

### Hethersgill Parish Council Internal Audit Review Checklist – Part 1 – Meeting Standards

Expected Standard	Evidence of Achievement	Yes/ No	Areas for Development
1. Scope of internal audit	Terms of reference for internal audit were approved by full council on 20 March 2018 and remain on-going (updated for privacy requirements)	Yes	Update for GDPR in May
	Internal audit work takes into account both the councils risk assessment and wider internal control arrangements.	Yes	
	Internal audit work covers the council's anti-fraud and corruption arrangements.	Yes	
2. Independence	Internal audit has direct access to those charged with governance (see financial regulations).		
	Reports are made in own name to management.	Yes	
	Internal audit does not have any other role within the Council.		
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/RFO) are consulted on the internal audit plan (evidence is on audit files).		
	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).	Yes	
	The responsibilities of council members are understood; training of members is carried out if necessary (see Member training plan).		
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 20 March 2018	Yes	
	Internal audit has reported in accordance with the plan in May 2017		

Characteristics of 'effectiveness'	Evidence of Achievement	Yes/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 follow up with action where this is called for.	Yes	
Be forward looking	In formulating the annual audit plan, national agenda changes are considered.  Internal audit maintains awareness of new developments in the Councils services, risk management and corporate governance arrangements.	Yes	
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.	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	