

## **Public Sector Internal Audit Standards (PSIAS) Report by the Internal Audit Manager**

### **1 Purpose of Report**

The Public Sector Internal Audit Standards require the Internal Audit Manager to present the Internal Audit Charter to the Corporate Management Team and Audit Committee following any updates made to the Charter.

### **2 Background**

**2.1** The Public Sector Internal Audit Standard (PSIAS) applies across the whole of the public sector. The PSIAS are based on the Institute of Internal Auditors Standards, with a limited number of additional requirements and interpretations that allow the PSIAS to be adapted for the public sector.

**2.2** Midlothian Council Internal Audit section has developed an Audit Charter based upon the new standards and this was originally submitted and approved by the Audit Committee on 18 June 2013.

**2.3** A small number of adjustments have been made to the Charter following an assessment of the Internal Audit Section against a checklist devised by the Scottish Local Authority Chief Internal Audit Group.

### **3 Report Implications**

The following alterations have been made to the existing Charter:

- recorded that the PSIAS is mandatory and must be followed;
- to specifically mention in the Charter the Monitoring Officer's role in relation to Internal Audit; and
- to note that going forward Internal Audit, along with the National Health Service Internal Audit team, will support the new Integrated Health and Social Care Board.

#### **3.1 Resource**

There are no direct resource implications arising out of this report.

#### **3.2 Risk**

The PSIAS require Internal Audit to evaluate the effectiveness of the Council's Risk Management arrangements and contribute to improvements in the process.

### **3.3 Single Midlothian Plan and Business Transformation**

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

### **3.4 Key Priorities within the Single Midlothian Plan**

This report does not relate directly to the key priorities within the Single Midlothian Plan.

### **3.5 Impact on Performance and Outcomes**

Applying the framework of the PSIAS will give the Audit Committee assurance that the Internal Audit Service is keeping up to date with legislative requirements and current best practice.

### **3.6 Adopting a Preventative Approach**

The PSIAS are applicable from 1 April 2013 which means the Internal Audit Service has taken steps to be fully compliant.

### **3.7 Involving Communities and Other Stakeholders**

There are no Communities or other stakeholder issues with regard to this report.

### **3.8 Ensuring Equalities**

There are no equalities issues with regard to this report.

### **3.9 Supporting Sustainable Development**

There are no sustainability issues with regard to this report.

### **3.10 IT Issues**

There are no IT issues with regard to this report.

## **4 Summary**

The Audit Charter has been updated to reflect a small number of changes following an assessment against the Scottish Local Authority Chief Internal Audit Group checklist.

## 5 Recommendations

The Audit Committee is invited to:

- note the changes outlined in this report; and
- approve the revised Internal Audit Charter shown at Appendix 1.

**Date 16 April 2015**

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**Background Papers:**

Appendix 1 – Midlothian Council Internal Audit Charter