

<b>10 September 2020</b>		<b>ITEM: 6</b>
<b>Standards and Audit Committee</b>		
<b>Internal Audit Charter 2020</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non-key	
<b>Report of:</b> Gary Clifford – Chief Internal Auditor		
<b>Accountable Assistant Director:</b> N/A		
<b>Accountable Director:</b> Sean Clark – Corporate Director of Finance, Governance & Property		
<b>This report is public</b>		

## **Executive Summary**

The Internal Audit Charter is a formal document that defines the internal audit services' purpose, authority and responsibility. The Internal Audit Charter establishes Internal Audit's position within the council, including the nature of the Head of Internal Audit's functional reporting relationship with the Standards & Audit Committee; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. Final approval of the Internal Audit Charter lays with the Standards & Audit Committee.

Changes have been made to the Charter to reflect the new senior management roles and responsibilities, consequent change of job titles to reflect this and the move of the Counter Fraud & Investigation Team from Finance, Governance & Property to Environment & Highways to provide the council with a corporate combined fraud and enforcement service.

### **1. Recommendation(s)**

**1.1 That the Standards and Audit Committee approve the internal Audit Charter 2020 and the Chair of the Standards and Audit Committee signs the Charter on behalf of the Committee.**

### **2. Introduction and Background**

**2.1** The foundation of an effective internal audit service is compliance with standards and proper practices.

2.2 A professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector.

2.3 An effective internal audit service should:

- Understand the whole organisation, its needs and objectives;
- Understand its position with respect to the organisation's other sources of assurance and plan its work accordingly;
- Be seen as a catalyst for improvement at the heart of the organisation;
- Add value and assist the organisation in achieving its objectives; and
- Be forward looking – knowing where the organisation wishes to be and aware of the national agenda and its impact.

2.4 This Charter establishes the purpose, authority and responsibilities for the internal audit service for Thurrock Council.

### **3. Issues, Options and Analysis of Options**

3.1 The Charter has been prepared in order to help to support the provision of an effective internal audit service and to meet the requirements of the Public Sector Internal Auditing Standards.

### **4. Reasons for Recommendation**

4.1 To provide the Council with assurance that the internal audit service is working towards compliance with the requirements of the Public Sector Internal Auditing Standards.

### **5. Consultation (including Overview and Scrutiny, if applicable)**

5.1 The Internal Audit Charter has been presented to Directors Board and agreed with the Corporate Director of Finance, Governance & Property as the responsible officer.

### **6. Impact on corporate policies, priorities, performance and community impact**

6.1 There is no direct impact on the policies, priorities, performance or on the Community although an effective internal audit service may impact indirectly on all areas of the Council's business.

### **7. Implications**

#### **7.1 Financial**

Implications verified by: **Dammy Adewole**  
**Senior Management Accountant – Central Services**

There are no direct financial implications arising from this report.

## 7.2 Legal

Implications verified by: **Tim Hallam**  
**Deputy Head of Law and Deputy Monitoring Officer**

The contents of this report and appendixes form part of the council's responsibility to comply with the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015, including to at least annually undertake an effective internal audit to, amongst other things, evaluate the effectiveness of its risk management, control and governance processes taking into account public sector internal auditing standards or guidance. The council has delegated responsibility for ensuring this is taking place to the Standards & Audit Committee. There are no legal implications directly arising from this report.

## 7.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**  
**Community Engagement and Project Monitoring Officer**

There are no direct diversity implications arising from this report.

## 7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no significant other implications arising from this report.

## 8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Public Sector Internal Audit Standards (PSIAS).
- CIPFA – PSIAS Local Government Application Note (February 2019)
- Internal Audit Charter 2019

## 9. Appendices to the report

Appendix 1 – Internal Audit Charter 2020.

### Report Author:

Gary Clifford

Chief Internal Auditor

Thurrock Council Internal Audit Service, Corporate Finance, Governance & Property