

Audit and Governance Committee

Meeting to be held on Monday, 26 June 2017

Electoral Division affected: (All Divisions);
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Internal Audit Charter

(Appendix 'A' refers)

Contact for further information:
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Executive Summary

The Internal Audit Service is a key element of the County Council's governance arrangements, and is a statutory service in the context of the Accounts and Audit Regulations 2015.

The relevant standard setters, responsible for defining proper practices in terms of the Accounts and Audit Regulations have issued Public Sector Internal Audit Standards (PSIAS), revised from 1 April 2017, that require the Internal Audit Service to establish and periodically review a charter. The current Internal Audit Charter was approved in June 2016: a revised document is attached at Appendix A and is submitted for the Committee's consideration and approval.

Recommendation

The Committee is recommended to consider and approve the Internal Audit Charter.

Background and Advice

The Internal Audit Charter establishes the framework within which Lancashire County Council's Internal Audit Service operates to best serve the County Council and to meet its professional obligations under applicable professional standards. It defines the purpose, authority and responsibility of internal audit activity, establishes the Internal Audit Service's position within the organisation; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

The appendix to the charter sets out the Audit and Governance Committee's responsibilities in respect of the Internal Audit Service.

Consultations

The Director of Governance, Finance and Public Services has reviewed this revised Internal Audit Charter.

Implications:

This item has the following implications, as indicated:

Risk management

There is a risk that, if this document is not periodically reviewed and revised to ensure its conformity with PSIAS, the council's Internal Audit Service will not comply with the professional standards that underpin its statutory operation.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
Public Sector Internal Audit Standards	1 April 2017	Ruth Lowry, 01772 5 34898

Reason for inclusion in Part II, if appropriate

NA