

Audit Committee – 18 April 2016

Internal Audit Charter

1. Summary of report

- 1.1 This report presents the Internal Audit Charter which sets out the terms of reference and serves as a basis for the governance of Walsall Council's Internal Audit function. It sets out the purpose, authority and responsibility of the function in accordance with the UK Public Sector Internal Audit Standards.

2. Recommendations

- 2.1 Audit Committee is requested to approve the Charter.



James Walsh, Chief Finance Officer
7 April 2016

3. Governance

- 3.1 The Charter provides an important link in the council's governance framework in that it sets out the scope, responsibilities and authority of the Internal Audit function and how it fits within the council's wider governance arrangements.

4. Resource, Legal, Performance and Risk Management considerations

- 4.1 Section 151 of the Local Government Act 1972 specifies that 'every local authority will make arrangements for the proper administration of their financial affairs and will secure that one of their officers has responsibility for the administration of those affairs'. For Walsall, that rests with the Chief Finance Officer (Assistant Director of Finance)
- 4.2 In addition, the Council, via Audit Committee, has a statutory responsibility to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards.
- 4.3 With effect from 1 April the Internal Audit function will be provided under contract by Mazars. The contract is subject to key performance indicators and measures, performance against which will be reported to Audit Committee.

5. Equality implications

- 5.1 There are no direct implications arising from this report.

6. Consultation

6.1 The Chief Finance Officer has been consulted on the revised Charter.

7. Background papers

Various statutory and other guidance.

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