



Saxilby with Ingleby Parish Council

Non-confidential

Internal Auditor

Report to: Finance and Risk Committee 25-07

Report by: Assistant Clerk

Power/duty which decision falls under: Accounts and Audit Regulations 2015

Which council objective(s) it falls under:

Governance underpinning deliverance of council objectives.

Public Sector Equality Duty

Consider how policies/decisions affect those protected under the Equality Act)

The appointment of an internal auditor will not adversely affect individuals with protected characteristics under the Equality Act 2010. It supports good governance, transparency, and equal access to services through sound financial management.

Duty to conserve and enhance biodiversity

Consider how the policy/decision will contribute to conserving or enhancing biodiversity

While the action of appointing an auditor has no direct environmental impact, maintaining legal and financial compliance underpins responsible council operations, including those contributing to environmental goals.

Consideration on carbon reduction:

Where possible, quotations will be sought from auditors who can conduct remote audits to minimise travel and reduce carbon emissions, or live in the local region. Digital document sharing will also be encouraged to avoid unnecessary printing.

Consideration of risk management in relation to the proposal¹

It is impossible to list every risk faced by a local council. Risk, in the general sense, means the likelihood of an event happening, and the severity of the negative consequences. The insurance industry regards risk as representing loss or damage. Risk always involves uncertainty. When protecting a local council effectively, it is important to consider if risk is present in the following areas (SLCC AN241)[Tick]

✓Decision making
✓Finances
Property
Staff

Events
✓Legal
✓Inspections
✓Written/verbal communication

Insurance

Does the report consider any new activity? If 'Yes', has a risk assessment, including risk management proposals, been included for consideration and adoption by the council?

(Financial Regulation 17b)

No

¹Risk areas to consider - strategic/operational, likelihood/impact, add to risk register? Any contingency planning needed?

REPORT

Under the Accounts and Audit Regulations 2015, the parish council is required to undertake an effective internal audit of its financial management and internal control systems at least once annually. The internal audit provides assurance that the council is operating legally, efficiently, and with proper stewardship of public funds.

This report seeks to:

- Propose the process for sourcing an appropriate internal auditor
- Outline and agree on the parameters of the internal audit engagement

2. Sourcing an Internal Auditor

An internal auditor must be:

- Independent of the parish council's operations and decision-making
- Competent, with relevant knowledge of local government finance and audit procedures
- Ideally experienced in reviewing internal controls and public sector governance

It is proposed that the Clerk/RFO be authorised to:

- Obtain quotations or proposals from at least two independent auditors
- Check references and professional background
- Report back with a recommended appointment at the next committee meeting

RECOMMENDATION(S):

That Committee:

1. Note the report.
2. Authorises the Clerk/RFO to source quotations from independent, suitably experienced/qualified internal auditors.
3. Requests a recommendation for appointment be brought to the next committee meeting.