

<b>Report to:</b>	Audit and Governance Committee	<b>Date of Meeting:</b>	Wednesday 17 March 2021
<b>Subject:</b>	Internal Audit Charter and Internal Audit Plan 2021/22		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

### Summary:

This report presents the revised Internal Audit Charter and the proposed Internal Audit Plan 2021/22 for approval by Members.

### Recommendation(s):

Members are requested to:

- (i) Approve the Internal Audit Charter
- (ii) Approve the Internal Audit Plan 2021/22.

### Reasons for the Recommendation(s):

Approval of the recommendations will facilitate the continued provision of a comprehensive, efficient and effective Internal Audit Service which meets professional Standards.

### Alternative Options Considered and Rejected: (including any Risk Implications)

None.

### What will it cost and how will it be financed?

**(A) Revenue Costs** - There are no direct financial implications arising from this report. However, the Council benefits from the work of the section in reducing the impact and likelihood (and so the cost) of risk.

**(B) Capital Costs** - There are no capital costs arising from this report.

## Implications of the Proposals:

### Resource Implications (Financial, IT, Staffing and Assets):

There are no specific resource implications arising from this report other than the report stating how many days will be spent on internal audit during 2021/22 and the recruitment of temporary staff contained within the Finance staffing budget.

### Legal Implications:

Section 151 of the Local Government Act 1972  
The Accounts and Audit Regulations 2015 (SI 2015/234).

### Equality Implications:

There are no equality implications.

**Contribution to the Council's Core Purpose:** The Council's Risk and Audit Service is a key enabler to the delivery of the Council's Core Purpose as set out below

Protect the most vulnerable: Positive
Facilitate confident and resilient communities: Positive
Commission, broker and provide core services: Positive
Place – leadership and influencer: Positive
Drivers of change and reform: Positive
Facilitate sustainable economic prosperity: Positive
Greater income for social investment: Positive
Cleaner Greener: Positive

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6330/21.) and the Chief Legal and Democratic Officer (LD4431/21) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

None.

## Implementation Date for the Decision

Immediately following the Committee / Council meeting.

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## Appendices:

The following appendices are attached to this report:

- Internal Audit Charter and Internal Audit Plan 2021/22

## Background Papers:

Public Sector Internal Audit Standards

### 1. Introduction/Background

- 1.1 From 1 April 2013, new Public Sector Internal Audit Standards (hereafter referred to as “the Standards”) came into effect. These were jointly developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Internal Auditors (CIIA).
- 1.2 The Standards replaced the CIPFA Code of Practice for Internal Audit in Local Government (2006) as the mandatory guidance, and provide a coherent and consistent internal audit standards framework for the whole of the public sector.
- 1.3 Two of the key requirements of the Standards are:
  - “The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.” (Standard 1000)
  - “The chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation’s goals”. (Standard 2010)
- 1.4 This report sets out the Internal Audit Charter and Internal Audit Plan for 2021/22, in order to comply with these Standards and demonstrate the role, purpose and focus of Internal Audit during the forthcoming year.
- 1.5 There are no material changes to the Audit Charter this year although there has been a change in the job title where the role denotes the Executive Director of Corporate Resources and Customer Services from the Head of Corporate Resources.

## **2. Recommendation**

- 2.1 Members are requested to approve the Internal Audit Charter and Internal Audit Plan 2020/21.