

Subject: Internal Audit Charter
Date of Meeting: 31st March 2009
Report of: Interim Director of Finance & Resources
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Wards Affected: All

FOR GENERAL RELEASE

1. Summary and Policy Context

- 1.1 The purpose of this report is to seek member's annual approval for the Internal Audit Charter and amendments made.

2. Recommendations

The Audit Committee is recommended to approve the amended Internal Audit Charter at Appendix A.

3. Background Information

- 3.1 The City Council is required under the Accounts & Audit Regulations 2003 (as amended 2006) to make provision for an internal audit function in accordance with the Chartered Institute of Public Finance & Accountancy's Code of Practice for Internal Audit in Local Government.
- 3.2 The Code of Practice for internal audit specifically requires Audit & Business Risk to have an Internal Audit Charter (Terms of Reference) and for this to be regularly reviewed and approved.
- 3.3 The Internal Audit Charter, Internal Audit Strategy and Annual Plan complemented by regular reports are intended to provide the Audit Committee assurances regarding how the internal audit function is managed, organised and delivers its service in meeting its statutory and the City Council's requirements.
- #### 4. Internal Audit Charter
- 4.1 The Charter has been fully reviewed and revised to ensure it reflects current requirements and working arrangements. The Charter will be included in various internal documents and will be made available to all members and employees through the City Council's intranet site.
- 4.2 The revised Internal Audit Charter is attached at Appendix A to this report. Changes are marked in bold type for reference.

8. FINANCIAL & OTHER IMPLICATIONS:

8.1 Financial Implications:

There is no direct financial impact of the Internal Audit Charter. Internal Audit will be delivered within existing budgetary resources.

Patrick Rice

18th March 2009

8.2 Legal Implications:

Regulation 6 of The Accounts & Audit Regulations 2003 (as amended by the Accounts and Audit Regulations (Amendment) (England) Regulations 2006) require the Council to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

Oliver Dixon

18th March 2009

8.3 Equalities Implications

There are no direct equalities implications arising directly from this report

8.4 Sustainability Implications:

There are no direct sustainability implications arising from this report.

8.5 Crime & Disorder Implications:

There no direct implications for the prevention of crime and disorder arising from this report.

8.6 Risk and Opportunity Management Implications:

The Internal Audit Plan and its outcome is a key part of the Council's risk management process. The internal audit planning methodology is based on risk assessments that include the use of the council's risk registers.

8.7 Corporate / Citywide Implications:

Robust corporate governance arrangements are essential to the sound management of the City Council and the achievement of its objectives as set out in the Corporate Plan.

SUPPORTING DOCUMENTATION

Background Documents

1. Internal Audit Plan 2008/09
2. Code of Practice for Internal Audit in Local Government (CIPFA) 2006
3. Accounts & Audit Regulations 2003 (Amended 2006)

