

<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>AUDIT SUB-COMMITTEE</b>		
<b>DATE:</b>	<b>26<sup>TH</sup> MAY 2015</b>	<b>REPORT NO:</b>	<b>CFO/039/15</b>
<b>PRESENTING OFFICER</b>	<b>DEPUTY CHIEF EXECUTIVE</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>KIERAN TIMMINS</b>	<b>REPORT AUTHOR:</b>	<b>IAN CUMMINS</b>
<b>OFFICERS CONSULTED:</b>	<b>STRATEGIC MANAGEMENT GROUP</b>		
<b>TITLE OF REPORT:</b>	<b>2015/16 INTERNAL AUDIT PLAN</b>		

<b>APPENDICES:</b>	<b>APPENDIX A:</b>	<b>DRAFT INTERNAL AUDIT PLAN 2015/16</b>
	<b>APPENDIX B:</b>	<b>EXPLANATION OF LEVELS OF ASSURANCE &amp; CORPORATE IMPACT RATINGS</b>

### **Purpose of Report**

1. To notify Members of the proposed Internal Audit plan for 2015/2016 and to seek comments from Members on the plan.

### **Recommendation**

2. That Members;
  - a. consider any comments or opinions they might have on the proposed audit plan, and
  - b. approve the 2015/16 Internal Audit Plan

### **Introduction and Background**

3. Internal Audit – Definition;

*“Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”*

*(Source: Public Sector Internal Audit Standards).*

4. The Authority has a statutory duty to ensure that it maintains an adequate and effective system of Internal Audit of its accounting records and control systems. (Accounts and Audit Regulations 2015). In order to fulfil these functions the Authority has contracted with Liverpool City Council’s Internal Audit Service.

5. The Authority has utilised the services of the City Council's Internal Audit Service since 1986 and agreed to continue with them for at least the next three years (report CFO/114/14 16<sup>th</sup> December 2014, Authority meeting).
6. Each year Internal Audit submit a plan for their work following consultation with the Deputy Chief Executive, Strategic Management Group, the Head of Finance and other key officers. This plan is set based upon an assessment of risks, previous findings and the relationship with External Audit work. The proposed plan for 2015/2016 is attached at Appendix A.
7. Arrangements have been set in place for monitoring progress against the plan on an ongoing basis and for closely managing any ad hoc work requirements during the year.

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**Equality and Diversity Implications**

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8. There are no Equality or Diversity implications contained within this report.

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**Staff Implications**

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9. There are no direct staffing implications contained within this report.

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**Legal Implications**

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10. The Authority has a statutory duty to ensure that it maintains an adequate and effective system of Internal Audit of its accounting records and control systems. (Accounts and Audit Regulations 2015).

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**Financial Implications & Value for Money**

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11. The annual cost of the audit is £35,500 and can be contained within the approved budget for audit services.

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**Risk Management, Health & Safety, and Environmental Implications**

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12. There are no Risk Management, Health & Safety, and Environmental Implications contained within this report.

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**Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters***

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13. Internal Audit assists in the evaluation and enhancement of sound internal control arrangements that contribute towards ensuring the Authority's mission and approved policies and plans continue to drive decision making within the service.

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**BACKGROUND PAPERS**

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