

# Audit and Governance Committee



Date of meeting:	25 July 2023
Title of Report:	<b>Internal Audit Charter &amp; Strategy 2023/24</b>
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	David Northey (Interim Service Director for Finance)
Author:	Brenda Davis, Snr Assurance Manager
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Your Reference:	AUD/BD
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

One of the requirements of the Public Sector Internal Audit Standards is that the purpose, authority and responsibility of the internal audit activity are formally defined in an internal audit charter and strategy, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The Internal Audit Charter and the Internal Audit Strategy was last brought before the Audit and Governance Committee in July 2022 and the updated Charter and Strategy is in the accompanying documents.

There are 4 textual changes from the version agreed in July 2022. Track changes have been used to highlight these minor changes which can be found on:

Page 1 – the year

Page 7 – past tense

Page 10 – additional partner

Page 11 – qualifications update

The Audit Strategy is a high-level statement of how the internal audit service will be delivered and developed in accordance with the Charter and how it links to the organisational objectives and priorities. It communicates the contribution that Internal Audit makes to the organisation and includes:

- Internal audit objectives and outcomes,
- How the Head of Devon Audit Partnership will form and evidence his opinion on the governance, risk and control framework to support the Annual Governance Statement,
- How Internal Audit's work will identify and address significant local and national issues and risks,
- How the service will be provided, and
- The resources and skills required to deliver the Strategy.

The Strategy should be approved, but not directed, by the Audit and Governance Committee.

1. The Internal Audit Charter and Strategy complies with the mandatory requirements of the Public Sector Internal Audit Standards.
2. Delivery of the Internal Audit Service will be by the Devon Audit Partnership.

## Recommendations and Reasons

### Recommendation:

To agree the Internal Audit Charter & Strategy for the year 2023/24.

### Reason:

A requirement of the Public Sector Internal Audit Standards is that the purpose, authority and responsibility of internal audit activity are formally defined in an internal audit charter and strategy.

### Alternative options considered and rejected

None, as failure to maintain an adequate and effective system of internal audit would contravene the Accounts and Audit Regulations 2015.

### Relevance to the Corporate Plan and/or the Plymouth Plan

The internal audit service assists the Council in delivering robust standards of public accountability and probity in the use of public funds and has a role in promoting high standards of service planning, performance monitoring and review throughout the organisation, together with ensuring compliance with the Council's statutory obligations.

Our work supports delivery of the values and priorities set out in Corporate Plan by ensuring that resources are used wisely, and service areas meet the needs of residents, businesses and communities through the delivery of quality public services.

### Implications for the Medium Term Financial Plan and Resource Implications:

Delivery of the audit plan assists the council in the provision of quality public services which also demonstrate value for money. It has also helped ensure an effective control environment is maintained in these financially challenging times.

### Financial Risks

None.

### Carbon Footprint (Environmental) Implications:

None.

### Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The work of the internal audit service is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

## Appendices

*\*Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Internal Audit Charter and Strategy 2023/24							

**Background papers:**

\*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

**Sign off:**

Fin	DJN23 .24.61	Leg	LS/000 01075/ AC/1/4 /7/23	Mon Off	Click here to enter text.	HR	Click here to enter text.	Asset s	Click here to enter text.	Strat Proc	Click here to enter text.
Originating Senior Leadership Team member: David Northey (Interim Service Director for Finance)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 23/06/2023											
Cabinet Member approval: Cllr Mark Lowry, approved by email.											
Date approved: 06/07/2023											