

Internal Audit Policy

Policy Type	Governance Policy	Version:	3.0
Responsible Officer	Chief Executive Officer	Date Approved:	20/12/2023
Review Officer:	Director Corporate and Community Services	Review Due:	20/11/2027
Author:	Director Corporate and Community Services	Commencement:	20/12/2023

1. PURPOSE

To establish a policy about an internal audit function and its interaction with the Audit Committee.

2. SCOPE

This policy is to apply to the Internal Auditor, the Audit Committee and staff involved in the internal audit function.

3. POLICY STATEMENT

Council will establish and maintain an internal audit function.¹

Council is to appoint an Internal Auditor (who may or may not be a local government employee).

The Internal Auditor must perform the following duties:

- a) Identify and assess the risks to which the local government's operations are exposed;
- b) Prepare audit plans to lessen the identified risks;
- c) Develop a work program for all internal audit activities of the local government;
- d) Supply a summary of each internal audit report to the Mayor, Chief Executive Officer and the Audit Committee;
- e) Supply a summary of audit findings, actions taken and actions outstanding to the Mayor, Chief Executive Officer and Audit Committee;
- f) Attend Audit Committee meetings;
- g) Perform probity reviews on various matters across Council as required.

Section 207 of the *Local Government Regulation 2012* (Qld) provides as follows:

'207 Internal audit

(1) For each financial year, a local government must—

- (a) prepare an internal audit plan; and
- (b) carry out an internal audit; and
- (c) prepare a progress report for the internal audit; and
- (d) assess compliance with the internal audit plan.

(2) A local government's **internal audit plan** is a document that includes statements about—

¹ See *Local Government Act 2009* (Qld) s 105(1).

- (a) the way in which the operational risks have been evaluated; and
- (b) the most significant operational risks identified from the evaluation; and
- (c) the control measures that the local government has adopted, or is to adopt, to manage the most significant operational risks.

(3) A local government must give its audit committee—

(a) the progress report mentioned in subsection (1)(c); and

(b) at least twice during the year after the internal audit is carried out, each of the following documents—

- (i) a summary of the recommendations stated in the report;
- (ii) a summary of the actions that have been taken by the local government in response to the recommendations;
- (iii) a summary of any actions that have not been taken by the local government in response to the recommendations.

(4)...'

4. REPORTING

No additional reporting is required

5. DEFINITIONS

Nil

6. RELATED DOCUMENTS AND REFERENCES

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

7. REVIEW

It is the responsibility of the CEO to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed every four years or as required by Council.