

**Committee: Council**

**Agenda Item**

**Date: 08 October 2013**

**10**

**Title: Change to the Council's Scheme of Delegation**

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Item for approval

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## Summary

1. New UK Public Sector Internal Audit Standards (PSIAS) came into effect from 01 April 2013 which make reference to 'the Board' as part of the reporting requirements in respect of Internal Audit activity. Members are asked to agree a change to the Council's scheme of delegation to designate the Performance & Audit Committee as 'the Board' in this context.

## Recommendations

2. That members designate the Performance and Audit Committee as "the Board" for the purposes of UK Public Sector Internal Audit Standards (PSIAS) and delegate the all functions of the Board under those Standards to the Committee

## Financial Implications

3. None. There are no costs associated with the recommendations in this report.

## Background Papers

4. None.

## Impact

- 5.

Communication/Consultation	The Internal Audit Strategy 2012/13 and Internal Audit Charter & Terms of Reference 2012/13 have been circulated to the Council's Corporate Management Team
Community Safety	none
Equalities	none
Health and Safety	none

Human Rights/Legal Implications	none
Sustainability	none
Ward-specific impacts	none
Workforce/Workplace	none

## Situation

6. With effect from 1 April 2013, the work of Uttlesford District Council's (UDC) Internal Audit is governed by the PSIAS which have replaced the CIPFA Code of Practice for Internal Audit in the UK. The PSIAS are mandatory for all internal auditors working in the UK public sector
7. The PSIAS require an Internal Audit Charter to be periodically reviewed and presented to senior management and the Board for approval. They also require that for the purposes of internal Audit activity, this Charter must define the terms 'senior management' and 'board'. Following consultation with the Assistant Chief Executive – Legal, it has been decided that the designation of the Performance & Audit Committee as 'the board' for Internal Audit activity will require a change to the council's scheme of delegation to allow the revised Internal Audit Charter to be approved by the Performance & Audit Committee at its November 2013 meeting.

## Risk Analysis

8.

Risk	Likelihood	Impact	Mitigating actions
Adverse External comment if the Internal Audit Charter does not comply with the PSIAS.	1 Internal Audit function is an integral part of the Council	2 Statutory requirement, adverse External Auditor Report	Annual review of Charter

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.