

Code of Practice for Internal Audit in Local Government in the United Kingdom 2006

FOREWORD

This publication updates the 2003 Code of Practice for Internal Audit in Local Government in the United Kingdom. It reflects changes arising from the amendments to the Accounts and Audit Regulations in 2006 and practice relating to corporate governance that further emphasise the importance of internal audit to the proper management of organisations. It more closely aligns practice with current approaches for auditors, particularly in respect of developments in risk management and the impact on planning internal audit activity.

In addition, the former section on ethics is now included as a standard.

It remains the responsibility of all those concerned with the practice of internal audit within organisations to reflect this Code and its principles in the constantly changing environment of public service delivery.

A checklist is included at the appendix which offers to heads of internal audit an opportunity to measure their own service provision against the standards within this Code. The results of this review could be used as part of the annual internal audit report to those charged with governance to demonstrate compliance with the Code and identify any areas for further action.

The Code aims to reflect the requirements of the legislation applying to the different parts of the UK. Inevitably, it cannot refer to them all explicitly.

CIPFA and its Audit Panel are grateful to the members of the working party (detailed below) who have drafted this revision, and to their employers:

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