HORNDEAN PARISH COUNCIL
ANNUAL REVIEW OF THE EFFECTIVENESS OF THE INTERNAL AUDIT

EXPECTED STANDARD	EVIDENCE OF ACHIEVEMENT	REVIEW DATE
Scope of Internal Audit	1. Terms of Reference & Scope of work reviewed by Council annually. 2. Internal Audit work takes into account Risk Management processes and wider internal control (Standing Orders, Financial Regulations, STC Risk and Financial Risk Assessments). 3. Scope of Internal Audit defines Internal Audit responsibilities in relation to fraud.	
Independence	1. Internal Auditor has direct access to those charged with governance (Council & Clerk). 2. Reports made by Internal Auditor directly to Council (including, where appropriate, a report detailing issues and recommendations). 3. Internal Auditor does not have any other role within the Council.	
Competence	1. Internal Audit work carried out ethically, with integrity and objectively. 2. Internal Auditor aware of Data Protection Act 2018 and UK GDPR and works within them.	
Relationships	1. Clerk and RFO prepare audit policy documents and appropriate risk assessments. 2. Responsibilities of officers and Internal Auditor defined in relation to internal control, risk management and fraud and corruption matters (Financial Regulations). 3. Responsibilities of Council Members are understood. 4. Recommendations in the Internal Auditor's report fully addressed and minuted accordingly.	
Internal Control Planning and Reporting	1. The Internal Control Policy and HPC's Risk Assessment take proper account of corporate risk. 2. The HPC Risk Assessment approved by Council annually. 3. Internal Audit interim and year end reports presented to Council annually.	
CHARACTERISTICS OF EFFECTIVENESS	**EVIDENCE OF ACHIEVEMENT**	**REVIEW DATE**
Internal Audit work is planned	1. Internal Audit work based on Scope of Internal Audit and IA Terms of Reference. 2. Internal Audit work designed to meet the organisation's governance assurance needs.	
Understanding the organisation	1. Internal Control Policy and Annual Governance & Accountability Plan demonstrates how and when audit work will provide assurance to the organisation's governance.	
Catalyst for change	1. Internal Auditor has supportive role in corporate developments where appropriate.	
Add value and assistance	1. Positive management responses to recommendations and follow up action taken where appropriate.	
Forward looking	1. Internal Auditor maintains awareness of new developments in organisation, its risk assessments and corporate governance. 2. Organisation maintains awareness of changes in national policy and/or legislation when formulating annual audit plan and identifies risks.	
Be challenging	1. Internal Auditor focuses on risks and encourages organisation to develop its own responses to risks, encouraging greater ownership of the control environment.	
Right resources are available	1. Adequate resources available for Internal Audit to complete its work. 2. Internal Auditor understands the organisation and its legal and corporate framework.	

Prepared by Becky White, Clerk & Interim RFO. Adopted 9th March 2026, Review Date: Jan/Feb 2027