

## MERSEYSIDE FIRE AND RESCUE AUTHORITY

MEETING OF THE:	AUDIT COMMITTEE		
DATE:	7 <sup>TH</sup> JUNE 2022	REPORT NO:	CFO/020/22
PRESENTING OFFICER	IAN CUMMINS, DIRECTOR OF FINANCE AND PROCUREMENT		
RESPONSIBLE OFFICER:	IAN CUMMINS	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	2022/23 INTERNAL AUDIT PLAN		

APPENDICES:	APPENDIX A:	2022/23 AUDIT PLAN
-------------	-------------	--------------------

### Purpose of Report

1. To notify Members of the proposed Internal Audit plan for 2022/23 and to seek comments from Members on the plan.

### Recommendation

2. It is recommended that Members;
  - a. sight and consider the proposed audit plan and the areas of focus detailed within; and
  - b. approve the 2022/23 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 this statutory requirement the Authority has entered into a contract with Liverpool City Council’s Internal Audit Service. The Authority has utilised Liverpool City Council’s Internal Audit Service (LCC IAS) since 1986. LCC IAS has established an Internal Audit Charter (IAC) and Quality Assurance & Improvement Programme (QAIP to ensure compliance with the Public Sector Internal Audit

Standards (PSIAS) and that LCC IAS delivers to the Authority an effective high quality service.

5. Each year Internal Audit submit a work plan following consultation with the Strategic Leadership Team, Director of Finance and Procurement, 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 two main strategic areas of work are:
  - a. a review of fundamental financial systems and processes, and
  - b. specific project reviews requested by the Service.
6. The proposed 2022/23 audit plan is attached as Appendix A to this report and Members are asked to consider the plan and provide any comments or opinions they might have on the proposed plan, and subject to any proposed amendments approve the 2022/23 Internal Audit Plan. The proposed Plan utilises the annual 112 Audit Days, and a further 12 days carried over from 2021/22 for work yet to be completed.
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.

---

#### **Equality and Diversity Implications**

---

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

---

#### **Staff Implications**

---

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

---

#### **Legal Implications**

---

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).

---

#### **Financial Implications & Value for Money**

---

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

---

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

---

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

**Contribution to Our Vision:** *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

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

## **BACKGROUND PAPERS**

**NONE**

## **GLOSSARY OF TERMS**

<b>LCC IAS</b>	Liverpool City Council's Internal Audit Service
<b>QAIP</b>	Quality Assurance & Improvement Programme
<b>IAC</b>	Internal Audit Charter
<b>PSIAS</b>	Public Sector Internal Audit Standards