Internal Auditor Terms of Reference

Wentlooge Community Council

Approved by	Wentlooge Community Council	
Date adopted		
Review date		
Version	1.0	
Version	**Date**	**Summary of changes**
1.0		Initial adoption of policy.

1. Purpose

These Terms of Reference set out the role, responsibilities, authority, and reporting arrangements for the Internal Auditor appointed by Wentlooge Community Council. They are intended to provide a clear framework for the delivery of an adequate and effective internal audit function in accordance with proper practice for local councils.

2. Governance and Standards

The Council is responsible for ensuring that its financial management is adequate and effective and that it maintains a sound system of internal control, including arrangements for the management of risk. The internal audit shall be carried out in accordance with proper practices as set out in the Joint Practitioners Advisory Group publication *Governance and Accountability for Local Councils: A Practitioners Guide*, together with the applicable schedule of audit checks produced by One Voice Wales.

3. Scope and Objectives

- Review whether the Council's financial management arrangements are adequate and effective.
- Assess whether the Council has a sound system of internal control.
- Provide assurance to members and officers on the effectiveness of governance, risk management, and control arrangements.
- Undertake sufficient work to enable completion and sign-off of Section 4 of the Annual Return before submission to the Council and the external auditor.

4. Roles and Responsibilities

4.1 Responsibilities of the Council

- Maintain adequate and effective financial management arrangements.
- Maintain a sound system of internal control and risk management.
- Provide the Internal Auditor with timely access to records, information, and relevant officers and members.
- Agree the annual programme of internal audit work with the Internal Auditor through the Clerk.
- Consider internal audit reports and act on recommendations as appropriate.

4.2 Responsibilities of the Internal Auditor

- Review and evaluate the adequacy and effectiveness of the Council's financial management and internal control arrangements.
- Liaise with the Clerk to the Council on all audit assignments.
- Carry out the audit competently, objectively, and in accordance with proper practice.
- Report findings to the Council's Policy & Finance Committee at least once each year, and more frequently if a serious matter arises.

5. Audit Planning

The Council maintains a strategic audit plan covering the main governance and financial systems, which is reviewed annually. The detailed programme of work for each year shall be agreed between the Clerk and the Internal Auditor before the commencement of audit work and will be based primarily on the audit plan and relevant guidance issued by Audit Wales and other proper practice sources.

6. Reporting Requirements

- The Internal Auditor shall report to the Council's Policy & Finance Committee at least once in each financial year, setting out the work undertaken, key findings, and any recommendations arising.
- Where a significant issue or control weakness is identified during the year, the Internal Auditor may report this to the Clerk, Chair, or Committee without delay.
- Interim findings may be shared with the Clerk during the course of the audit to support timely clarification and corrective action where appropriate.
- To enable completion of Section 4 of the Annual Return, the Internal Auditor shall undertake the necessary year-end work in April or May and report the outcome in time for consideration by the Council and submission to the external auditor.

7. Independence and Competence

  - The internal audit function must remain sufficiently independent from the Council's day-to-day financial controls and procedures.
  - The Internal Auditor shall notify the Clerk immediately of any actual or potential conflict of interest that could affect objective and independent performance of the audit.
  - The Internal Auditor shall perform the audit competently and in a manner that meets the business needs of the Council. Any matter affecting competence shall be reported promptly to the Clerk or the Chair.

8. Access to Information, Members and Officers

- The Internal Auditor shall have access to such accounts, vouchers, correspondence, accounting systems, minutes, and other records as are necessary for the performance of the audit.
- The Internal Auditor shall have access to members and officers as necessary to obtain information and explanations in connection with any matter arising from the audit.

9. Term of Appointment

The Internal Auditor is appointed for an unspecified period, subject to annual confirmation by the Council.

10. Remuneration

A fixed fee of £175 shall apply to the term of this appointment for 25/26. Payment shall normally be made upon receipt of a valid invoice.

11. Review and Approval

These Terms of Reference shall be approved by the Council and reviewed periodically, and in any event whenever required by changes in legislation, guidance, or the Council’s governance arrangements.