
**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

**HAMPSHIRE & ISLE OF WIGHT FIRE & RESCUE
AUTHORITY
INTERNAL AUDIT PLAN 2023-24**

Prepared by: **Karen Shaw, Deputy Head of Partnership**
February 2023

Introduction

The role of internal audit is that of 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’.

Hampshire & Isle of Wight Fire & Rescue Authority (HIWFRA) are responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the HIWFRA that these arrangements are in place and operating effectively.

HIWFRA’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the organisation’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant Directors and Audit Sponsors to ensure it continues to reflect the needs of the organisation. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with HIWFRA and reported to the Standards and Governance Committee through regular progress reports.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Karen Shaw, Deputy Head of Southern Internal Audit Partnership, supported by Beverly Davies and Penny Knowles, Audit Managers.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In September 2020 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally, the IIA were excellently positioned to undertake the external assessment.

In considering all sources of evidence the external assessment team concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

HIWFRA Safety Plan 2020 – 2025

The core functions of UK fire and rescue services are to make provision for the purpose of promoting fire safety in their area, protect buildings and the people in them, responding to fires, rescuing people in road traffic collisions (RTC) and attending other emergencies.

The HIWFRA Safety Plan sets out a five-year strategy to ensure the Service consistently provides a service to the local communities to achieve this with the overriding purpose 'Together We Make Life Safer.'

In the Safety Plan, the Service recognises that it must continue to evolve as an organisation to meet the new risks and challenges faced, and by focussing on the higher risk areas, internal audit can provide independent, objective assurance and consulting activity designed to add value and support the ongoing developments and improvement.

HIWFRA has a clear framework and approach to risk management. The strategic risks assessed by the organisation are a key focus of our planning for the year to ensure the internal audit plan meets the organisation's assurance needs and contributes to the achievement of objectives. We will monitor the Service's Risk Register developments closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Developing the internal audit plan 2023/24

HIWFRA

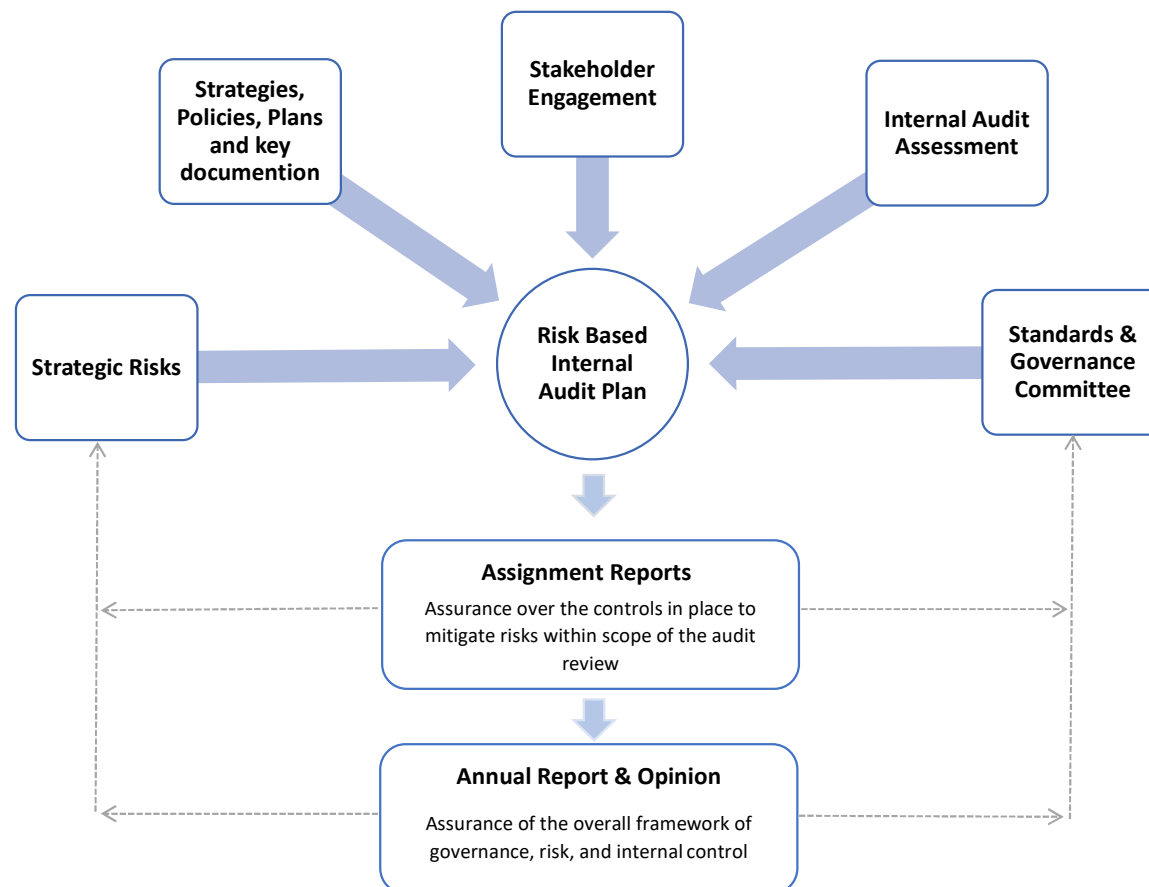
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

Based on conversations with key stakeholders, review of key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

However, audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

The HIWFRA are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation.

We will, however, continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained



Shared Services

Services provided under the shared service arrangements with Hampshire County Council, Hampshire and Isle of Wight Constabulary and the Police and Crime Commissioner for Hampshire and the Isle of Wight continue to be reviewed via a joint internal audit plan that provides assurance to all parties to avoid duplication of effort, however changes to this approach took effect from 2019/20 for some areas as outlined below. All four organisations contribute audit days to this plan. An internal audit protocol for this work has been agreed with partner and shared services management.

Shared Services - International Standard on Assurance Engagements No. 3402

ISAE 3402 has been developed to provide an international assurance standard for allowing public bodies to issue a report for use by user organisations and their auditors (user auditors) on the controls at a service organisation that are likely to impact or be a part of the user organisation's system of internal control over financial reporting.

The Integrated Business Centre (IBC) is a shared service function hosted by Hampshire County Council, delivering transactional processing and business support services to a growing number of public sector bodies. Such services include general ledger; Order to Cash; Purchase and Payables; Cash & Bank; Payroll; and Information Systems.

Due to the significance of the business processes provided on behalf of partner organisations it is appropriate for Hampshire County Council to provide assurance on its service through compliance with such international standard requirements. Assurance against the international standard is now provided by Ernst & Young.

The SIAP will continue to provide assurance to the HIWFRA and partner organisations for those systems and process outside of the scope of the ISAE 3402 through the shared internal audit plan. At the time of writing this report the shared services internal audit plan is still being developed and will be reported through regular progress reports in due course.

HIWFRA Internal Audit Plan 2023-24

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
Benefits Management	Executive (Exec) Sponsor: Shantha Dickinson Chief Officer Group (COG) Lead: Alex Quick	A follow-up to the 2020/21 Change Management Framework audit, this audit will assess the governance, control and assurance mechanisms around Benefits Management, with due consideration given to the Change Management Framework, Directorate Plans and Safety Plan.		Q1	12
Provided vehicles	Exec Sponsor: Matt Robertson COG Lead: Darren House	This audit will review the provided vehicles procedure, providing assurance on the control framework and compliance with the approved procedures.		Q2	12
ICT Major Incident Management (ITIL based)	Exec Sponsor: Matt Robertson COG Lead: Tony Oliver	This audit will adopt an ITIL based approach to reviewing the Service's approach to ICT Major Incident Management. ITIL is a framework for effectively managing ICT services throughout the entire service lifecycle.	ORG0015	Q2	12
ICT Assurance Mapping and Coverage Analysis Based on ITIL 4 Practices	Exec Sponsor: Matt Robertson COG Lead: Tony Oliver	Mapping of other sources of assurance and identification of possible areas of ICT audit from analysis of ITIL 4 practices against areas of ICT activity in the organisation and associated risks. This will be used to inform future internal audit plans.	ORG0015	Q3	8
Long-term sickness absence management and restricted duties	Exec Sponsor: Molly Rowland COG Lead: Ben Allen, Sarah Hughes	This audit will focus on the assurance, control and governance in place, including local recording and management, as well as reporting, of long-term sickness absence management and	ORG0031	Q3	20

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
		restricted duties cases. This will build upon testing on sickness absence management cases carried out by HMICFRS in their 2022 inspection.			
Overtime	Exec Sponsor: Stew Adamson COG Lead: Dan Tasker	This audit will review the controls and assurance mechanisms in place around overtime, including the use of staff bank.		Q3	12
Contaminants	Exec Sponsor: Matt Robertson COG Lead: Darren House	This audit will review the Service's decontamination procedures with a specific focus on new hires, decontamination training and procedural alignment.	ORG0017	Q3	12
Health and safety training	Exec Sponsor: Shantha Dickinson COG Leads: Steve Polly & Ben Allen	This audit will focus on Health and Safety and the 2023/24 Health and Safety training matrix. The audit will follow individual Gartan training records and role-specific health and safety requirements listed in the matrix to ensure that the Service can evidence compliance with the matrix.	ORG0024	Q3	12
Financial management – capital expenditure	Exec Sponsor: Catherine Edgecombe COG Lead: Rob Sarfas	This audit will provide assurance on the Service's controls relating to the management of capital expenditure and borrowing.	ORG0037 ORG0038	Q4	10
NFI	Exec Sponsor: Shantha Dickinson	To facilitate the HIWFRA Statutory requirement for data matching.		Q1-4	5
Follow up	Various	To assess progress in implementing management actions for reviews carried out during 2022/23.		Q4	8

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
Other audit activities		This includes preparation of the audit plan, annual internal audit report, advice and attending management and committee meetings.		Q1-4	24
Contribution to Shared Services Plan (see below)					20
TOTAL DAYS					167
Contingency (average annual plan to date is 185 days)					18

Shared Services Internal Audit Plan 2023-24

The Shared Services aspects of the Internal Audit Plan are yet to be confirmed and are agreed separately through Shared Services governance mechanisms. Progress against the audit plan, including the Shared Services aspects of the plan, will, however, be provided through the regular progress updates to the Standards and Governance Committee.