

<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>AUDIT COMMITTEE</b>		
<b>DATE:</b>	<b>06 JUNE 2024</b>	<b>REPORT NO:</b>	<b>CFO/32/24</b>
<b>PRESENTING OFFICER</b>	<b>DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>MIKE REA</b>	<b>REPORT AUTHOR:</b>	<b>MIKE REA</b>
<b>OFFICERS CONSULTED:</b>	<b>STRATEGIC LEADERSHIP TEAM</b>		
<b>TITLE OF REPORT:</b>	<b>2024/25 INTERNAL AUDIT PLAN</b>		

<b>APPENDICES:</b>	<b>APPENDIX A:</b>	<b>2024/25 INTERNAL AUDIT PLAN</b>
	<b>APPENDIX B:</b>	<b>INTERNAL AUDIT SERVICE CHARTER</b>

### **Purpose of Report**

1. To notify Members of the proposed Internal Audit plan for 2024/25 and to seek comments from Members on the plan.

### **Recommendation**

2. It is recommended that Members:
  - a) consider any comments or opinions they might have on the proposed audit plan; and
  - b) approve the 2024/25 Internal Audit Plan.

### **Introduction and Background**

3. Internal Audit is defined as:

*“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 2024/25 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 2024/25 Internal Audit Plan.
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.
8. Attached as Appendix B to this report, is the "Internal Audit Service Charter" that defines Internal Audit and the responsibilities of the Authority and Officers, the mission and core principles, the objectives and scope, the terms of reference and the working arrangements. The Charter ensures that the Authority receives an internal audit function in accordance with the mandatory requirements of the Public Service Internal Audit Standards (PSIAS) 2017.

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### **Equality and Diversity Implications**

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9. There are no equality and diversity implications arising from this report.

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### **Staff Implications**

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10. There are no staff implications arising from this report.

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### **Legal Implications**

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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).

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

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12. The annual cost of the audit is £42,750 and is contained within the approved budget for audit services.

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**Risk Management and Health & Safety Implications**

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13. There are no risk management and health & safety implications arising from this report.

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**Environmental Implications**

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14. There are no environmental implications directly arising from this report.

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

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

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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.

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**BACKGROUND PAPERS**

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**NONE**

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**GLOSSARY OF TERMS**

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<b>IAC</b>	<b>I</b> nternal <b>A</b> udit <b>C</b> harter
<b>LCC IAS</b>	<b>L</b> iverpool <b>C</b> ity <b>C</b> ouncil's <b>I</b> nternal <b>A</b> udit <b>S</b> ervice
<b>PSIAS</b>	<b>P</b> ublic <b>S</b> ector <b>I</b> nternal <b>A</b> udit <b>S</b> tandards
<b>QAIP</b>	<b>Q</b> uality <b>A</b> ssurance & <b>I</b> mprovement <b>P</b> rogramme