

## **INTERNAL AUDIT CHARTER & STRATEGY FOR 2015/16**

### **Report of the County Treasurer**

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

**Recommendation:** that the Committee agrees the Internal Audit Charter & Strategy for the year 2015/16

1. One of the requirements of the Public Sector Internal Audit Standards (PSIAS) is that the purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter and strategy, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The internal audit charter and strategy for the financial year 2015/16 are described in detail in the accompanying reports.
2. The PSIAS sets additional Public Sector requirements where the internal audit charter must also:
  - define the terms 'board' and 'senior management' for the purposes of internal audit activity;
  - cover the arrangements for appropriate resourcing;
  - define the role of internal audit in any fraud-related work; and
  - include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities.
3. The revised Audit and Accounts Regulations 2015 come into effect from 1<sup>st</sup> April 2015. There are changes relating to Internal Audit:
  - Inclusion of compliance to the Public Sector Internal Audit Standards (PSIAS);
  - Inclusion of the remit of governance, which with reference to PSIAS includes “ethics” within audit;
  - Clarification of the powers of internal audit for access to staff and members and inspection documents (including electronic records);
  - Ensuring the annual governance statement is approved in advance of that of the approval of the statements of account;
  - Simplification of other areas as applied.All these matters have been previously considered and incorporated into our process and plans and so are noted here for information.
4. This Charter and Strategy complies with the mandatory requirements of the Public Sector Internal Audit Standards.
5. Delivery of the Internal Audit Service will be by the Devon Audit Partnership, a shared services arrangement between Devon County Council, Plymouth City and Torbay Councils in accordance with the agreed internal audit plan.

Mary Davis

Electoral Divisions: All

Local Government Act 1972

List of Background Papers

Contact for Enquiries:

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Background Paper: None