

Classification: Open	Decision Type: N/a
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Report to:	Audit Committee	Date: 14 April 2026
Subject:	Internal Audit Charter	
Report of:	Section 151 Officer	

Summary

1. The Internal Audit Charter was last updated in 2025.
 - 1.1 The purpose of Bury Council's internal audit Charter is to define internal audit's purpose, authority, and responsibility. It establishes the internal audit activity's position within the council and reporting lines; authorises access to records, personnel, and physical property relevant to the performance of audit work; and defines the scope of internal audit activities. The Charter also covers the arrangements for the appointment of the Head of Internal Audit and internal audit staff, and identifies the nature of professionalism, skills and experience required.
 - 1.2 The work of internal audit is governed by the Institute for Internal Auditors Global Internal Audit Standards (GIAS), that become mandatory for the UK public sector from 1 April 2025.
 - 1.3 Internal Audit has adapted its governing documents and other processes to achieve conformity to the new Standards.
 - 1.4 The Standards are mandatory for all internal auditors working in the UK public sector. Internal Audit is subject to external quality assessments every 5 years, and the assessors consider the Charter's conformity with the Standards as part of the work. The most recent review was carried out in 2024.
 - 1.5 The charter is attached as Appendix A to this report.

Recommendation(s)

- Members are requested to approve the Internal Audit Charter for 2026/27.

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Links with the Corporate Priorities:

Please summarise how this links to the Let's Do It Strategy.

- Internal Audit undertakes assurance work to all Departmental Directors and Statutory Officers regarding the systems in place, making recommendations for improvements to control and protect the assets and resources of the Council. The control and mitigation of the loss of funds gives the assurance that public money is used in an appropriate manner to deliver the Corporate Priorities.
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Equality Impact and Considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Internal Audit provide assurance to Committee Members and the public that the organisation is delivering services in line with agreed policies and procedures which have considered the requirements of the Equality Act 2010.

The work required to deliver the Internal Audit plan is identified through a regular risk assessment process. This is carried out using an established methodology that is designed to show that all potential audit areas are considered fairly.

Environmental Impact and Considerations:

Please provide an explanation of the carbon impact of this decision.

- N/a – no decision required.
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Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Risks are highlighted in Audit Plans and in the terms of reference for each Audit review.	Internal Controls are reviewed in each audit to mitigate identified risks. Actions are reported to managers and progress is monitored and reported on a regular basis.

The work of internal audit forms a key element of the council's overall system of internal control. An effective internal audit service also helps to promote and implement best practice and process improvements in the management of risks. A key requirement in producing the Annual Governance Statement is to be able to place reliance on the opinion and annual report of the Head of Internal Audit. The Corporate Risk Register is reviewed to ensure that the internal audit plan reflects the issues raised. A key requirement for the Audit and Accounts Committee in order for the Committee to meet its Terms of Reference is to assess the adequacy of the internal audit service.

Legal Implications:

Internal audit is a statutory service in the context of the Accounts and Audit Regulations 2015 and the work it undertakes is governed by the UK Public Sector Internal Audit Standards ("the Standards"). The Standards are mandatory for all internal auditors working in the UK public sector.

The Standards were updated in March 2017 and in that regard require that the purpose, authority, and responsibility of the internal audit be formally defined in an internal audit Charter, consistent with a revised definition of internal auditing; a Code of Ethics for internal auditors working in the Public Sector; the Mission of Internal Audit; the Core Principles for the Professional Practice of internal auditing; and the Standards themselves. The Head of Internal Audit must periodically review the internal audit Charter and present it to senior management and the Board for approval.

The internal audit Charter is a formal document that defines the internal audit activity's purpose, authority, and responsibility. The Charter must establish the internal audit activity's position within the Authority, including the nature of the Head of Internal Audit's functional reporting relationship with the Board, authorise access to records, personnel, and properties relevant to the performance of engagements, and define the scope of internal audit activities.

Adoption of the Charter provides assurance to the Audit and Accounts Committee that the service undertakes its duties in accordance with the requirements of the recognised Standards.

Financial Implications:

- There are no financial implications arising from this report. The work of the Internal Audit Service however supports the governance framework.
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Background papers:

- Appendix A – Bury Internal Audit Charter 2026.27

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning