

**BURSTALL PARISH COUNCIL EFFECTIVENESS OF INTERNAL AUDIT 2021-22**

MEETING THE STANDARDS - Expected Standard	Evidence of Achievement	Areas for development
1. Scope of internal audit	<p>Heelis &amp; Lodge were appointed internal auditor for the financial year 2020/21, recorded in the minutes of the meeting of 14 September 2020. The (re)appointment of Heelis &amp; Lodge will be put before the Council for (re)approval at the meeting to be held on 12 July 2021.</p> <p>The scope of the internal audit takes into account risk management processes and wider internal controls.</p> <p>The Terms of Reference define audit responsibilities in relation to fraud.</p>	None found.
2. Independence	<p>The Internal Auditor has direct access to the Clerk who is in charge of governance (see Financial Regulations).</p> <p>Financial reports are made monthly to the Council and annually to the internal auditor.</p> <p>The Internal Auditor does not have any other role within the Council.</p>	None found.
3. Competence	<p>There is no evidence that the internal audit work has not been carried out ethically, with integrity and objectivity.</p>	None found.
4. Relationships	<p>The Responsible Financial Officer is consulted on the internal audit plan and on the scope of each audit. (Evidence is on audit files).</p> <p>Responsibilities for the officer and internal audit are defined in relation to internal control, risk management and fraud and corruption matters.</p> <p>The responsibilities of council members is understood; training of members is carried out as necessary.</p>	None found.
5 Audit Planning and reporting	<p>The Audit Plan properly takes account of corporate risk.</p> <p>The precept is approved by the Council annually in December/January.</p> <p>Internal Audit is reported to full Council.</p>	None found.

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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.	None found.
Understanding the whole organisation, its needs and objectives	The annual audit plan demonstrates how audit work will provide assurance in relation to the body's annual governance statement	None found.
Be seen as a catalyst for change	Supportive role of audit for developments such as governance review, risk management and ethics (Code of Conduct).	None found.
Add value and assist the Parish Council in achieving its objectives	Demonstrated through positive Council responses to recommendations and follow up action where called for.	None found.
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 local government governance.	None found.
Be challenging	Internal audit focuses on risks and encourages members to develop their own responses to risks, rather than relying solely on audit recommendations. The aim of this is to encourage greater ownership of the control environment.	None found.
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	None found.

Reviewed and adopted on 12 July 2021, minute number 21/22 120(iii)

Note: Review of effectiveness of internal audit must be reviewed and adopted by Burstall Parish Council annually during the financial year and before 31<sup>st</sup> March.