

Internal auditor for the current year

09 May 2024

OVERVIEW

Leaffield Parish Council has retained the services of Jane Olds as its internal auditor since 2022. There is no requirement to change internal auditors, but it is recommended that the internal auditor is changed at regular intervals.

The Council needs to engage the services of an internal auditor for the 2024-2025 financial year.

INTERNAL AUDITOR SELECTING AND APPOINTING BEST PRACTICE

An internal auditor has to have relevant knowledge of the public sector, be independent and competent to undertake the work.

Competencies should include:

- Understanding of basic book-keeping and accounting processes
- Understanding of the role of internal audit in reviewing systems rather than undertaking detailed checks that are more appropriately the responsibility of management
- Awareness of the relevant principles and practices of financial and other risk management
- Understanding of proper practices in relation to governance and accounting requirements within the legal framework and powers of local authorities
- Awareness of the most recent model Standing Orders and Financial Regulations
- Awareness of the relevance of VAT and PAYE/NIC rules as applied to the authority

CHANGE OF INTERNAL AUDITOR

JPAG Practitioner's Guide, March 2024, "4.11 There is no requirement to rotate auditors but the independence of the appointed person or firm should be reviewed every year with regard to –

- *Personal independence,*
- *Financial independence, and*
- *Professional independence."*

COUNCIL DECISION

- To decide whether to continue with the current internal auditor, Jane Olds, or whether to source an alternative internal auditor