MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY SUB COMMITTEE**		
DATE:	**7 JUNE 2018**	**REPORT NO:**	**CFO/026/18**
PRESENTING OFFICER	**IAN CUMMINS, TREASURER**		
RESPONSIBLE OFFICER:		**REPORT AUTHOR:**	**IAN CUMMINS**
OFFICERS CONSULTED:	**SMG**		
TITLE OF REPORT:	**2018/19 INTERNAL AUDIT PLAN**		

APPENDICES:	**APPENDIX A: 2018/19 AUDIT PLAN**

Purpose of Report

1. To notify Members of the proposed Internal Audit plan for 2018/2019 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 2018/19 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 Management Group, Treasurer, 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 2018/19 audit plan is attached as Appendix A to this report and Members are asked to consider any comments or opinions they might have on the proposed audit plan, and subject to any proposed amendments approve the 2018/19 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.

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 Mission: *Safer Stronger Communities – Safe Effective Firefighters*

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.

BACKGROUND PAPERS

GLOSSARY OF TERMS

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