

INTERNAL AUDIT CHARTER 2019/20

1. INTRODUCTION

- 1.1. The purpose of this paper is to provide the Audit Committee with the Internal Audit Charter for 2019/20.
- 1.2. The Internal Audit Charter formally defines the internal audit activity's purpose, authority and responsibility in line with the Public Sector Internal Auditing Standards [the Standards].

2. SUMMARY

- 2.1. With effect from 1 April 2013 internal audit services across the public sector have been governed by the Public Sector Internal Audit Standards (the Standards – updated 2017).
- 2.2. Within the Standards there is a requirement for an Internal Audit Charter - a formal document that defines the purpose, authority and responsibility of the internal audit activity. The proposed charter is attached at Appendix 1.
- 2.3. The Internal Audit Charter must be reviewed periodically (as a minimum annually) by the Chief Internal Auditor and presented to 'Senior Management' and 'the Board'. The Board is defined as
'the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. At the Council this shall mean the Audit Committee'.

3. FINANCIAL IMPLICATIONS

- 3.1. The audit plan consists of 470 audit days including 18 audit days provided to the New Forest National Park Authority under the current Service Level Agreement. The Council's budget for 2019/20 reflects these arrangements.

4. CRIME AND DISORDER IMPLICATIONS

- 4.1. There are no crime and disorder implications arising directly from this report, however inadequate audit coverage may result in areas of control weakness, unacceptable risks or governance failings as well as the increased potential for error and fraud.
- 4.2. The Council employs a Corporate Fraud Officer who is responsible for providing both reactive fraud and irregularity investigations and proactive fraud work. As the Internal Audit provider, the Southern Internal Audit Partnership (SIAP) will monitor the outcomes of this work and will review the governance arrangements to prevent, detect and investigate fraud and irregularities on a cyclical basis.

5. ENVIRONMENTAL MATTERS & EQUALITY AND DIVERSITY IMPLICATIONS

5.1. There are no matters arising directly from this report.

6. RECOMMENDATION

6.1. It is recommended the Audit Committee approve the Internal Audit Charter 2019/20.

For Further Information Please Contact:

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Background Papers:

None