



**INTERNAL AUDIT KEY DOCUMENTATION UPDATE**

Report by Chief Internal Auditor

**PURPOSE**

- 1.1 The purpose of this report is to seek agreement for the Internal Audit Charter and Internal Audit Manual.
- 1.2 The Global Internal Audit Standards (GIAS), which have replaced the Public Sector Internal Audit Standards (PSIAS) which require that Internal Audit sections have an Internal Audit Charter that includes specific requirements contained within the Standards. The Standards require that the organisation's Audit & Scrutiny Committee approves the Internal Audit Charter.

**EXECUTIVE SUMMARY**

- 2.1 In line with the new Global Internal Audit Standards (GIAS) Internal Audit is required to prepare an Internal Audit Charter, consistent with the 'Purpose Statement' of Internal Audit. The new GIAS also detail that as part of the Charter defines that it must contain a Mandate. The Charter must ensure the commitment of the Council's internal audit function to adhere to the requirements of the GIAS.
- 2.2 The GIAS provided a model charter, and this has been used as this will assist in clearly demonstrating conformance.
- 2.3 Whilst there is no requirement of the GIAS to produce an Internal Audit Manual, this is still seen as good practice, and the previous Manual has been updated to show the changes in standards. Further review may be undertaken at a later date in order to ensure consistency with the Charter and the GIAS.

**RECOMMENDATIONS**

- 3.1 **It is recommended that the Audit and Scrutiny Committee:**

- (a) **Approve the Internal Audit Charter at Appendix 1.**
- (b) **Note the Internal Audit Manual at Appendix 2.**

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Appendices:

1. Internal Audit Charter
2. Internal Audit Manual

## IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	None
Legal	Public Sector Internal Audit Standards (PSIAS) have been replaced by Global Internal Audit Standards (GIAS) as of 1 April 2025, these are mandatory. The GIAS and the CIPFA Application Note have been developed to apply across the whole of the public sector in all sectors of government. The Local Authority Accounts (Scotland) Regulations 2014 requires that "A local authority must operate a professional and objective Internal Auditing service in accordance with recognised standards and practices in relation to Internal Auditing." The recognised standards are now the Global Internal Audit Standards in the UK Public Sector and conformance with these is required.
Staffing	None
Assets and Property	None
Strategic Implications	Implications/None
Risk	Risk implications are identified through the internal audit process.
Equalities	None
Corporate Strategy	By complying with the mandatory Public Sector Internal Audit Standards (PSIAS), the Internal Audit team work towards the outcomes to meet strategic priority " <i>The Comhairle has achieved a systematic approach to improving organisational effectiveness that aligns strategy, people and processes and the service provided is high quality, continually improving and cost effective.</i> "
Environmental Impact	None
Consultation	None