

## BOROUGH OF KETTERING

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<b>Report Originator</b>	<b>Mark Dickenson Head of Resources</b>	<i>Fwd Plan Ref No:</i>	
<b>Wards Affected</b>	<b>All</b>	21st November 2017	
<b>Title</b>	<b>INTERNAL AUDIT CHARTER</b>		

### **1 PURPOSE OF REPORT**

- 1.1 To present the Internal Audit Charter from the Council's Internal Auditors (CWAS) in compliance with the requirements of the Public Sector Internal Audit Standards (PSIAS) 2017, which require the purpose, authority and responsibility of the internal audit activity to be formally defined in an Internal Audit Charter.

### **2 BACKGROUND**

- 2.1 The Internal Audit function for Kettering Borough Council is undertaken by Coventry and Warwickshire Audit Services (CWAS).

### **3 INTERNAL AUDIT CHARTER**

- 3.1 To comply with PSIAS requirements, CWAS are required to formally agree an Internal Audit Charter with each client; this is detailed at **Appendix A**. The Charter is a formal document that defines internal audit's purpose, authority, responsibility and position within an organisation.
- 3.2 The attached Internal Audit Charter has been updated to take account of some minor amendments in the recently revised version of the PSIAS, and therefore replaces the previous Internal Audit Charter.
- 3.3 All organisations are different with unique objectives, challenges and risks. The internal audit charter describes how internal audit will provide value to the organisation, the nature of the services it will provide and the specific focus or emphasis required of internal audit to help the organisation achieve its objectives. In essence the Charter provides the organisation with a framework for how its Internal Audit service will be delivered.
- 3.4 The internal audit charter establishes internal audit's position within the organisation including:
- Defining the scope of internal audit responsibilities;
  - Establishing the organisational independence of internal audit;
  - Establishing accountability and reporting lines
  - The role, scope, approach and reporting of Internal Audit

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- Arrangements that exist with regard to irregularities, fraud and corruption;
- Establishing internal audit rights of access and relationships within the organisation

3.5 The Head of Internal Audit is responsible for drafting the charter and discussing the detail with the Council's S151 Officer and presenting the Charter to the Monitoring and Audit Committee. The charter should be reviewed periodically to ensure that it remains relevant to the needs of the organisation.

#### **4 RECOMMENDATION**

4.1 That the Committee receives the Internal Audit Charter.

Title of Document:

Date:

Contact Officer: Mark Dickenson

Ref:

Date: