

Drinkstone Parish Council – Appointment of an Independent Internal Auditor

Summary -

The purpose of Internal Audit is to test council's internal controls sufficiently for the proper completion of section 4 of the Annual Return and provide a report to council on the adequacy of records, procedures, systems of control, regulations and risk management.

Henry Riches has previously carried out the Internal Audit.

There are various ways for a parish council to source an internal audit service, for example:

- Appointing a local individual or a member of a panel of individuals administered by a local association or branch of NALC, SLCC or ADA. An individual will need to demonstrate adequate independence and competence to meet the needs of the authority.
- Employing a competent internal auditor with sufficient organisational independence and status to undertake the role.
- Purchasing an internal audit service from a principal local authority.
- Purchasing an internal audit service from a local firm or specialist internal audit practice. The firm needs to have an understanding of the local government legal framework and a number of professional firms offer a service to public bodies, authorities and commercial companies. For the largest authorities a specialist contractor appointment may be appropriate.

Quotes have been sought for the Internal Audit for 2016/2017.

Suffolk Association of Local Council (SALC)	£135.00
Heelis & Lodge	£55.00
Some larger Accountancy firms will carry out Parish Council Internal Audits	costs range from £300 - £500

An Audit Plan and Terms of Engagement for Internal Audit have been drafted for the purpose of instructing an Internal Auditor for 2016/2017.

Recommendation

That council appoint an Independent Internal Auditor for 2016/2017.

That council approve the Audit Plan and Terms of Engagement

Paula Gladwell