

Audit Committee – 25th October 2007

8. Internal Audit Charter

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Purpose of the Report

To obtain endorsement from members for the amendments to the Internal Audit Charter.

Recommendations

That the Audit Committee review and formally approve the changes to the Internal Audit Charter as attached at pages 7-9.

Background

The Internal Audit service, provided by the South West Audit Partnership (SWAP), works to a Charter that defines its roles and responsibilities and the roles and responsibilities of the District Council Managers. The annual review of the Charter was carried out earlier this year and approved by the Audit Committee on 22nd February 2007.

Since this date the Audit Commission completed a triennial review of the Internal Audit Function provided by SWAP. They recommended a number of items that should be included in the Charter as follows:

- R1 The Audit Charter should be amended to include the requirement that the Head of Internal Audit should provide an annual audit report to the Audit Committee.
- R2 The role of SWAP in the anti-fraud and corruption work of the sponsoring Council should be identified in the Audit Charter.
- R3 To ensure there is no confusion about the limitations to which Internal Audit can act in respect of consultancy work without jeopardising independence, these limitations should be laid down in the Audit Charter.
- R4 The Audit Charter should confirm the method of identifying resources required to carry out the audit plan. The method of arriving at the budget required to carry out the audit plan should also be identified along with who is responsible for preparing and agreeing the budget requirements.
- R5 The Audit Charter should be amended to include access rights.

These recommendations were accepted and have been incorporated in the revised Charter.

Financial Implications

None.

Background Papers: *Internal Audit Charter*
