



Doncaster Council

Report

24th July 2019

To the Chair and Members of the **AUDIT COMMITTEE**

INTERNAL AUDIT STRATEGY AND INTERNAL AUDIT CHARTER

EXECUTIVE SUMMARY

1. The Committee is asked to consider the attached Internal Audit Strategy and the terms of reference for Internal Audit, which are set out in the Internal Audit Charter. The Committee has responsibility for considering the Internal Audit terms of reference.
2. The Strategy and Charter were last reviewed in July 2017 in order to take into account the significant changes to Internal Audit Standards and recommendations made in the peer review carried out by Kirkless Council in 2017. The documents have been reviewed and updated annually to take into account changes required, primarily through the latest guidance issued in the form of an Application Note from CIPFA and to set the strategy for the period 2019-2022.

EXEMPT REPORT

3. The report does not contain exempt information.

RECOMMENDATIONS

4. The Committee is asked to;
 - Approve the Internal Audit Strategy for the period 2019-2022.
 - Approve the minor revisions to the Internal Audit Charter.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5. Regular reviews of the Internal Audit Charter and Strategy ensures the service has considered the service it is offering to the Council and is operating to best current professional practice. The work undertaken by Internal Audit improves

and strengthens governance arrangements within the Council and its partners which add value to the authority and citizens of Doncaster.

BACKGROUND

6. The overall strategic direction of the Council's Internal Audit Service for 2019/22 is set out within the Internal Audit Strategy. This medium to long term perspective is required to give some indication of how the service will assess and review the Council's key risk areas during the strategy period
7. The Internal Audit Charter sets out the Terms of Reference for the Internal Audit Service. The Internal Audit Charter must comply with the United Kingdom Public Sector Internal Audit Standards (UKPSIAS) and be consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for Professional Practice of Internal Auditing, the Code of Ethics and the Definition of Internal Auditing). The Charter also confirms the authority and responsibility conferred by the Council on its Internal Audit Section with respect to carrying out its agreed functions.

INTERNAL AUDIT STRATEGY

8. The Strategy has been reviewed in line with the requirements of the UK Public Sector Internal Audit Standards and current best practice and has been updated to reflect current practices. No key changes were required to the Strategy due to the changes previously made in 2017 that were required in order to comply with the 2017 Standard changes. The overall strategy for the Council's Internal Audit Service for the period 2019 to 2022 has been reviewed and is largely unchanged.

INTERNAL AUDIT CHARTER

9. The terms of reference for Internal Audit comply with the UKPSIAS requirements. The Charter remains largely unchanged and only minor amendments and terminology changes have been made to ensure that it is consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework.

OPTIONS CONSIDERED

10. Not Applicable – for information only

REASONS FOR RECOMMENDED OPTIONS

11. Not Applicable – for information only

IMPACT ON THE COUNCIL'S KEY OUTCOMES

12. The Head of Internal Audit has considered the environment in which the internal audit service operates as well as regulatory requirements on and for the internal audit service in the Council. These have been incorporated into the documents presented to the Committee for consideration and recommendation.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	

	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes. 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>The work undertaken by Internal Audit improves and strengthens governance arrangements within the Council and its partners.</p>

RISKS AND ASSUMPTIONS

13. The operation of an effective internal audit service provides assurance on the effective management of risks and internal controls. The adherence to an appropriate service strategy with the right terms of reference allows the service to fulfil this assurance role as well as contribute to other Council outcomes.

LEGAL IMPLICATIONS (SF 15/07/19)

14. There are no specific legal implications associated with this report. The individual matters listed in the Appendix have all been subject to appropriate legal advice at the time of consideration by the Audit Committee.

FINANCIAL IMPLICATIONS [ST 15/07/19]

15. There are no specific financial implications associated with this report.

HUMAN RESOURCES IMPLICATIONS [KG 12/07/19]

16. There are no specific human resources issues associated with the contents of this report.

TECHNOLOGY IMPLICATIONS [PW 15/7/19]

17. There are no direct technology implications associated with this report. However, the strategy confirms that Internal Audit will seek to examine ICT and data/information management risks wherever applicable to their work, as ICT and data underpin all of the Council's activities.

EQUALITY IMPLICATIONS [PJ 02/07/19]

18. We are aware of the Council's obligations under the Public Sector Equalities Duties and there are no identified equal opportunity issues within this report.

HEALTH IMPLICATIONS [RS 16/07/19]

19. Good governance is important for healthy organisations and for healthy populations. Specific health implications should be addressed through individual audits and action plans.

CONSULTATION

20. This report consults with members of the Audit Committee over the Internal Audit Strategy and Internal Audit Charter for the period 2015 -2018.

BACKGROUND PAPERS

21. The United Kingdom Public Sector Internal Audit Standards.

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