COPLE PARISH COUNCIL

Report on the Effectiveness of Internal Audit

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Internal Controls:	Comment	Action
Proper arrangements for the approval of expenditure	Yes	
Recording in the minutes of powers under which expenditure is being approved	Yes	
Returns to HM Revenue and Customs	Annually	
Contracts of employment for all staff annually reviewed by the Council, systems of updating records for any changes in relevant legislation	Reviewed - Still appropriate	
Training of RFO in matters of VAT	None required	
Regular Budget Monitoring	Yes	
Developing Systems of Performance Measurement	Yes	
Procedures for dealing with and monitoring grants	Yes	
Minutes properly numbered with master copy kept in safekeeping	Yes	
Document procedures to deal with enquiries from the public	Yes	
Documented procedures to deal with response to consultation requests	Yes	
Procedures for document receipt, circulation, response, handling and filing	Adequate and effective	
Procedures in place for recording and monitoring Members interest, Gifts and Hospitality received	Yes	
Adoption of codes of conduct for members and employees	Yes	

1. Meeting Standards:			
Expected Standard	**Evidence of Achievement**	**Yes or No**	**Areas for development**
1. Scope of internal audit	Internal Audit arrangements were considered by Parish Council at their January meeting. Internal audit work takes into account both the council's risk assessment and wider internal control arrangements. 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. Internal audit does not have any other role within the council/board.	Yes	
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 and 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). The responsibilities of council members are understood; training of members is carried out as necessary. (See training record).	Yes	
5 Audit Planning and reporting	The annual internal audit plan remains the same.	Yes	

2. Characteristics of Effectiveness			
Characteristics of 'effectiveness'	**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.	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 follows 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 services, risk management and corporate governance.	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's needs and objectives.	Yes	

Risk Assessment	Comment	Action
Risk Assessment reviewed	Yes attached	