 2023-24 to the Committee in accordance with the requirements of the Public Sector Internal Audit Standards.

Recommendation to Committee

The Committee is requested to approve the Internal Audit Charter for 2023-24, attached as Appendix 1.

Reason for Recommendation:

The Committee has a responsibility to approve the Internal Audit Charter in accordance with the Public Sector Internal Audit Standards.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 The purpose of this paper is to present the Internal Audit Charter for 2023-24 to the Committee in accordance with the requirements of the Public Sector Internal Audit Standards. (Appendix 1).

2. Strategic Priorities

- 2.1 The audit of Council services supports the priority of providing efficient, cost effective and relevant quality public services that give the community value for money.

3. Background

2.1 The Internal Audit Charter is a formal document that defines the internal audit activity's purpose, authority and responsibility consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The Public Sector Internal Audit Standards require the charter to be reviewed and approved annually.

2.2 The Accounts and Audit (England) Regulations 2015 state:

'a relevant body must 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'

3.3 The Public Sector Internal Audit Standards (attribute standard 1000) requires that all internal audit activities maintain an 'internal audit charter'. The internal audit charter establishes internal audit's position within the organisation including:

- Recognising the mandatory nature of the Public Sector Internal Audit Standards
- Defining the scope of internal audit responsibilities.
- Establishing the organisational independence of internal audit.
- Establishing accountability and reporting lines (functional and administrative).
- Arrangements that exist with regard to anti-fraud and anti-corruption.
- Establishing internal audit rights of access.
- Defining the terms 'board' and 'senior management' for the purpose of internal audit.

3.4 In accordance with the Standards, the internal audit charter should be reviewed annually (minimum) and approved by senior management and this Committee.

3.5 Appendix 1 provides a draft copy of the Internal Audit Charter 2023-24 for review and comment.

4. Financial Implications

4.1 There are no financial implications as a result of this report.

5. Legal Implications

5.1 There are no legal implications as a result of this report.

6. Human Resource Implications

6.1 There are no human resource implications as a result of this report.

7. Conclusion

7.1 The Committee is asked to approve the proposed Internal Audit Charter for 2023-24, all as set out in Appendix 1 to this covering report.

8. Background Papers

None

9. Appendices

Appendix 1: Internal Audit Annual Charter 2023-24