

Internal Audit Review Checklist - Part 1 - Meeting standards

Expected Standard	Evidence of Achievement	Yes or No	Areas for development
1. Scope of Internal Audit	<p>Terms of reference (Standing Orders and Financial Regulations) for internal audit were confirmed by full council on 11.05.2017. Internal audit work takes into account both the council's risk assessment and wider internal control arrangements.</p> <p>Internal audit work covers the council's anti-fraud and corruption arrangements.</p> <p>Terms of financial reference define responsibilities in relation to fraud.</p>		
2. Independence	<p>Internal audit has direct access to those charged with governance (see Financial Regulations).</p> <p>Reports are made in own name to management.</p> <p>Internal audit does not have any other role within the council/board.</p>		
3. Competence	<p>There is no evidence of a failure to carry out internal audit work ethically, with integrity and objectivity.</p>		
4. Relationships	<p>Clerk/RFO is consulted on the internal audit plan. (Evidence is on audit files).</p> <p>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).</p> <p>The responsibilities of council members are understood; training of members is carried out as necessary.</p>		
5. Audit Planning and reporting	<p>The annual internal audit plan properly takes account of all the risks facing the council and is scheduled for approval by council on 01.03.2018.</p> <p>Internal audit has reported in accordance with the plan on 22.02.2018.</p>		

Internal Audit Review Checklist - Part 2 - Characteristics of Effectiveness

Expected Standard	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.		
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.		
Be seen as a catalyst for change	Internal audit supports the council's work in delivering improved services to the community.		
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.		
Be forward looking	In formulating the annual audit plan, national agenda changes are considered. Internal audit maintains awareness of new developments in the service, risk management and corporate governance.		
Be challenging	Internal audit focuses on the risks facing the council. Internal audit encourages managers/members to develop their own responses to risks, rather than relying solely on audit recommendations.		
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.		