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FRAMWELLGATE MOOR PARISH COUNCIL

EFFECTIVENESS OF INTERNAL AUDITOR

Details

Policy	Adopted	Author
Internal Auditor	January 2024	Clerk

Version

Date	Ref	History	Revised by
07/11	V1		John Turnock
02/11	V2		Peter Dawson
05/26	V3	Update for start of new financial year	Craig Eddon

Review

Review	Last Review	Next Review	Principal Reviewer
Annually	May 2026	March 2027	Clerk

The Council is required under the Accounts and Audit Regulations 2015 to undertake an effective internal audit to evaluate the effectiveness of its risk management, internal control and governance processes.

Internal audit forms part of the Council's overall system of internal control and is intended to provide independent assurance to the Council regarding the adequacy and effectiveness of its financial and governance arrangements.

The Council will review the effectiveness of internal audit annually in accordance with proper practices contained within the Practitioners' Guide Governance and Accountability for Smaller Authorities in England.

Internal Audit Plan

(a) The Internal Auditor will:

- understand basic accounting processes
- understand the role of internal audit in reviewing systems rather than undertaking detailed checks that are more appropriately the responsibility of management
- be aware of risk management issues
- understand accounting requirements of the legal framework and powers of local councils.

(b) Scope of Internal Audit. The existing financial controls and checks are effective in minimising financial risks.

(c) The Internal Auditor shall carry out work in accordance with the current edition of the Practitioners' Guide Governance and Accountability for Smaller Authorities in England and applicable proper practices guidance. The Internal Auditor's work shall take into account the Council's systems of internal control, risk management, governance and financial management arrangements.

(d) The scope of internal audit may include review of the Council's information technology arrangements, data protection compliance, cyber security awareness, website publication requirements and electronic record management where considered appropriate.

(e) Any suspected fraud, corruption, financial irregularity or significant governance concern identified during internal audit shall be reported promptly to the Clerk/RFO and/or the Chairman as appropriate.

(f) The Internal Auditor will have direct access to the Clerk to the Council and Chairman.

(g) The Internal Auditor shall have reasonable access to all documents, records, accounts, electronic systems and explanations necessary to undertake the internal audit review.

(h) The Internal Auditor will report in his/her own name to management.

(i) The Internal Auditor will have no other role within the Parish Council. He/She will be independent with no known connection with the Council.

(j) The Internal Auditor shall remain independent of the operational management and financial administration of the Council and shall have no involvement in the financial decision-making processes of the Council.

(k) Internal Audit will be carried out ethically, with integrity and objectivity.

(l) The Clerk to the Council / Responsible Financial Officer will be consulted on the Audit Plan and on the scope of each audit.

(m) The Risk Assessment Policy will define responsibilities for officers and members in relation to internal control and risk management. Training should be provided as appropriate. If an officer suspects fraud or corruption by a member, he shall first discuss the matter with the Internal Auditor. If a member suspects fraud or corruption by an officer, he shall first discuss the matter with the Internal Auditor.

(n) The Internal Auditor will report in accordance with the Audit Plan by 31st May annually.

(o) The Internal Auditor's report will be considered by the Parish Council at the first opportunity.

(p) The Council shall review the effectiveness of its internal audit arrangements annually and record the outcome of that review within the Council minutes.

(q) In reviewing effectiveness, the Council shall consider; the independence and competence of the Internal Auditor; the scope and adequacy of audit work undertaken; compliance with proper practices; he effectiveness of internal control arrangements; and any recommendations arising from internal or external audit.

This policy shall be reviewed annually by Framwellgate Moor Parish Council or sooner where required due to legislative, operational or governance changes.