

Goring on Thames Parish Council

Review of Effectiveness of Internal Audit

Expected Standard	Evidence of Achievement	Areas for Development
1. Scope of internal audit	<p>Terms of reference were (re)-approved by full council on [date].</p> <p>Scope of audit work takes into account risk management processes and wider internal control.</p> <p>Terms of reference define audit responsibilities in relation to fraud.</p>	<p>Standing Orders and Governance Documents were formally reviewed on 11 March 2019</p> <p>Audit responsibilities are reviewed annually and address concerns of ways to protect against fraud.</p>
2. Independence	<p>Internal Auditor has direct access to those charged with governance (see Financial Regulations).</p> <p>Reports are made in own name to council.</p> <p>Auditor does not have any other role within the council.</p>	Confirmed.
3. Competence	<p>No evidence that internal audit work has not been carried out ethically, with integrity and objectivity.</p>	Confirmed.
4. Relationships	<p>Responsible officers (Clerk, RFO etc) are consulted on the internal audit plan and on the scope of each audit, (evidence is on audit files).</p> <p>Responsibilities for officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters.</p> <p>The responsibilities of council members are understood; training of members is carried out as necessary.</p>	<p>Confirmed, though training is determined as it is locally available, based on need.</p> <p>Clerk, Assistant Clerk and all Councillors are provided information about all opportunities for training, and to support this effort funds are budgeted each year.</p>
5. Audit planning and reporting	<p>The audit plan properly takes account of corporate risk.</p> <p>The plan has been approved by the council [date].</p> <p>Internal Auditor has reported in accordance with the plan on [date].</p>	<p>Confirmed.</p> <p>For the audit plan, see Appendix A in Standing Orders approved 11/3/19.</p> <p>Internal audit report received by the council on 11/2/2019 was in accordance with the audit requirements.</p>

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Characteristics of 'Effectiveness'	Evidence of Achievement	Areas for Development
Internal audit work is planned	Planned internal audit work is based on risk assessment and designed to meet the council's governance assurance needs.	Confirmed, and reviewed each year.
Understanding the whole organisation, its needs and objectives	The annual audit plan demonstrates how audit work will provide assurance in relation to the council's annual governance statement.	Confirmed, and reviewed each year.
Be seen as a catalyst for change	Supportive role of audit for corporate developments such as corporate governance review, risk management and ethics.	Confirmed. Internal audit drives procedural changes for continuous improvement.
Add value and assist the organisation in achieving its objectives	Demonstrated through positive management responses to recommendations and follow up action where called for.	Confirmed. There is a history and ethos in the Council to address any internal concerns and recommendations.
Be forward looking	When identifying risks and in formulating the annual audit plan, changes on national agenda are considered. Internal audit maintains awareness of new developments in the services, risk management and corporate governance.	Confirmed. This is addressed as changes are notified and is considered in each annual review.
Be challenging	Internal audit focuses on risks and encourages members to develop their own responses to risks, rather than solely relying on audit recommendations. The aim of this is to encourage greater ownership of the control environment.	Confirmed.
Ensure the right resources are available	Adequate resource is made available for internal audit to complete its work. Internal Auditor understands the body and the legal and corporate framework in which it operates.	Confirmed.

Reviewed and adopted on

14 October 2019

Note: Review of effectiveness of internal audit must be reviewed and adopted by council annually during the financial year and before 31 March.