

INTERNAL AUDIT CHARTER AND INTERNAL AUDIT MANUAL

1. SUMMARY

- 1.1 This report outlines the proposed changes to the Internal Audit Charter and Internal Audit Manual. Both have been updated to reflect changes in the working practices within Internal Audit and to better align them with the requirements of the Public Sector Internal Audit Standards (PSIAS) (see Appendix 3).

2. RECOMMENDATIONS

- 2.1 To approve the amended Internal Audit Charter (Appendix 1).
- 2.2 To approve the amended Internal Audit Manual (Appendix 2).

3.0 DETAIL

- 3.1 Under the PSIAS, Internal Audit is required to prepare an Internal Audit Charter, consistent with the Mission of Internal Audit that defines internal audit's purpose, authority and responsibility.
- 3.2 However just having a Charter is not sufficient to comply with the requirements of PSIAS. The requirement for a Charter is just one element of PSIAS. Full compliance requires the adoption of a range of principles and working practices which are closely aligned to the requirements as set out in PSIAS.
- 3.3 Whilst there is no written requirement, within PSIAS, for an Internal Audit Manual to be created, in general, it is considered good practice to develop manual to help guide the overall management and administration of the department and the audit approach adopted. Given the mandatory nature of PSIAS it also makes sense for that manual to be consistent with the requirements of PSIAS.
- 3.4 Internal Audit's previous Internal Audit Charter and Internal Audit Manual have been revised to better reflect the requirements of the PSIAS and also to reflect changes within the department that have been introduced since the previous versions of the documents were approved. In particular the Internal Audit Manual has been specifically aligned to the provisions of the PSIAS, with appropriate cross referencing, meaning that, in complying with the manual, the internal audit team are demonstrating compliance with the

PSIAS

4.0 CONCLUSION

4.1 The Internal Audit Team has updated the Internal Audit Charter and Internal Audit Manual to better reflect the requirements of the Public Sector Internal Audit Standards.

5.0 IMPLICATIONS

5.1 Policy – None

5.2 Financial - None

5.3 Legal - None

5.4 HR - None

5.5 Equalities - None

5.6 Risk - None

5.7 Customer Service - None

**Laurence Slavin
Chief Internal Auditor
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For further information please contact: Internal Audit (01436 657694)

Appendices:

- 1. Internal Audit Charter**
- 2. Internal Audit Manual**
- 3. PSIAS**