



## **AUDIT & PERFORMANCE COMMITTEE**

**30 November 2020**

### **INTERNAL AUDIT COMMON DEFINITIONS**

**Report by Chief Internal Auditor (Report No. G/20/130)**

#### **PURPOSE OF REPORT**

This report presents a proposal to adopt the use of common definitions for the reporting of overall results for Internal Audit assignments.

#### **1. BACKGROUND**

The Public Sector Internal Audit Standards (PSIAS) provide the framework for the delivery of Internal Audit Services within the public sector and is the relevant standard for both the NHS and Council Internal Audit Services.

Whilst the standards are consistent across the public sector, there has been no common practice, and little guidance, regarding how best to report the overall results of internal audit work at the end of each engagement.

CIPFA have published the outcome from their research regarding the communication of results using common definitions and recommend that these are applied throughout the public sector (see Appendix 1). This will allow for a more consistent understanding and approach to reporting across public sector organisations.

The Chief Internal Auditor is planning to apply these common definitions for Internal Audit work from 2020/21 onwards.

#### **2. RECOMMENDATION**

This report presents to the Committee CIPFA's document entitled "Internal Audit Engagement Opinions: setting common definitions."

The Audit & Performance Committee is asked to:

- i. Note the content of the CIPFA document; and
- ii. Approves these definitions to be applied to future Internal Audit work.

### 3. CONSULTATION

The Chief Finance Officer has been consulted on the content of this paper.

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### APPENDICES

1. Internal Audit Engagement Opinions: Setting Common Definitions