NORTH WALSHAM TOWN COUNCIL

Terms of Reference – Internal Auditor

Adopted by the Council at its meeting held on 29.09.2026

1. Purpose

North Walsham Town Council shall appoint an Independent Internal Auditor to provide an objective review of the adequacy and effectiveness of the Council's internal control, risk management and governance arrangements, and to report to the Council accordingly.

2. Independence

The Internal Auditor must be fully independent of the Council's financial administration and decision-making. The Internal Auditor must not be a councillor, employee, Responsible Financial Officer, or any person otherwise involved in the day-to-day accounting or financial operations of the Council.

3. Competence

The Internal Auditor shall possess appropriate competence, knowledge and experience to carry out the work required, having regard to the size and nature of North Walsham Town Council and the requirements of proper practices.

4. Scope of work

The Internal Auditor shall, where appropriate, review:

- bookkeeping and accounting records;
- bank reconciliations;
- income and expenditure controls;
- payroll arrangements;
- payment controls;
- VAT claims and returns;
- budget monitoring and precept arrangements;
- asset register;
- risk management arrangements;
- financial regulations and standing orders;
- year-end accounts and supporting documentation;
- the Council's arrangements for completion of the Annual Governance and Accountability Return (AGAR).

5. Reporting

The Internal Auditor shall report in writing to North Walsham Town Council at least annually, and more frequently if requested by the Council. The report shall identify any weaknesses in internal control, governance or risk management, and make recommendations for improvement. Any matters requiring action before approval of the AGAR shall be reported without delay.

6. Access to information

The Clerk and Responsible Financial Officer shall provide the Internal Auditor with access to such records, explanations and supporting documents as are reasonably required for the proper performance of the audit.

7. Appointment and review

The Internal Auditor shall be appointed annually by North Walsham Town Council. These Terms of Reference shall be reviewed by the Council annually, or sooner if required by changes in legislation, proper practices or the Council's arrangements.

Adopted by North Walsham Town Council on: 29th September 2026

Minute reference: 9.6

Adopted 29th September 2026
Next review May 2027