



Audit and Risk Management Committee
Tuesday, 14 March 2017

REPORT TITLE:	INTERNAL AUDIT CHARTER & STRATEGY
REPORT OF:	CHIEF INTERNAL AUDITOR

REPORT SUMMARY

Following some minor changes to the Public Sector Internal Audit Standards (PSIAS) during 2016 the Internal Audit Charter and Strategy have been reviewed and updated to ensure that the documents continue to comply with the revised standards.

The updated Internal Audit Charter and Strategy are attached at Appendix 1.

RECOMMENDATION

That Members endorse the revised Internal Audit Charter and Strategy.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 To provide the Members with assurance that the Internal Audit service is taking appropriate measures to comply with statutory requirements.
- 1.2 To ensure that the Internal Audit Charter and Strategy is up to date and complies with the PSIAS.
- 1.3 To ensure that the Internal Audit Charter and Strategy are available to all Members, Officers' and Partners by continuing to be included on the Council Intranet site.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options considered.

3.0 BACKGROUND AND AUDIT OUTPUT

- 3.1 The PSIAS were adopted by Relevant Internal Audit Standard Setters (RIASS), which includes representatives from all Governments covering England, Scotland, Ireland and Wales; the Health Sector and the Chartered Institute of Public Finance and Accountancy (CIPFA), in respect of Local Government across the UK.
- 3.2 The standards are based on the mandatory elements of the Chartered Institute of Internal Auditors (CIIA) International Professional Practices Framework (IPPF), and are intended to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector.
- 3.3 The standards reaffirm the importance of robust, independent and objective internal audit arrangements, to provide senior management with the key assurances they need to support them both in managing the organisation and in producing the Annual Governance Statement.
- 3.4 The Internal Audit Charter and Strategy establishes the purpose, authority and responsibilities for the Internal Audit Service for Wirral Council and establishes internal audits position within the Council, including:
 - Reporting lines and access to records,
 - Personnel and physical property relevant to the performance of audit work,
 - Arrangements for the appointment of the Chief Internal Auditor and internal audit staff,
 - The nature of professionalism, skills and experience required; and,
 - The scope of Internal Audit activities.
- 3.5 The Chief Internal Auditor periodically reviews the Charter and Strategy and presents it to the Audit and Risk Management Committee for approval.

3.6 The Internal Audit Charter and Strategy have been comprehensively reviewed and updated to ensure that they comply fully with the new PSIAS and a copy is attached at Appendix 1.

4.0 FINANCIAL

4.1 There are none arising from this report.

5.0 LEGAL IMPLICATIONS

5.1 The PSIAS set out the work of the internal auditor and the expectations placed upon them in auditing local government bodies.

6.0 RESOURCE IMPLICATIONS

6.1 There is none arising from this report.

7.0 RELEVANT RISKS

7.1 Appropriate actions are not taken by officers and Members in response to the identification of risks to the achievement of the Council's objectives.

7.2 Potential failure of the Audit and Risk Management Committee to comply with best professional practice and thereby not function in an efficient and effective manner.

8.0 ENGAGEMENT/CONSULTATION

8.1 Members of this Committee are consulted throughout the process.

9.0 EQUALITY IMPLICATIONS

9.1 There are none arising from this report.

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APPENDICES

Appendix 1: Internal Audit Charter
Internal Audit Strategy

REFERENCE MATERIAL

Public Sector Internal Audit Standards

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Committee	Report presented periodically to meetings of this Committee following legislative/best practice changes.