



Internal Audit Charter

SUMMARY

- 1.1 This report sets out the latest version of the Internal Audit Charter. The annual update requires review and approval by this Committee.
- 1.2 Under the Public Sector Internal Audit Standards (PSIAS) the purpose, authority and responsibility of the internal audit activity is formally defined in an Internal Audit Charter,

RECOMMENDATION

- 2.1 To review and approve the contents of the Internal Audit Charter attached at Appendix 2.

REASONS FOR RECOMMENDATION

- 3.1 The Public Sector Internal Audit Standards (the PSIAS), mandate that the purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter which must be presented to the Board (in Derby's case the Audit and Accounts Committee) for approval.

SUPPORTING INFORMATION

- 4.1 An Internal Audit Charter is a formal document that defines internal audit's purpose, authority, responsibility and position within an organisation. The Internal Audit Charter describes how internal audit will provide value to the organisation, the nature of the services it will provide and the specific focus or emphasis required of internal audit to help the organisation achieve its objectives.
- 4.2 Having an Internal Audit Charter also establishes the internal audit activity's position within the organisation, including reporting lines, authorising access to records, personnel, and physical properties relevant to the performance of engagements; also defining the scope of internal audit activities. A copy of the current Internal Audit Charter is attached at Appendix 2. It is the role of the Audit and Accounts Committee to review and approve the 'Internal Audit Charter' on an annual basis.

- 4.3 The chief audit executive (this role at Derby is performed by the Head of Internal Audit) must periodically review the Charter and present it to senior management and the board for approval. Responsibility for, and ownership of, the Charter remains with the organisation and final approval of the Charter resides with the Board (in the case of Derby, this is the Audit and Accounts Committee).

OTHER OPTIONS CONSIDERED

- 5.1 None.

This report has been approved by the following officers:

Legal officer	n/a
Financial officer	n/a
Human Resources officer	n/a
Estates/Property officer	n/a
Service Director(s)	n/a
Other(s)	Don McLure, Strategic Director of Corporate Resources

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Background papers:	
List of appendices:	Appendix 1 – Implications Appendix 2 – Internal Audit Charter

IMPLICATIONS

Financial and Value for Money

1.1 None arising from this report

Legal

2.1 None arising from this report

Personnel

3.1 None arising from this report

IT

4.1 None arising from this report

Equalities Impact

5.1 None arising from this report

Health and Safety

6.1 None arising from this report

Environmental Sustainability

7.1 None arising from this report

Property and Asset Management

8.1 None arising from this report

Risk Management

9.1 None arising from this report

Corporate objectives and priorities for change

10.1 None arising from this report