

# WEST DUNBARTONSHIRE COUNCIL

## Report by Executive Director of Corporate Services

Audit and Performance Review Committee: 22 May 2013

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### **Subject: Internal Audit Charter**

#### **1. Purpose**

- 1.1 The purpose of this report is to advise the Committee of an update to the Internal Audit Charter.

#### **2. Recommendations**

- 2.1 It is recommended that Members approve the revised Internal Audit Charter.

#### **3. Background**

- 3.1 In accordance with the Public Sector Internal Audit Standards (PSIAS), effective from 1 April 2013, the Council should formally define the terms of reference for the purpose, authority and responsibility of the internal audit activity in an Internal Audit Charter.
- 3.2 The previous Internal Audit Charter was submitted for noting to the Audit and Performance Review Committee on 26 November 2003.

#### **4. Main Issues**

- 4.1 The authority for the operation of the Internal Audit Section is contained within the Council's Financial Regulations. The Internal Audit Charter provides further information on the detailed arrangements on how Internal Audit effectively discharges its role and provides the necessary annual assurance assessment to Council.
- 4.2 The existing Internal Audit Charter has been updated to reflect the requirements of the PSIAS.

#### **5. People Implications**

- 5.1 There are no personnel issues.

#### **6. Financial Implications**

- 6.1 There are no financial implications.

## **7. Risk Analysis**

**7.1** The aim of the Internal Audit Section is to help the Council discharge its responsibilities and achieve its objectives by systematically reviewing how well it manages its risks and operates good internal control and governance procedures. The existence of an Internal Audit Charter, updated to reflect the requirements of the PSIAS, reduces the risk that Internal Audit may be diverted from its key purposes as the charter clearly identifies the role and objectives, authority, scope, responsibility, resources and reporting function of Internal Audit.

## **8. Equalities Impact Assessment (EIA)**

**8.1** There are no issues identified.

## **9. Consultation**

**9.1** This report has been subject to a check by Legal, Democratic & Regulatory Services.

## **10. Strategic Assessment**

**10.1** This report relates to all five of the Council's Strategic Priorities.

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**Angela Wilson**  
**Executive Director of Corporate Services**  
**Date: 1 May 2013**

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**Appendices:** A – Internal Audit Charter

**Background Papers:** Public Sector Internal Audit Standards

**Wards Affected:** All Wards