

# SLAUGHAM PARISH COUNCIL

## BRIEFING NOTE

To: Members of Council

### Internal Audit – Review of effectiveness of Internal Control 2023/24 Internal Control Arrangements

1. The Council is asked to undertake a Review of the effectiveness of the Internal Audit in the current Council Year. (Reference is made to the publication: NALC Governance and Accountability for Local Councils March 2014 – Part 2 paras 2.79 to 2.96 and the CHECKLISTS ). <https://www.nalc.gov.uk/library/publications/803-governance-and-accountability-with-appendix/file>

### Internal Audit Review Checklist - Part 1 - Meeting standards (page 41 of G+AALC)

| Expected standard               | Evidence of achievement  | Yes or No               | Areas for development |
|---------------------------------|--|-------------------------|-----------------------|
| 1. Scope of internal audit      | Terms of reference for internal audit were (re)approved by full council on XXXXXX<br>Internal audit work takes into account both the council's risk assessment and wider internal control arrangements.<br>Internal audit work covers the council's anti-fraud and corruption arrangements.  | Yes<br>Yes<br>Yes       |                       |
| 2. Independence                 | Internal audit has direct access to those charged with governance (see Financial Regulations).<br>Reports are made in own name to management.<br>Internal audit does not have any other role within the council/board.   | Yes<br>Yes<br>Yes       |                       |
| 3. Competence                   | There is no evidence of a failure to carry out internal audit work ethically, with integrity and objectivity.  | Yes                     |                       |
| 4. Relationships                | All responsible officers (Clerk and RFO) are consulted on the internal audit plan.(Evidence is on audit files).<br>Respective responsibilities for officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters (job descriptions and engagement letter).<br>The responsibilities of council members are understood; training of members is carried out as necessary. (SPC to consider Member training plan). | Yes<br>Yes<br>Yes<br>TC | For Consideration     |
| 5. Audit Planning and Reporting | The annual internal audit plan properly takes account of all the risks facing the council and has been approved by the Council XXX.<br>Internal audit has reported in accordance with the plan on 1 Jun 2018.  | TC<br>Yes               | September 2018        |

## Internal Audit Review Checklist - Part 2 - Characteristics of Effectiveness

| Characteristics of 'effectiveness'                                | Evidence of achievement   | Yes or No  | Areas for development |
|---|---|------------|-----------------------|
| Internal audit work is planned                                    | Planned internal audit work is based on risk assessment and designed to meet the council's needs.   | Yes        |                       |
| Understanding the whole organisation its needs and objectives     | The annual audit plan demonstrates how audit work will provide assurance for the council's Annual Governance Statement.   | Yes        |                       |
| Be seen as a catalyst for change                                  | Internal audit supports the council's work in delivering improved services to the community.  | Yes        |                       |
| Add value and assist the organisation in achieving its objectives | The council makes positive responses to internal audit's recommendations and follows up with action where this is called for.   | Yes        |                       |
| Be forward looking  | In formulating the annual audit plan, national agenda changes are considered.<br>Internal audit maintains awareness of new developments in the services, risk management and corporate governance.  | Yes        |                       |
| Be challenging  | Internal audit focuses on the risks facing the council.<br>Internal audit encourages managers/members to develop their own responses to risks, rather than relying solely on audit recommendations. | Yes<br>Yes |                       |
| Ensure the right resources are available                          | Adequate resource is made available for internal audit to complete its work. Internal audit understands the council and the legal and corporate framework in which it operates.                     | Yes<br>Yes |                       |
|   |   |            |                       |

Sally Mclean  
CLERK TO THE COUNCIL