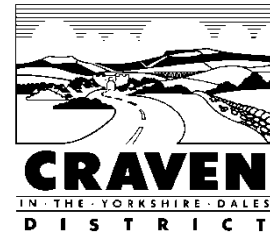


## Audit and Governance Committee 23 June 2014



### Internal Audit Charter

#### Report of the Audit Manager – Shared Internal Audit Service

#### Wards Affected – All

#### 1.0 PURPOSE OF REPORT

- 1.1 To submit an updated Internal Audit Charter for consideration and approval.

#### 2.0 RECOMMENDATION

- 2.1 That the attached Internal Audit Charter for the Shared Audit Service for Craven District Council and Harrogate Borough Council is approved.

#### 3.0 BACKGROUND INFORMATION

- 3.1 Under the Public Sector Internal Audit Standards, it is a requirement that the purpose, authority and responsibility of internal audit is defined in a charter which must be submitted to senior management and the “board” (ie the audit committee in this context).
- 3.2 The Charter was last considered by the Audit and Governance Committee in June 2013. One of the findings from the external assessment of Internal Audit by the Council’s external auditors, Mazars, was that the Charter did not explicitly cover the arrangements within Internal Audit to ensure appropriate resourcing and the existing arrangements included in the Council’s anti-fraud and corruption policies (see separate item on the Agenda). The relevant sections of the Charter have therefore been amended accordingly. The opportunity has also been taken to update other paragraphs where necessary – in particular those relating to the reporting lines at Harrogate following the senior management restructure.
- 3.3 The updated and amended Charter has been considered by senior management at both Craven and Harrogate – in particular the authorities’ respective representatives on the Shared Service Partnership Board. (The Board consists of the authorities’ S151 officers).

- 3.4 The updated and amended Internal Audit Charter, attached as the Appendix to this report, is therefore submitted for consideration and approval. It will be submitted to Harrogate BC's audit committee at its meeting on 21 July 2014.

**4.0 IMPLICATIONS**

- 4.1 Financial and value for money – none.
- 4.2 Legal – none.
- 4.3 Contribution to Council priorities – Council transformation.
- 4.4 Risk Management – the internal audit function is an integral part of internal control.
- 4.5 Equality/Impact Assessment – not applicable.

**5.0 CONSULTATION WITH OTHERS**

- 5.1 Finance Manager and Deputy S151 Officer (in absence of Corporate Head of Financial Management and S151 Officer).

Head of Finance (S151 Officer) – Harrogate BC

**6.0 ACCESS TO INFORMATION BACKGROUND DOCUMENTS**

- 6.1 None.

**7.0 AUTHOR OF REPORT**

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**Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.**