

CYNGOR SIR POWYS COUNTY COUNCIL.

**AUDIT COMMITTEE
25th April 2014**

REPORT AUTHOR: Internal Audit Manager

SUBJECT: Internal Audit Charter

REPORT FOR: Decision

1.0 Introduction

- 1.1 The Public Sector Internal Audit Standards (PSIAS) is a code of practice adopted in April 2013 by the internal auditing profession in the United Kingdom. One of the requisites to enable compliance with the standard is an organisation's approval of an Internal Audit Charter.
- 1.2 At the last meeting of the Audit Committee, the Internal Audit Manager presented a self-assessment of compliance with the code, together with an action plan outlining the measures required to move towards conformance.
- 1.3 Whilst Internal Audit already have a charter, this report seeks to endorse a revised version that is compliant with the new standards.

2.0 Requirements of an Internal Audit charter

- 2.1 Attribute standard 1000 of the Public Sector Internal Audit Standards require that the purpose, authority and responsibility of internal audit activity must be formally defined in an internal audit charter, consistent with the definition of internal auditing, the code of ethics and the standards. This document should establish internal audits position within the organisation, including the nature of the Internal Audit Manager's functional reporting relationship with the Audit Committee.
- 2.2 Appendix A contains a revised Internal Audit Charter dated (February 2014) created to meet the demands of the professional standards. The Charter has previously been reported to the Internal Audit Working Group.

3.0 Decision

- 3.1 The Audit Committee should decide if they wish to support Internal Audit's compliance with professional standards by approving the Internal Audit Charter attached in Appendix A.

Recommendation:	Reason for Recommendation:
The Committee approve the charter dated February 2014.	To comply with professional standards and to give clear definition of the purpose, scope and responsibility of Internal Audit.

Person(s) To Implement Decision:	Internal Audit Manager
Date By When Decision To Be Implemented:	With immediate effect

Contact Officer Name:	Tel:	Fax:	Email:
Ian Halstead	01597 826821		ian.halstead@powys.gov.uk

Background Information used to prepare Report:

**Internal Audit Charter (July 2013)
Public Sector Internal Audit Standards**