

NON EXEMPT

HAVANT BOROUGH COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

8 March 2017

INTERNAL AUDIT CHARTER 2017/18

Head of Southern Internal Audit Partnership

ITEM NO 9

FOR DECISION

Key Decision: No

1.0 Purpose of Report

1.1 The purpose of this paper is to provide the Governance and Audit Committee with the Internal Audit Charter for 2017/18.

1.2 The Internal Audit Charter formally defines the internal audit activity's purpose, authority and responsibility in line with the Public Sector Internal Auditing Standards [the Standards].

2.0 Recommendation

2.1 That the Governance and Audit Committee approve the Internal Audit Charter for 2017/18.

3.0 Summary

3.1 With effect from 1 April 2013 internal audit services across the public sector have been governed by the Public Sector Internal Audit Standards (the Standards).

3.2 Within the Standards there is a requirement for an Internal Audit Charter - a formal document that defines the purpose, authority and responsibility of the internal audit activity. The proposed charter is attached at Appendix 1.

3.3 The Internal Audit Charter must be reviewed periodically (as a minimum annually) by the Chief Internal Auditor and presented to 'Senior Management' and 'the Board'. The Board is defined as

'the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. At the Council this shall mean the Governance and Audit Committee'.

4.0 Implications

4.1 Resources:

Internal Audit is provided through the Southern Internal Audit Partnership. The audit plan consists of 380 audit days and remains fluid throughout the year to meet the changing needs of the Council.

4.2 Legal:

Compliance with the Accounts and Audit (England) Regulations 2015.

4.3 Strategy:

Internal audit plays a vital role in helping the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

4.4 Risks:

The audit needs assessment follows a risk based audit approach taking cognisance of the Council's risk register.

4.5 Communications:

None directly from this report.

4.6 Customers & Community:

None directly from this report although improvements to controls and governance arrangements will ensure more efficient and effective service delivery.

4.7 Integrated Impact Assessment (IIA):

n/a.

5.0 Consultation

5.1 The report has been discussed and approved by the Management Team who met at the Executive Board on 07 February 2017.

Appendices:

Appendix 1 – Internal Audit Charter

Agreed and signed off by:

Legal Services: Abe Ezekiel – Head of Legal Services – 21/02/17

Finance: Craig Smith – Head of Finance – 23/02/17

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