

MERSEYSIDE FIRE AND RESCUE AUTHORITY

MEETING OF THE:	AUDIT COMMITTEE		
DATE:	08 FEBRUARY 2024	REPORT NO:	CFO/12/24
PRESENTING OFFICER:	DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA		
RESPONSIBLE OFFICER:	MIKE REA	REPORT AUTHOR:	MIKE REA
OFFICERS CONSULTED:	STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	INTERNAL AUDIT PROGRESS REPORT – APRIL TO JANUARY 2024		

APPENDICES:	APPENDIX A: AUDIT PLAN APPENDIX B: INTERNAL AUDIT PROGRESS REPORT
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Purpose of Report

1. To inform Members of the work of Internal Audit for the period April to January 2024.

Recommendation

2. It is recommended that Members note the contents of this report.

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 the Service produces an Internal Audit Plan that goes to the Audit Committee for approval. The plan is based upon an assessment of risks,

previous audit 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. Members of the Audit Committee approved the 2023/24 plan at their meeting on 24 May 2023, CFO/019/23. The plan is attached to this report as Appendix A.
 7. The purpose of this report is to inform Members of the work of Internal Audit for the period April to January 2024 and the progress made against the approved Internal Audit Plan. The progress report is attached to this report as Appendix B. Although no significant control or compliance issues have been identified to date most of the planned audit work has yet to be undertaken. Work on the fundamental systems is carried out at the end of the financial year to fit in with the reliance external audit can place on the key financial systems. The timing of the strategic reviews reflects the point in the year when these initiatives will have progressed sufficiently to allow audit to examine what has been achieved to date.
 8. Members of the Audit Committee will receive a report after the year-end on actual performance against the audit plan.

Equality and Diversity Implications

9. None contained within the report.

Staff Implications

10. None contained within the report.

Legal Implications

11. 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

12. The annual cost of the audit is £45,000 and is contained within the approved budget for audit services.

Risk Management and Health & Implications

13. None contained within this report.

Environmental Implications

14. None 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.*

15. 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

CFO/019/23 2023-24 Internal Audit Plan – Audit Committee 24 May 2023.

GLOSSARY OF TERMS

NONE