

Safest People, Safest Places

County Durham and Darlington
Fire and Rescue Authority



AUDIT AND RISK COMMITTEE

26 July 2018

INTERNAL AUDIT CHARTER

REPORT OF THE HEAD OF INTERNAL AUDIT

Purpose of the Report

1. The purpose of this report is to seek Audit and Risk Committee approval to a revised Internal Audit Charter to take immediate effect and to be applied to all reviews undertaken as part of the Internal Audit plan for 2018/19.

Background

2. The Public Sector Internal Audit Standards (PSIAS), that came into effect from April 2013, and which were subsequently revised from 01 April 2017, define internal audit as,

'an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.'

Internal Audit Charter

3. The Internal Audit Charter defines the Internal Audit Service's purpose, authority and responsibility. It establishes Internal Audit's position within the organisation, including the nature of the Chief Internal Auditor and Corporate Fraud Manager's functional reporting relationship with the Audit and Risk 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 resides with the Service Leadership Team and Audit and Risk Committee.
4. The Charter reflecting the changes made to the PSIAS in 2017 was previously considered by the Service Leadership Team on 10 July 2017 and Audit and Risk Committee on 27 July 2017. Revisions to the Charter this time which reflect a change in the reporting of 'follow up' reviews undertaken and in the definitions used for the priority of Internal Audit recommendations and the Overall Assurance Opinion have been highlighted for ease of reference.

Recommendation

5. It is recommended that in considering the content of the report, Members:
 - **agree** the Internal Audit Charter attached at Appendix 1.
 - **note** that the Internal Audit Charter will be presented to the Service Leadership Team at its meeting on 27 July 2018.

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