

Standards and Governance Committee

Purpose: Approval

Date: 23 July 2019



**HAMPSHIRE  
FIRE AND  
RESCUE  
AUTHORITY**

Title: **Annual Internal Audit Report and Opinion 2018/19**

Report of the Chief Internal Auditor

### SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with my opinion, as Chief Internal Auditor for Hampshire Fire and Rescue Authority, on the adequacy and effectiveness of the Authority's framework of risk management, internal control and governance operated for the year ending 31 March 2019.

### BACKGROUND

2. In accordance with proper internal audit practices, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of the system of internal control and this provides evidence to support the production and review of the Annual Governance Statement.
3. The Annual Report for 2018/19 (attached at **Appendix A**) provides the Chief Internal Auditor's opinion on the system of internal control and summarises audit work from which that opinion is derived for the year ending 31 March 2019.
4. The Standards and Governance Committee's attention is drawn to the following points:
  - Internal audit was compliant with the Public Sector Internal Audit Standards (PSIAS) in 2018/19.
  - The revised internal audit plan for 2018/19 has been substantially delivered.
  - In my opinion I can give 'limited assurance' over Hampshire Fire and Rescue Authority's framework of governance, risk management and management control from audit testing undertaken during the year.
  - Where internal audit work identified areas where management controls could be improved or where systems and laid down procedures were not fully followed, appropriate corrective actions and a timescale for improvement were agreed with the responsible managers.

## SUPPORTING OUR SERVICE PLAN AND PRIORITIES

5. The Internal Audit annual report and opinion 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

6. The 2018/19 plan was prepared on the basis of audit need and agreed with senior managers and endorsed by Hampshire Fire and Rescue Authority, following comprehensive risk assessment. The cost is reflected in the Authority's budget.

## ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

7. Proposals have no environmental or sustainability impacts.

## LEGAL IMPLICATIONS

8. No identified legal implications result from the contents of this report.

## EQUALITY IMPACT ASSESSMENT

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

## RISK ANALYSIS

10. 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.

## CONCLUSION

11. The appendix outlines the internal audit opinion for 2018/19 and the key issues arising.

## RECOMMENDATION

12. That the Standards and Governance Committee approves the Chief Internal Auditor's annual report and opinion statement for 2018/19.

## APPENDICES ATTACHED

Appendix A - Internal audit annual report and opinion 2018/19

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