
INTERNAL AUDIT STRATEGY, CHARTER AND MANDATE

Relevant Portfolio Holder	Councillor Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Assistant Director	James Walton, Director of Finance and s151 officer
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Wards Affected	All
Ward Councillor(s) consulted	None
Relevant Council Priority	Good Governance & Risk Management underpins all the Strategic Purposes.
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATION

The Internal Audit Strategy, Charter and Mandate be approved.

2. BACKGROUND

- 2.1 The purpose of this report is to meet the requirements of the new Global Internal Audit Standards by presenting, for approval, an Internal Audit Strategy, and updated Charter, including a mandate.
- 2.2 The Global Internal Audit Standards represent a single, principles based framework for all internal audit professionals. They define the purpose of internal audit, set out requirements in relation to ethics and professionalism, governance and management of the internal audit function, as well as setting out how internal audit work should be performed.
- 2.3 The Standards are mandatory and are designed to improve the quality of audit functions globally.

3. OPERATIONAL ISSUES

- 3.1 New Global Internal Auditing Standards are in force. These new Standards require the internal audit service to formally adopt a Strategy

setting out its vision, strategic objectives and initiatives. Appendix 1 sets out the proposed Strategy for the period 2026 to 2028.

- 3.2 The opportunity has also been taken to update the existing Internal Audit Charter to ensure alignment with the new Standards. The main change has been to incorporate a formal mandate, and the updated Charter is set out at Appendix 2.

3.3 Options:

Members may wish to approve the Strategy, Charter and Mandate subject to agreed amendments. Provided any such amendments do not contradict the requirements of the Global Internal Audit Standards then this would be acceptable.

Not approving an Internal Audit Strategy, Charter and Mandate would not be a viable option because the service would not have the authority for its work and would lack any strategic direction. The service would also not be operating in line with Global Internal Auditing Standards, which could cause stakeholder concern and reputational damage.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising out of this report.

5. LEGAL IMPLICATIONS

- 5.1 The Council is required under Regulation 6 of the Accounts and Audit Regulations 2024 to “maintain in accordance with proper practices an adequate and effective system of internal audit of its accounting records and of its system of internal control”.

To aid compliance with the regulation, the Internal Audit Standards detail that “Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes”.

6. OTHER - IMPLICATIONS

Local Government Reorganisation

- 6.1 There are no Local Government Reorganisation implications arising from this report.

Relevant Council Priority

- 6.2 Good governance along with risk management underpin all the Corporate strategic purposes. This report provides an independent assurance over certain aspects of the Council's operations.

Climate Change Implications

- 6.3 There are no Climate Change implications arising from this report.

Equalities and Diversity Implications

- 6.4 There are no Equalities and Diversity implications arising from this report.

7. RISK MANAGEMENT

- 7.1 Approving the Internal Audit Strategy, Charter and Mandate would not create any additional risks for the Council.

8. APPENDICES and BACKGROUND PAPERS

- Appendix 1 shows the Internal Audit Strategy
- Appendix 2 shows the Internal Audit Charter and Mandate