

**Committee:** Governance, Audit and Performance Committee

**Date:**

Thursday, 15  
November 2018

**Title:** Internal Audit Charter 2018

**Report Author:** Sheila Bronson, Audit Manager

**Author:** sbronson@uttlesford.gov.uk

---

## Summary

1. This report informs Members of the review and updating of the Internal Audit Charter

## Recommendations

2. That Members approve the revised Internal Audit Charter 2018

## 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 Charter 2018 has been approved by the Council's Corporate Management Team at its meeting 17 October 2016
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 UK Public Sector Internal Audit Standards (PSIAS) which have replaced the CIPFA Code of Practice for Internal Audit in the UK. The PSIAS encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) as follows:
  - Definition of Internal Auditing;
  - Code of Ethics, and
  - International Standards for the Professional Practice of Internal Auditing (including interpretations and glossary).
  
7. The PSIAS are mandatory for all internal auditors working in the UK public sector. The PSIAS were update in March 2017.
  
8. The PSIAS require an Internal Audit Charter to be periodically reviewed and presented to senior management and the board for approval.
  
9. The Internal Audit Charter 2018 has replaced the Internal Audit Charter (November 2016), the revisions are:
  - Updated through to reflect the change of committee name to Governance, Audit & Performance;
  - Updated throughout to reflect the change of the Internal Audit reporting line to the Monitoring Officer (from the Section 151 Officer);
  - Paragraph 4.9 updated to reflect the change of system name to Pentana from Covalent;
  - Paragraph 9.4 updated to reflect the current external assessment situation
  - Appendix sections 7.2, 7.3, 7.4, & 8 updated to improve escalation procedures.
  
10. The Internal Audit Charter 2018 is presented to this Committee for approval.

## Risk Analysis

11.

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	Regular 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.