

## Standards and Governance Committee

Purpose: Approval

Date: **11 June 2019**



**HAMPSHIRE  
FIRE AND  
RESCUE  
AUTHORITY**

Title: **Internal Audit Charter and Internal Audit Plan 2019/20**

Report of the Chief Internal Auditor

### SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with a copy of the Internal Audit Charter and the proposed 2019/20 internal audit plan for Hampshire Fire and Rescue Authority. These are attached as appendices.

### INTERNAL AUDIT CHARTER

2. An Internal Audit Charter, meeting the requirements of the Public Sector Internal Audit Standards has been in place since 2014 and has since been reviewed and approved annually by the Standards and Governance Committee.
3. The Internal Audit Charter for 2019/20 is attached as **Appendix A** for consideration. There have been no changes since the Standards and Governance Committee last reviewed the Charter in 2018.

### INTERNAL AUDIT PLAN

4. The Internal Audit Plan for 2019/20, which has been prepared in accordance with the Internal Audit Charter and discussed at liaison meetings with Hampshire Fire and Rescue Service officer, is attached at **Appendix B** for consideration.
5. The plan will remain flexible during the year to ensure that planned reviews continue to reflect the risk profile and to enable coverage of emerging risks as required.
6. The approach to providing assurance over shared services with Hampshire County Council, Hampshire Constabulary and the Police and Crime Commissioner for Hampshire will change with effect from 1 April 2019 and details are outlined in Appendix B. Shared Services International Standard on Assurance Engagements (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. This Standard will provide assurance over

many of the areas previously included in the internal audit plan. Assurance against the international standard will be provided by Ernst & Young.

7. The Southern Internal Audit Partnership will continue to provide assurance to the Hampshire Fire and Rescue Authority and partner organisations for those systems and process outside of the scope of the ISAE 3402 through the shared internal audit plan. All partner organisations contribute audit days to this plan which is also reported in Appendix B for information. An internal audit protocol for this work has been agreed with partner and shared services management.

#### EXTERNAL AUDIT LIAISON

8. In the past we have had liaison meetings with the external auditors to discuss national and local audit issues, ensure that duplication is minimised and that reporting to committee is co-ordinated as far as possible and propose that this arrangement continues in 2019/20 and beyond.

#### SUPPORTING OUR SERVICE PLAN AND PRIORITIES

9. The Internal Audit Plan is designed to validate the assurance and control framework which exists in the Authority and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved.

#### RESOURCE IMPLICATIONS

10. The cost of internal audit services is reflected in the Authority's budget.
11. The audit plan will remain fluid to enable us to react to the changing needs of Hampshire Fire and Rescue Authority.

#### ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMEN

12. Proposals have no environmental or sustainability impacts.

#### LEGAL IMPLICATIONS

13. There are no legal implications from this report.

#### EQUALITY IMPACT ASSESSMENT

14. The proposals in this report are considered compatible with the provisions of the equality and human rights legislation.

#### RISK ANALYSIS

15. The risk based approach to internal audit planning and reviews aims to ensure that internal audit resource focuses on key business risks and as such the Authority's risk register has been used to inform the planning process and ensure that key risks are reflected in planned work.

RECOMMENDATION

16. That the Standards and Governance Committee approves the Internal Audit Charter and the 2019/20 internal audit plan for Hampshire Fire and Rescue Authority.

APPENDICES ATTACHED

Appendix A – Internal Audit Charter

Appendix B – Internal Audit Strategy and Plan 2019/20

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