LISVANE COMMUNITY COUNCIL

7 Cherry Orchard Road
Lisvane
Cardiff
CF14 0UD
Tel: 07979 530278
E-mail:clerk.lisvanecc@btinternet.com

Ms Joanna Howell

13 January 2020

Dear Joanna

Appointment of Internal Auditor to Lisvane Community Council: Engagement Letter

I wish to confirm your appointment as Internal Auditor to the Council and set out below the terms of your engagement. If you agree, I should be grateful if you would sign and return one copy for my records.

1. **Roles and responsibilities**

Of the Council:

1.1 The Council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of its functions including arrangements for the management of risk.

1.2 The Council is required to undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control as set out in the Joint Practitioners Advisory Group publication: Governance and Accountability for Local Councils: A Practitioners Guide and the schedule of audit checks produced by One Voice Wales.

Of the Internal Auditor:

1.3 The Internal Auditor is responsible for reviewing whether the Council's financial management is adequate and effective, and that it has a sound system of internal control. The Internal Auditor will liaise with the Clerk to the Council on all assignments and will report to the Council at least once a year.

2. Audit Planning

2.1 The Council has in place a strategic audit plan covering the main governance and financial systems and this is reviewed annually. Further guidance, including a description of the minimum level of audit, is set out in the Practitioners Guide.

2.2 The Internal Auditor will carry out the audit to enable her to provide assurance to members and the Clerk, and to enable her to complete and sign off Section 4 of the Annual Return in advance of its submission to the Council and the External Auditor.

2.3 The programme of work for the year will be determined annually between the Clerk and the Internal Auditor prior to the commencement of work.

3. Reporting Requirements

3.1 The Internal Auditor will report to the Council at least once a year, setting out the results of the work carried out during the previous twelve months. In the event of a serious matter coming to light during the year, the Internal Auditor may report to the Council at other times.

3.2 During the year, the Internal Auditor will report the provisional results of her work to the Clerk as she considers appropriate.

3.3 To enable the Internal Auditor to fully complete Section 4 of the Annual Return, she will carry out work relating to the year-end in April/May. The results of such work will be reported alongside the presentation of the Annual Return to the Council.

4. Independence & Competence

4.1 It is essential that the internal audit function is sufficiently independent of other financial controls and procedures of the Council.

4.2 The Internal Auditor will inform the Clerk immediately she becomes aware of any conflict of interest that may adversely affect her ability to carry out the audit objectively and independently.

4.3 The Internal Auditor will carry out the internal audit competently and in compliance with proper practice in a way that will meet the business needs of the Council. In the event that the Internal Auditor becomes aware of matters that may affect his competence, she will inform the Clerk or the Chairman immediately.

5. Access to Information, Members & Officer(s)

5.1 The Internal Auditor shall have the right to access during the audit to such accounts, vouchers, correspondence, accounting systems, minutes and other records as are necessary for the performance of the audit.

5.2 The Internal Auditor shall have the right to access to any member or officer to discuss and to receive information and explanations in connection with any matter arising from the audit.

6. Period of Engagement

6.1 The Internal Auditor is appointed for an unspecified period, but subject to annual confirmation by the Council.

7. Remuneration

7.1 It is agreed between the Internal Auditor and the Council that the fee shall be £150 (based on the information being prepared to a suitable standard and there being no exceptional audit findings which will incur extra work and hence an additional fee which will be negotiated ahead of the work being performed). Travelling expenses of 45p/mile will also be payable.

7.2 The rate is fixed for the year ending 31st March 2020. Payment will normally be made on invoice (payment terms are 30 days).

7.3 In the event that additional work is required, the terms of this will be agreed between the Clerk and the Internal Auditor in advance of the assignment and invoiced separately.

Yours sincerely,

Haydn Davies
RFO and Clerk to the Council

Internal Auditor's agreement:

Signed ________________________________ Ms Joanna Howell

Date __________________________________