

**Committee:** Performance Select Committee  
**Date:** 27 July 2010  
**Title:** Internal Audit Strategy, Charter & Terms of Reference 2010/11  
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**Agenda Item**

**10**

Item for  
decision

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## Summary

- 1 The Council has arrangements in place to ensure risks to the Council achieving its objectives are identified and managed. This report informs Members of the review and updating of the Internal Audit Charter & Terms of Reference and the Internal Audit Strategy 2010/11

## Recommendations

1. That members approve the revised Internal Audit Charter and Terms of Reference 2010/11
2. That members approve the revised Internal Audit Strategy 2010/11

## Background Papers

Internal Audit Charter & Terms of Reference 2010/11 – appendix A  
Internal Audit Strategy 2010/11 – appendix B

## Impact

Communication/Consultation	The Council's Strategic Management Board has approved the Internal Audit Charter & Terms of Reference and Strategy. They will also be circulated to Head of Divisions once approved by this committee
Community Safety	None identified
Equalities	None identified
Finance	Part of the Council's corporate governance framework. The Audit Commission needs to rely on the work of internal audit.

	Internal audit work contributes to the Annual Governance Statement in the Council's Accounts
Health & Safety	None identified
Legal implications/ Human Rights	Satisfies the requirements of the Local Government Acts, Accounts and Audit Regulations
Sustainability	None identified
Ward-specific impacts	None identified
Workforce/Workplace	None identified

### Situation

- 2 The Internal Audit Charter & Terms of Reference 2010/11 and the Internal Audit Strategy 2010/11 have been reviewed and updated to ensure continued compliance with the CIPFA Code of Practice for Internal Audit in Local Government.

### Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Adverse Audit Commission comment if the Internal Audit Charter & Terms of Reference and Strategy do not comply with the CIPFA Code of Practice for Internal Audit in Local Government.	1 Internal Audit function is an integral part of the Council	2 Statutory requirement, adverse Audit Commission Report	Annual review and approval of Charter & Terms of Reference and Strategy by members and Strategic Management

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.