

Meeting: Combined Fire Authority**Date:** 24th September 2015**Subject:** Internal Audit Charter**Report by:** The Treasurer**Author:** Neil Jones (Head of Internal Audit Service, Leicestershire County Council)**For:** Decision

1. Purpose

The purpose of this report is to seek the approval of the Combined Fire Authority (CFA) for the draft Internal Audit Charter.

2. Recommendations

The CFA is asked to approve the draft Internal Audit Charter.

3. Executive Summary

1.1. Chartered Institute of Public Finance and Accountancy (CIPFA) as the relevant Internal Audit Standard setters in the UK have adopted a common set of Public Sector Internal Audit Standards (PSIAS) from 1st April 2013. The PSIAS encompass the mandatory elements of the Global Institute of Internal Auditors (IIA Global) International Professional Practices Framework (IPPF) i.e. definition of Internal Auditing; Code of Ethics; and International Standards for the Professional Practice of Internal Auditing.

1.2. The PSIAS mandate that the purpose, authority and responsibility of the internal audit activity must be formally defined in an Internal Audit Charter by each public body.

4. Report Detail

Public Sector Internal Audit Standards

1.3. The PSIAS apply to all internal audit service providers, whether in-house, shared services or outsourced. The objectives of the PSIAS are to:

- a) Define the nature of internal auditing within the UK public sector.
- b) Set principles for carrying out internal audit in the UK public sector.
- c) Establish a framework for providing internal audit services, which add value to the organisation, leading to improved organisation processes and operations.

- d) Establish the basis for the evaluation of internal audit performance and to drive improvement planning.
- 1.4. Common terms found throughout the PSIAS need to be interpreted in the context of differing governance arrangements at each organisation. For the CFA, the term 'board' has been interpreted as the Corporate Governance Committee. The term 'senior management' has been interpreted as the Chief Fire and Rescue Officer, the Monitoring Officer and the Treasurer.
- 1.5. Internal audit activity is currently outsourced to Leicestershire County Council's Internal Audit Service. For so long as that relationship exists, the PSIAS term 'chief audit executive' has been interpreted as the County Council's Head of Internal Audit Service (HoIAS).

The Internal Audit Charter for the CFA

- 1.6. PSIAS Standard 2070 'External Service Provider and Organisational Responsibility for Internal Auditing', specifically requires that when an external service provider serves as the internal audit activity, the provider must make the organisation aware that it has the responsibility for maintaining an effective internal audit activity. This responsibility is demonstrated through the organisation reviewing the results of the quality assurance and improvement programme which assesses conformance with the Definition of Internal Auditing, the Code of Ethics and the Standards (see below).
- 1.7. Leicestershire County Council Internal Audit Service (LCCIAS) provides internal audit activity to the CFA and the Charter establishes its position within the organisation, including the nature of the HoIAS' functional reporting relationship with the Committee; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. Final approval of the Charter resides with the CFA.
- 1.8. Providing a formal, written Charter is important to managing the provision of internal audit activity by LCCIAS. The Charter provides a recognised statement for review and acceptance by the Officers and for approval, as documented in formal minutes, by the Authority. It also facilitates a periodic assessment by the HoIAS of the adequacy of the internal audit activity's purpose, authority, and responsibility, which establishes the role of LCCIAS and whether it continues to be adequate to enable it to accomplish its objectives. If a question should arise, the Charter provides a formal, written protocol agreed with the Officers and the Committee about the CFA's internal audit activity.
- 1.9. The PSIAS mandate that the Internal Audit Charter for the CFA should:
- a) Recognise the mandatory nature of the PSIAS
 - b) Define the scope of internal audit activities recognising that internal audit's remit extends to the organisation's entire control environment not just financial controls.
 - c) Establish internal audit's responsibilities, objectives and organisational independence.
 - d) Establish accountability, reporting lines and relationships between the leader of the internal audit activity and those to whom they report functionally and administratively.

- e) Set out the arrangements that exist within the organisation's anti-fraud and anti-corruption policies.
- f) Establish internal audit's right of access to all records, assets, personnel and premises and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities.

Additional public sector requirements also specify that the Charter must:

- a) Define the terms 'board' and 'senior management' in relation to internal audit activity.
- b) Cover the arrangements for appropriate resourcing.
- c) Define the role of internal audit in any fraud related work.
- d) Include arrangements for avoiding conflicts of interest if non audit activities are undertaken.

1.10. The Internal Audit Charter for the CFA was recommended by the former Overview and Scrutiny Committee on 18th March 2015 for approval by the CFA.

1.11. The draft Internal Audit Charter is included as the **Appendix**. The full PSIAS can be downloaded from <http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>.

5. Report Implications / Impact

2.1. *Legal (including crime and disorder)*

None

2.2. *Financial (including value for money, benefits and efficiencies)*

The determination of resource to undertake internal audit activity is referred to at various points throughout the Charter.

2.3. *Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)*

Internal Audit provides reassurance that effective internal control procedures are in place. Internal Audit reports are used to inform the Treasurer and the Chief Fire and Rescue Officer of the detailed findings of the audit and highlight actions that are required to safeguard the CFA's interests.

2.4. *Staff, Service Users and Stakeholders (including the Equality Impact Assessment)*

None

2.5. *Environmental*

None

2.6. *Impact upon Our Plan Objectives*

The CFA's Strategic Objective 4 is the attainment of efficiency and the provision of a value for money service. The provision of internal audit assists both effective and efficient management and good corporate governance. It also

externally validates the CFA's progress in this area.

6. Background Papers

Internal Audit Charter (Overview and Scrutiny Committee Report - 18th March 2015)

7. Appendices

Draft Internal Audit Charter

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1. Introduction

- 1.1. The Public Sector Internal Audit Standards 2013 (the PSIAS), provide a consolidated approach to the function of internal auditing across the whole of the public sector enabling continuity, sound corporate governance and transparency. The PSIAS encompass both the mandatory elements of the Global Institute of Internal Auditors (IIA) standards, and also additional requirements and interpretations for the UK public sector. A Local Government Application Note (LGAN) developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) provides further explanation for the PSIAS and practical guidance on how to apply them.
- 1.2. The PSIAS mandate that the purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter (the Charter), that is consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Responsibility for, and ownership of, the Charter remains with the organisation and final approval of the Charter resides with the Board (the definition is explained in 3.12 and 3.13 below).

2. Purpose

- 2.1. The purpose of the internal audit activity is explained by the PSIAS Definition of Internal Auditing: -

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

- 2.2. The LGAN further explains that '*the organisation (Leicester, Leicestershire and Rutland Combined Fire Authority (the CFA) is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements (known as the control environment). Internal audit plays a vital part in advising the organisation that these arrangements are in place and operating properly. The annual internal audit opinion, which informs the governance statement, both emphasises and reflects the importance of this aspect of internal audit work. The organisation's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.*
- 2.3. This Charter recognises that the CFA has responsibility for maintaining an effective internal audit activity. Leicestershire County Council's Internal Audit Service (LCCIAS) provides internal audit activity. LCCIAS has adopted the PSIAS definition of internal auditing.

3. Definitions

Independence

3.1. The PSIAS define independence as *'the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity requires the head of the activity to have direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship. Threats to independence must be managed at the individual auditor, engagement, functional and organisational levels'*.

Objectivity

3.2. The PSIAS define objectivity as *'an unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgment on audit matters to others. Threats to objectivity must be managed at the individual auditor, engagement, functional and organisational levels'*.

Assurance activity

3.3. This is defined in the PSIAS as *'An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes for the organisation. Examples may include financial, performance, compliance, system security and due diligence engagements'*.

3.4. LCCIAS conducts a wide range of engagements (assignments) designed to evaluate the quality of risk management processes, systems of internal control and corporate governance processes, across all aspects of the CFA's control environment (including where it works in partnership with, and leads on behalf of others).

3.5. LCCIAS aims to co-ordinate its assurance activity with other internal and external providers of assurance services to ensure sufficient and proper coverage over the CFA's control environment and minimise duplication of efforts.

Consulting activity

3.6. This is defined in the PSIAS as *'Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming management responsibility'*.

- 3.7. LCCIAS often acts in a consulting role and provides support for improvement in the CFA's systems, procedures and control processes without assuming management responsibility. Examples include advice, commentary on management's intended control design and framework and potential implications of changes to systems, processes and policies. The provision of such advice does not prejudice LCCIAS' right to evaluate the established systems and controls at a later date. Other consulting includes counsel, facilitation and training.
- 3.8. There is a specific public sector requirement that *'Approval must be sought from the board (see 3.11 below) for any significant additional consulting services not already included in the audit plan, prior to accepting the engagement.*
- 3.9. The combined results and outcomes of assurance and consulting activities are fundamental to determining the annual internal audit opinion on the overall adequacy and effectiveness of the CFA's control environment.

The Chief Audit Executive

- 3.10. Although the PSIAS and LGAN have both adopted the original IIA Standards term 'Chief Audit Executive', it is recognised that this only describes a role which at the CFA is performed by Leicestershire County Council's Head of Internal Audit Service (HoIAS). Within this Charter, all references from hereon are to the HoIAS.
- 3.11. A public sector requirement of the PSIAS is for the Charter to define the terms 'board' and 'senior management' for the purposes of internal audit activity. The LGAN advises the terms must be interpreted in the context of the governance arrangements within each individual organisation.

The Board

- 3.12. The PSIAS definition of the Board informs that it, *'...may refer to an audit committee to which the governing body has delegated certain functions'*. For the CFA, within the Constitutional Framework, Article 7, (Function 7.2 'Audit'), *'The Corporate Governance Committee (the Committee) shall act as the CFA's Audit Committee in accordance with guidance issued from time to time by the Chartered Institute of Public Finance and Accountancy'*. A Key Role for Members of the Committee is to, *'...monitor the CFA's performance through Internal Audit reports'*
- 3.13. Consequently, at the CFA the Committee will perform the function of the Board. Within this Charter, all references from hereon are to the Committee. The CFA will however formally approve the Charter.

Senior Management

3.14. There is not a specific definition of 'senior management' in either the PSIAS or the LGAN. However, the PSIAS require *'the HoIAS to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals'*, and the LGAN advises that *'an effective internal audit service should understand the whole organisation, its needs and objectives'*. In order to fully understand and be able to fulfill its responsibilities, the HoIAS and his/her team require unfettered access to the designated Statutory Officers (the Officers) i.e. the: -

- a. Head of Paid Service (non-statutory) - Chief Fire and Rescue Officer/Chief Executive
- b. Treasurer – Director of Finance – Leicester City Council
- c. Solicitor and Monitoring Officer - Head of Corporate Services (Solicitor and Monitoring Officer)

3.15. Consequently, at the CFA, the Officers will perform the functions of Senior Management. Within this Charter, all references from hereon are to the Officers.

4. Authority

Statutory and Professional Requirements for internal audit activity

4.1. The Accounts and Audit Regulations 2015 (effective from the 1st April 2015) require under Part 2 'Internal Control' at Regulation 5(1) that, *'A relevant authority (including fire authorities) must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'*.

4.2. Section 112 of the Local Government Finance Act 1988 requires that the CFA, *'...shall make arrangements for the proper administration of its financial affairs'* and to ensure that *'...one of its officers has responsibility for the administration of those affairs'*. Within the CFA this officer is the Treasurer and this is reflected in the CFA's Constitution, both at 10.4 'Functions of the Treasurer' and also Financial Procedure Rule 42 'Internal Audit' i.e. that *'The Treasurer will arrange/maintain a continuous internal audit of the CFA's activities/accounts. It will cover financial and related systems and use of assets'*.

4.3. The relationship between the head of the internal audit activity, namely the HoIAS, and the Treasurer is of particular importance in fire authorities (local government). The CIPFA Statement on the Role of the Chief Finance Officer (CFO) in Local Government states that the CFO must: -

- a. *ensure an effective internal audit function is resourced and maintained*
- b. *ensure that the authority has put in place effective arrangements for internal audit of the control environment*
- c. *support the authority's internal audit arrangements*

- d. *ensure that the audit committee receives the necessary advice and information, so that both functions can operate effectively*

4.4. At the CFA, the CFO/Treasurer:

- a. contributes to and agrees the overall annual internal audit plan
- b. receives periodic updates on progress and performance against the plan and approves major variations before they are reported to the Committee
- c. commissions (or approves) unplanned audits
- d. determines LCCIAS resources and approves the boundaries and limits for any external trading;

Access

4.5. PSIAS 1000 requires the Charter to, *'establish internal audit's right of access to all records, assets, personnel and premises, including those of partner organisations where appropriate, and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities'*.

4.6. The CFA's Financial Procedure Rule 42.2 states that the Treasurer or an authorised representative (interpreted to be any LCCIAS internal auditors) has authority to:-

- a. enter any CFA building or land at all reasonable times;
- b. have access to all records, documents and correspondence relating to any transactions of the CFA;
- c. receive such explanations as he or she considers necessary on any matter under examination;
- d. require any employee of the CFA to produce cash, stores or any other CFA property under his/her control.

4.7. Whilst not explicit, Rule 42.2 is a conduit to seeking agreement to access partner organisations' records.

Organisational independence

4.8. The PSIAS require that *'reporting and management arrangements must be put in place that preserves the HoIAS (and LCCIAS') independence and objectivity, in particular with regard to the principle that they must remain independent of the audited activities'*. This requirement aligns to CIPFA's Statement on the Role of the Head of Internal Audit (2010) that *'The HIA's unique role is to provide assurance and guidance on these arrangements and so it is important that the HIA is independent of operational management and is seen to provide objective views and opinions'*.

4.9. PSIAS 1110 on Organisational Independence states that *'the HoIAS (HoIAS) must report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities. The HoIAS must confirm to the Committee, at least annually, the organisational independence of the internal audit activity'*. An additional public sector requirement of PSIAS 1110 is that *'The HoIAS must also establish effective communication with, and have free and unfettered access to, the chief executive (or equivalent) and the chair of the audit committee'*.

4.10. The HoIAS reports to both the CFO/Treasurer and to the Committee. The HoIAS has direct access to all of the CFA's Directors and their management teams, the Chief Executive, the Solicitor and Monitoring Officer (MO) and CFO/Treasurer, and, if required, to the Chair of the Committee. In accordance with PSIAS 1110A.1, there is acknowledgement amongst these parties that the internal audit activity must be free from interference in determining the scope of internal auditing, performing work and communicating results.

5. Responsibility

This section of the Charter summarises the key responsibilities of the Committee, the Officers and the HoIAS and LCCIAS internal auditors

The Committee's responsibilities

5.1. Examples of key duties within the PSIAS which align to the Committee's key roles and responsibilities are to receive: -

- a. the internal audit charter, and recommend its approval by the CFA.
- b. the risk based internal audit plan
- c. communications from the HoIAS on internal audit performance relative to its plan and other matters
- d. an annual confirmation from the HoIAS with regard to the organisational independence of the internal audit activity
- e. the HoIAS' annual report, including the opinion on the control environment, a statement on conformance to the PSIAS and the results of the Quality Assurance and Improvement Programme – QAIP (see 5.4a)
- f. assurance from the Officers and the HoIAS that there are no inappropriate scope or resource limitations.

The Officers responsibilities

5.2. The effectiveness of the internal audit activity relies upon the full co-operation of management. Under this Charter, the Officers will co-operate with the HOIAS in the following: -

- a. providing input to the annual risk based internal audit plan
- b. agreeing Terms of Engagement within agreed timescales
- c. sponsoring each audit at senior management level

- d. providing LCCIAS with full support and co-operation including access to relevant records and personnel
- e. responding to LCCIAS reports within agreed timescales;
- f. ensuring that recommendations are implemented within agreed timescales;
- g. providing assurance that management actions have been implemented
- h. notifying the Treasurer when changes to financial arrangements are being proposed – Financial Procedure Rule 43.1
- i. notifying the Treasurer and Solicitor and Monitoring Officer of any financial irregularities, or of any circumstances which may suggest the possibility of an irregularity, affecting any asset of the CFA - Financial Procedure Rule 44.1

The HoIAS' responsibilities

Code of Ethics

5.3. The HoIAS must ensure that LCCIAS internal auditors conform to the Code of Ethics (the Code), which promotes an ethical and professional culture and comprises both principles that are relevant to the profession and practice of internal auditing, and rules of conduct that describe behaviour norms and guide the ethical conduct expected of internal auditors. The Code does not supersede or replace either individuals' own professional bodies' codes of ethics or those of the CFA. A PSIAS public sector requirement is that LCCIAS internal auditors must have regard to the Committee on Standards in Public Life's 'Seven Principles of Public Life'.

International Standards for the Professional Practice of Internal Auditing

5.4. The HoIAS must ensure that there is a robust framework supporting the activity of internal audit and that LCCIAS' internal auditors are trained and guided, and their performance monitored, to ensure they conform to the detailed attribute and performance standards within the PSIAS.

5.5. LCCIAS will conform to the full range of the standards. Nevertheless, the HoIAS has interpreted that many of the detailed PSIAS requirements for planning, performing, communicating results and monitoring progress merely reinforce practices and procedures that are already firmly embedded in LCCIAS' approach to internal audit activity and so those details are not repeated in this Charter. Only new requirements, extensions and variations are explained in more detail below: -

Attribute standards

- a. 1300 - The HoIAS must develop and maintain a quality assurance and improvement programme (QAIP) that covers all aspects of the internal audit activity. This is a new requirement for LCCIAS.

The QAIP should enable: -

- evaluations of LCCIAS' conformance with the Definition of Internal Auditing and the Standards
- internal auditors' compliance with the Code of Ethics
- assessment of the efficiency and effectiveness of the internal audit activity
- the identification of opportunities for improvement.

The QAIP must plan for both internal and external assessments and the latter must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation.

To avoid any duplication and unnecessary cost to the CFA, the HoIAS would discuss with and gain agreement from the County Council's 'Board' (Corporate Governance Committee) to both the form of external assessments and the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.

There are two additional public sector requirements: -

- the HoIAS must agree the scope of external assessments with an appropriate sponsor, e.g. the Council's CFO as well as with the external assessor or assessment team
- The HoIAS must communicate the results of the QAIP and progress against any improvement plans, firstly to the Council's Senior Management and Board, and then to the CFA's equivalents. The results must be reported in the HoIAS' annual report (usually on the agendas for the late spring committees). The HoIAS may state that LCCIAS conforms with the International Standards for the Professional Practice of Internal Auditing only if the results of the QAIP support this statement. When non-conformance with the Definition of Internal Auditing, the Code of Ethics or the Standards impacts the overall scope or operation of the internal audit activity, the HoIAS must disclose the non-conformance and the impact to the respective Senior Management and Boards. An additional public sector requirement is that more significant deviations must be considered for inclusion in the CFA's governance statement.

Performance standards

- b. 2000 - The HoIAS must effectively manage the internal audit activity to ensure it adds value to the organisation. This sub-set of requirements includes the HoIAS' responsibility to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.

There is a revised requirement for the risk based plan to incorporate or be linked to a strategic or high-level statement of how the internal audit

activity will be delivered and developed in accordance with the Charter and how it links to the CFA's objectives and priorities.

There are two additional public sector requirements: -

- the risk-based plan must explain how LCCIAS' resource requirements have been assessed. Where the HoIAS believes that the level of agreed resources will impact adversely on the provision of the annual internal audit opinion, the consequences must be brought to the attention of the Committee
- the HoIAS must include in the risk-based plan the approach to using other sources of assurance (e.g. the External Auditor or where the CFA is in partnership with another organisation) and any work required to place reliance upon those other sources.

Reporting to the Committee on performance relative to the plan is well established. However PSIAS also requires periodically reporting to the Officers and the Committee on the internal audit activity's purpose, authority and responsibility.

- c. 2100 - The internal audit activity must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic and disciplined approach. This sub-set formalises some of the work already undertaken by LCCIAS to assess and make appropriate recommendations for improving the governance process, but then requires specific coverage to ensure accomplishment of the following objectives: -
- Promoting appropriate ethics and values within the CFA;
 - Ensuring effective organisational performance management and accountability;
 - Communicating risk and control information to appropriate areas of the CFA;
 - Coordinating the activities of and communicating information among the Committee, external and internal auditors and management.

For risk management processes, there are requirements to evaluate risk exposures relating to the CFA's governance, operations and information systems and the potential for the occurrence of fraud and how the CFA manages fraud risk.

- d. 2400 – LCCIAS must communicate the results of engagements, including the engagement's objectives and scope as well as applicable conclusions, recommendations and action plans. The PSIAS is explicit that LCCIAS auditors may report that their engagements are "conducted in conformance with the International Standards for the Professional Practice of Internal Auditing", only if the results of the QAIP (see 5.4b) support the statement.

A specific public sector requirement formalises the HoIAS responsibility to deliver an annual internal audit opinion on the overall adequacy and effectiveness of the CFA's control environment contained within a report that can be used to inform the governance statement. A new requirement

is for the HoIAS annual report to include a statement on conformance with the PSIAS and the results of the QAIP.

- e. 2600 - When the HoIAS concludes that management has accepted a level of risk that may be unacceptable and there is a danger that CFA objectives may not be achieved, the matter should be discussed with the Treasurer and/or Solicitor and Monitoring Officer. If the HoIAS determines that the matter has not been resolved, the HoIAS must communicate the matter to the Committee.

6. The Scope of Internal Audit Activity

6.1. The Officers are responsible for establishing and maintaining appropriate governance, risk management and control arrangements (i.e. the control environment), for not only CFA activities, but also for those provided in conjunction with, and/or on behalf of its partners. LCCIAS' remit extends to the CFA's entire control environment. However, limitations on internal audit resource requires the HoIAS to understand and take account of the position with respect to the CFA's other sources of assurance (internal and external) and plan internal audit work accordingly so that activity can be co-ordinated, ensuring proper coverage and minimising duplication of effort.

6.2. Internal audit activity for the CFA (and, where appropriate its partners) includes: -

- providing assurance services i.e. reviewing, appraising and reporting on: -
 - the soundness, adequacy and application of governance processes, risk management frameworks and internal controls;
 - the extent to which assets are accounted for and safeguarded from losses of all kinds
 - the suitability and reliability of financial and other data developed;
 - reviewing compliance and conformance to rules, regulations, laws, codes of practice, guidelines and principles
 - the accuracy and completeness of grant claims
- providing consulting services;
- undertaking studies, reviews or assignments as directed (or approved) by the Officers;

The role of internal audit in fraud and corruption

6.3. The Officers are responsible for developing and maintaining a control environment that mitigates risk of fraud and corruption

6.4. The HoIAS is responsible for developing and maintaining advice and guidance on the CFA's approach to managing the risks of fraud, bribery and corruption. This includes: -

- Ensuring that strategies, policies and procedures are kept up to date and align with relevant codes of conduct
- Ensuring adherence to the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption
- Developing training and guidance on fraud awareness

- Reviewing any fraud risk assessment and using that as the basis for planning anti-fraud audits
- Coordination of the CFA's involvement in national anti-fraud projects
- Informing Committee of initiatives, progress and outcomes

6.5. LCCIAS does not have responsibility for the detection or prevention of fraud and corruption, but it considers those risks when undertaking its activities. The independence of the internal audit activity leaves it well placed to undertake (or guide) any investigations that are required. The HoIAS will determine the level and scope of LCCIAS' involvement including delegating the investigation of specific allegations to the Officers following an assessment of risk and financial impact.