Dorset & Wiltshire Fire and Rescue Service

Internal Audit Strategy 2019-20 to 2022-23
and Internal Audit Charter

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

The internal audit strategy represents a summary of the proposed audit coverage that the internal audit team will deliver each financial year from 2019-20 to 2022-23.

Delivery of an internal audit programme of work that provides sufficient and appropriate coverage, will enable us to provide a well-informed and comprehensive year-end annual internal audit opinion.

Introduction and Objective of the Internal Audit Strategy

Internal audit provides an independent and objective opinion on the organisation's risk management, governance, and control environment by evaluating its effectiveness.

Prior to the start of each financial year, SWAP, in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key business objectives, associated risks, and risk management processes. The Annual Plan sits within a wider four year strategy, that is kept under ongoing review.

The outcomes of each of the audits in our planned programme of work, will provide senior management and Members with assurance that the current risks faced by the organisation in these areas are adequately controlled and managed.

It should be noted that internal audit is only one source of assurance, and the outcomes of internal audit reviews should be considered alongside other sources, as part of the 'three lines of defence' assurance model. Key findings from our internal audit work should also be considered in conjunction with completion of the organisation's Annual Governance Statement.

It is the responsibility of the Strategic Leadership Team (SLT), and the Finance & Governance Committee, to determine that the audit coverage contained within the proposed audit plan is sufficient and appropriate in providing independent assurance against the key risks faced by the organisation.

When reviewing the proposed internal audit plan (as set out in Appendix A), key questions to consider include:

- Are the areas selected for coverage this coming year appropriate?
- Does the internal audit plan cover the Dorset & Wiltshire Fire and Rescue Service's (the Service) key risks as they are recognised by SLT and Finance & Governance Committee?
- Is sufficient assurance being received within our annual plan to monitor the Service's risk profile effectively?

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

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To develop an appropriate risk-based audit plan, SWAP have consulted with senior management, as well as reviewing key documentation, in order to obtain an understanding of the organisation's strategies, key business objectives, associated risks, and risk management processes.

Approach to Internal Audit Planning

The factors considered in putting together the 2019-23 internal audit plan have been set out below:

Review of the Organisation's current risk management framework, processes and risk management maturity

Review of the Organisation's key objectives and corporate plans

SWAP risk-assessment, based on our knowledge of the organisation, incorporating previous internal audit work, as well as emerging regional and national issues

Inclusion of audit follow up work incorporating any prior year weaknesses identified

Review of the key risks featuring in the Organisation's risk register

We also look to accommodate specific requests for assurance or advisory work from management and Members

Review of the Organisation's fundamental business processes and key services

Liaison with External Audit and other relevant assurance providers where necessary

We will regularly re-visit and adjust our programme of audit work to ensure that it matches the changing risk profile of the organisation's operations, systems and controls. Our 2019-23 audit plan is therefore flexible to respond to new and emerging risks as and when they are identified.

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A documented risk assessment prior to developing an internal audit plan, ensures that sufficient and appropriate areas are identified for consideration.

As above, it is the responsibility of the Service's SLT, and the Finance & Governance Committee to ensure that, following our risk assessment, the proposed plan contains sufficient and appropriate coverage.

Internal Audit Coverage 2019-23

Our 2019-23 internal audit programme of work is based on a documented risk assessment, which SWAP will re-visit regularly, at least annually. The input of SLT as well as a review of the Service's risk register will be considered in this process.

Below we have set out a summary of the internal audit coverage in relation to the Strategic Priorities for the Service:

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The Internal Audit Strategy

Following our SWAP Risk Assessment above, we have set out how the proposed 2019-23 plan presented in Appendix A provides coverage of the Service's key corporate outcomes, as well as coverage of the eight themes of a 'Healthy Organisation'.

Internal audit is only one source of assurance; therefore, where we have highlighted gaps in our coverage, assurance should be sought from other sources where possible in order to ensure sufficient and appropriate assurances are received.

Following our SWAP risk assessment, we have also set out below the extent to which the proposed plan presented in Appendix A provides coverage of the eight themes of a 'Healthy Organisation'.
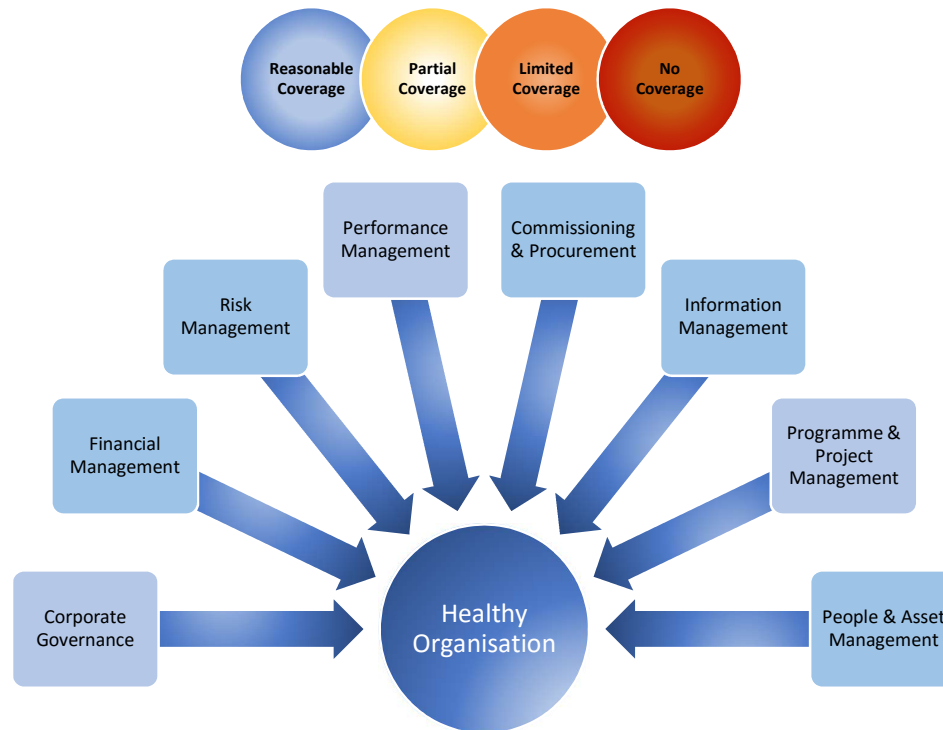
Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.

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SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP Partnership now includes 26 public sector partners, crossing eight Counties, but also providing services throughout the UK.

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- **Candid**
- **Relevant**
- **Inclusive**
- **Innovative**
- **Dedicated**

Your Internal Audit Service

Audit Resources
The 2019-20 internal audit programme of work will be equivalent to 70 days. The current internal audit resources available represent a sufficient and appropriate mix of seniority and skill to be effectively deployed to deliver the planned work. The key contacts in respect of your internal audit service for are:

Moya Moore, Assistant Director – moya.moore@swapaudit.co.uk , 01935 848 540
David Warren, Senior Auditor – david.warren@swapaudit.co.uk, 01935 848 540

Conformance with Public Sector Internal Audit Standards
SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Every three years, SWAP is subject to an External Quality Assessment of Internal Audit Activity. The last of these was carried out in March 2016 which confirmed conformance with the Public Sector Internal Audit Standards.

Conflicts of Interest
We are not aware of any conflicts of interest within the Service that would present an impairment to our independence or objectivity. Furthermore, we are satisfied that we will conform with our Institute of Internal Auditors Code of Ethics in relation to Integrity, Objectivity, Confidentiality, & Competency.

Consultancy Engagements
As part of our internal audit service, we may accept proposed consultancy engagements, based on the engagement's potential to improve management of risk, add value and improve the organisation's operations. Consultancy work that is accepted, will contribute to our annual opinion and will be included in our plan of work.

Approach to Fraud
Internal audit may assess the adequacy of the arrangements to prevent and detect irregularities, fraud and corruption. We have dedicated counter fraud resource available to undertake specific investigations if required. However, the primary responsibility for preventing and detecting corruption, fraud and irregularities rests with management who should institute adequate systems of internal control, including clear objectives, segregation of duties and proper authorisation procedures.

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Over and above our internal audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- **Regular newsletters and bulletins containing emerging issues and risks**

- **Communication of fraud alerts received both regionally and nationally**

- **Annual Member information sessions**

- **Benchmarking and sharing of best-practice between our public-sector Partners**

Our Reporting

A summary of internal audit activity will be reported quarterly to SLT and the Finance & Governance Committee. This reporting will include any significant risk and control issues (including fraud risks), governance issues and other matters that require the attention of senior management and/or the Members. We will also report any response from management to a risk we have highlighted that, in our view, may be unacceptable to the organisation.

Internal Audit Performance:

As part of our regular reporting to SLT and the Finance & Governance Committee, we will report on internal audit performance. The following performance targets will be used to measure the performance of our audit activity:

Performance Measure	Performance Target
Delivery of Annual Internal Audit Plan Completed at year end	>95%
Quality of Audit Work Overall Client Satisfaction (*did our audit work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation*)	>95%

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It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific terms of reference for the piece of work, which includes the objective and scope for the review.

Key	
To be completed during year	
Completed during 2018-19	

		Proposed Audit Scope/Notes	Eight Themes of a healthy organisation	Linked to	2018-19 Gateway Assure Audit	2019-20	2020-21	2021-22	2022-23
Governance									
Strategic Planning		*Strategic planning was included in the 2018-19 plan.* Possible scope: Does the Service have a clear vision and published Corporate Plan that has been developed in consultation with stakeholders? Is it informed by research, data, information and intelligence? Has the Plan been communicated to the public and staff?	**Risk Management** **Corporate Governance** **Performance Management** **Information Management**	**Strategic Risk 0009** **HMICFRS Efficiency Pillar** **Priority 4**	░			▓	
Leadership		*Leadership Development is included in the 2018-19 plan.* Possible scope: Is there strong leadership, with an effective management team who share a common vision and shared values for the Service and how it will operate?	**People & Asset Management** **Performance Management**	**Strategic Risk 232** **HMICFRS People Pillar** **Priority 5**	░				▓

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Culture and Ethics	Possible scope: Are there appropriate measures in place in terms of Codes of Conduct, Complaints, whistleblowing and Anti Bribery and cultural alignment and are these suitably managed?	**Performance Management** **Information Management** **People & Asset Management** **Corporate Governance**	**Strategic Risks 0006, 232** **HMICFRS People Pillar** **Priority 4 & 5**				
Stakeholder Engagement	Possible scope: Is there an effective communications strategy to engage with the communities on major issues, promote corporate identity as well as limit reputational damage if this becomes necessary? Is there clarity regarding the issues that will be consulted on, and with whom the Service will consult? (Stakeholders/Community/Service Users).	**Performance Management** **Information Management** **Programme & Project Management** **People & Assets Management** **Corporate Governance** **Risk Management**	**HMICFRS – Effectiveness Pillar** **Priority 1, 2, 3**				

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Risk Management								
Corporate and Operational Risk Strategy and Framework	*Integrated Risk Management was included in the 2018-19 plan.* Possible scope: Does the Service have an approved Risk Management Strategy & Framework in place, with an approved risk appetite and is there clear evidence of its operation? Is there a clear register of the Strategic Risks in place and is this regularly reported to and challenged? Is there clear evidence that risk management is part of the decision-making process?	**Performance Management** **Corporate Governance** **Risk Management**	**Strategic Risk 0006** **HMICFRS – Effectiveness & Efficiency Pillars** **Priority 1, 2, 3, 4, 5**					
Business Continuity Planning	Possible scope: Does the Service have arrangements in place that are considerate of risks and threats that ensure service provision during and after unforeseen disruptive events?	**Performance Management** **Corporate Governance** **Risk Management** **People & Assets Management**	**HMICFRS – Effectiveness & Efficiency Pillars** **Priority 1, 2, 3, 4, 5**		**Qtr. 3**			
Multi-agency response arrangements/ Resilience	*Service resilience was included in the 2018-19 plan.* Possible scope: Does the Service have appropriate arrangements in place to meet its statutory duties of the Civil Contingencies Act 2004 in the role of a Category 1 Responder.	**Performance Management** **Corporate Governance** **Risk Management** **People & Assets Management**	**HMICFRS – Effectiveness Pillar** **Priority 1, 2, 3, 4, 5**		**Qtr. 3**			

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Performance Management								
Corporate Performance Management Framework	*Performance Management is included in the 2018-19 plan.* Possible scope: Does the Service have a well communicated performance management framework which sets out how outcome-based performance will be measured/managed and reported? Is there clear accountability and responsibility and is performance reporting designed to facilitate effective/regular challenge?	**Performance Management** **Corporate Governance**	**Strategic Risk 0006** **HMICFRS – Effectiveness & Efficiency Pillars** **Priority 4**	▓			▓	
Prevention Activities	Possible Scope: Are the prevention activities reducing unwanted fire calls, is this effective and achieving value for money?	**Performance Management** **People & Asset Management**	**HMICFRS – Effectiveness Pillar** **Priority 1, 2, 3, 4**	▓				▓
Programme and Project Management								
Project Management Framework (including business cases)	Possible Scope: Does the Service have an established and approved approach to Programme/Project Management, and can it evidence that Programme/Project Initiation Documents (PID) and/or business cases are produced for consideration and approval prior to commencement? Are good Programme/Project governance arrangements in place to allow for performance reporting and scrutiny.	**Performance Management** **Corporate Governance** **Programme & Project Management**	**Strategic Risk 0006, 0009** **HMICFRS Efficiency Pillar** **Priority 1, 2, 3, 4, 5**			▓		

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Topic	Possible scope	Management area	Risk / Pillar					
Benefits realisation/ Capital decision making	Possible scope: Is the Service able to demonstrate the value it achieves through the investment, deployment and effective utilisation of its assets (benefit realisation)?	**Performance Management** **Corporate Governance Programme & Project Management** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**			(green)		
Procurement								
Corporate Procurement Strategy	*Procurement Value for Money was included in the 2018-19 plan.* Possible scope: A follow up Audit to review the Service position and delivery of the recommendations made in the 2018-19 internal audit.	**Commissioning & Procurement** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**	(grey)	**Qtr. 4** (green)			
Contract Management	Possible scope: Does the Service have a clear understanding of its key suppliers and does it understand the impacts of critical supplier failure? Does the Service have a commercially focused approach to managing its contracts and can both measure and capture planned benefits and savings?	**Commissioning & Procurement** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**			(green)		
Procurement Cards and Fuel Cards	Possible scope: Ensure that approved usage of procurement and fuel cards are in line with policy.	**Commissioning & Procurement** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar**		**Qtr. 4** (green)			

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Asset Management (Property, Equipment and Fleet)								
Asset Management Strategy	Possible scope: Does the Service have a clear Asset Management Strategy/Framework in place which is costed and linked to the corporate objectives?	**People & Asset Management** **Financial Management** **Performance Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**			🟩		
Fixed Assets and Inventories – stock, stores and equipment	Possible scope: Does the Service hold an inventory (record) of its assets which are routinely reviewed, updated and published?	**People & Asset Management** **Financial Management** **Performance Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**					🟩
Operational obsolescence and misuse of assets	Possible scope: Are clear arrangements and processes in place which adequately inform and safeguard the organisation's assets against operational obsolescence misuse and/or misappropriation?	**People & Asset Management** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**				🟩	
Planned and reactive maintenance	Possible scope: To ensure that the Service has appropriate arrangements in place to establish and plan maintenance requirements and react when needed.	**People & Asset Management** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**		**Qtr. 1**			

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Energy Management	*Energy management was included in the 2018-19 plan.* Possible scope: Does the Service effectively recognise the consumption of energy within the asset management plan and does it successfully monitor its use?	**People & Asset Management** **Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 2, 4**					
People Management								
Recruitment and Workforce Planning	Possible scope: Can the Service demonstrate a structured and systematic approach to workforce planning and that an appropriate level of investment is in place to achieve this? Are the Service's HR & Organisational Development arrangements fit for purpose regarding recruitment and subject to regular review and update?	**People & Asset Management** **Performance Management** **Financial Management**	**Strategic Risk 232** **HMICFRS People Pillar** **Priority 5**		**Qtr. 3**			
Rostering System/ on call processes	*On-Call was included in the 2018-19 plan.* Possible scope: Does the Service have effective and efficient arrangements in place to manage the establishment levels, recruitment and retention to successfully meet response standards and community needs?	**People & Asset Management** **Performance Management** **Financial Management**	**Strategic Risks 0009, 232** **HMICFRS People Pillar** **Priority 5**					
People Development	Possible scope: Can the Service demonstrate a commitment to the development of staff and are personal performance management arrangements effectively in place, i.e. performance reviews?	**People & Asset Management** **Performance Management**	**Strategic Risk 232** **HMICFRS People Pillar** **Priority 5**					

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Health, Safety & Wellbeing	*Health & Wellbeing was included in the 2018-19 plan. Note: BSI compliance review provided positive assurance Nov 2018.* Possible scope: Does the Service have appropriate wellbeing arrangements in place that support employees, including the review of internal grievance arrangements?	**People & Asset Management** **Performance Management**	**Strategic Risk 232** **HMICFRS People Pillar** **DWFRS HMICFRS Hot Debrief Improvement area** **Priority 5**					
Payroll	Possible Scope: To review and scrutinise the new payroll arrangements, to which have been in place since August 2018, to ensure that they are fit for purpose and appropriate.	**People & Asset Management** **Performance Management** **Financial Management**	**Strategic Risk 0006, 232** **HMICFRS Efficiency** **Priority 4, 5**		**Qtr. 1**			
Pensions Administration	Possible Scope: To review and scrutinise the Service's pension administration to ensure completeness and accuracy of pensions processes.	**People & Asset Management** **Financial Management**	**Strategic Risk 0006, 232** **Priority 4, 5**					
Financial Management								
Medium Term Financial Plan and Capital Strategy	Possible scope: Does the organisation have an approved Medium-Term Financial Plan and Capital Strategy in place that is linked to its corporate objectives?	**Financial Management** **Performance Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**		**Qtr. 2**			

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Budget Preparation and Management	Possible scope: Has the Service an established and effective budget setting process for both revenue and capital that assesses options and includes relevant scrutiny? Is there a clear framework and process for reporting, scrutinising and managing revenue and capital budgets throughout the year up to member level? Is the organisation successful at meeting its budget each year and is there any evidence of excessive or repeated over/under spending at a corporate or service level?	**Financial Management** **Performance Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**	█			█	
Financial Resilience	Possible scope: Does the Service have adequate financial resilience, reserves and a plan for their utilisation supported by a robustness statement?	**Financial Management** **Performance Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**			█		█
Financial Management Systems	Possible scope: Does the Service have robust and well controlled financial management systems and an accounting ledger that enables reconciliations to key systems? Does the Service have an adequate framework of rules, standards and processes to manage its finances? (i.e. Financial Regs, Budget Management Scheme)	**Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**		**Qtr. 4**			
General Ledger	Possible scope: Are processes for feeder systems, journals etc working as expected?	**Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**	█			█	

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Creditors	Possible scope: Does the Service have a clear understanding of its financial liabilities (short and long term) in relation to its partners, key suppliers and other bodies?	**Financial Management** **Commissioning & Procurement**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**					
Cash and Bank	Possible scope: Are processes for banking, bank reconciliation and petty cash working as expected?	**Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**					
Income and Debtors	Possible scope: Are appropriate and efficient arrangements in place in terms of fees and charges, income collection, debt management and recovery?	**Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**					
Treasury Management	Possible scope: Does the Service have a prudent and appropriate Treasury Management Strategy that successfully manages the Service's liquidity, borrowing and cashflow?	**Financial Management**	**Strategic Risk 0006** **HMICFRS Efficiency Pillar** **Priority 4**					
Information Management								
IT Strategy and policy	Possible scope: Is there is an approved and well communicated ICT strategy that is linked to Corporate Objectives and is this supported by an ICT governance framework that identifies when ICT services are not aligned to business needs?	**Performance Management** **Information Management**	**Strategic Risk 0006** **Priority 4**		**Qtr. 2**			
IT Asset Management	Possible scope: Does the Service have an ICT Asset Management Plan and ICT Asset Register that is up to date and lists all software & hardware assets in use at the organisation?	**People & Asset Management** **Information Management**	**Strategic Risk 0006** **Priority 4**					

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Information security	Possible scope: Does the Service have regular checks and controls in place to ensure cyber security and compliance to any legislative or third party requirements? Are all security incidents recorded along with lessons learnt and compensating controls introduced to reduce the likelihood of the incident happening again?	**Information Management** **Risk Management**	**Strategic Risk 301** **Priority 1, 2, 3, 4, 5**			(green)		
Risk Critical Information	Possible scope: Do operational personnel have access to up to date and appropriate risk critical information, e.g. SSRIs, temporary event information and access to cross border arrangements?	**Information Management** **Risk Management**	**HMICFRS Effectiveness Pillar** **DWFRS HMICFRS Hot Debrief Improvement** **Priority 1, 2, 3, 4, 5**	(grey)			(green)	
Follow ups	A review of the recommendations raised in 2018-19 will be completed with ongoing reviews annually.				(green)	(green)	(green)	(green)
Total Days				**70**	**70**	**70**	**70**	**70**

The Internal Audit Charter

Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status and authority of internal auditing within the Service and to outline the scope of internal audit work.

Approval

This Charter was taken to the Finance & Governance Committee on 7th March 2019 for approval and is reviewed each year to confirm it remains accurate and up to date.

Provision of Internal Audit Services

The internal audit service is provided by the South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled company. This charter should be read in conjunction with the contract, which forms part of the legal agreement between the SWAP and the Service.

The budget for the provision of the internal audit service is proposed by the Service and approved by the Dorset & Wiltshire Fire and Rescue Authority (the Authority).

Role of Internal Audit

The Accounts and Audit (England) Regulations 2015, state that: *"A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance."*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Responsibilities of Management and of Internal Audit

Management[1]

Management is responsible for determining the scope, except where specified by statute, of internal audit work and for deciding the action to be taken on the outcome of, or findings from, their work. Management is responsible for ensuring SWAP has:

- the support of management and
- direct access and freedom to report to SLT and to the Finance & Governance Committee.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for running the Service. Management is also responsible for the appropriate and effective management of risk.

Internal Audit

Internal audit is responsible for operating under the policies established by management in line with best practice.

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS); SWAP has been independently assessed and found to be in Conformance with the Standards.

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[1] In this instance Management refers to the Strategic Leadership Team (SLT)

Internal audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation or control of any procedures. Members of SWAP who have transferred in to the department from other areas in the Service will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

Relationship with the External Auditors/Other Regulatory Bodies
Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation and will be cognisant of the work of other audit processes, such as BSI, HMICFRS, RIPA and LGA.

Status of Internal Audit in the Organisation
The Chief Executive of SWAP and the Assistant Director report to the Head of Strategic Planning & Corporate Assurance and report to the Finance & Governance Committee as set out below.

Scope and authority of Internal Audit work
The scope of internal audit's work will be agreed, prior to the audit, by the appropriate Director and Head of Strategic Planning & Corporate Assurance. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of the Service.

Internal audit work will normally include, but is not restricted to:

- reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;

- evaluating and appraising the risks associated with areas under review and make proposals for improving the management of risks;

- appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;

- assist management and Members to identify risks and controls with regard to the objectives of the organisation and its services;

- reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether the Service is in compliance;

- reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets;

- appraising the economy, efficiency and effectiveness with which resources are employed;

- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned.

- reviewing the operations of the organisation in support of the organisation's anti-fraud and corruption policy.

- at the specific request of management, internal audit may provide consultancy services provided:

  - ➢ the internal auditor's independence is not compromised
  - ➢ the internal audit service has the necessary skills to carry out the assignment, or can obtain such skills without undue cost or delay
  - ➢ the scope of the consultancy assignment is clearly defined, and management have made proper provision for resources within the annual audit plan
  - ➢ management understand that the work being undertaken is not internal audit work.

Planning and Reporting

SWAP will submit to the Finance & Governance Committee, for approval in March, an annual internal audit plan, agreed with the Head of Strategic Planning & Corporate Assurance, that will set out the recommended scope of their work in the period.

The annual plan will be developed with reference to the risks the organisation will be facing in the forthcoming year, whilst providing a balance of current and on-going risks, reviewed on a cyclical basis. The plan will be reviewed on a quarterly basis, with the Head of Strategic Planning & Corporate Assurance, to ensure it remains adequately resourced, is current and addresses new and emerging risks.

SWAP will carry out the work as agreed, report the outcome and findings, and will make recommendations on the action to be taken as a result, which will be agreed by SLT.

SWAP will report at least four times a year to the Finance & Governance Committee. SWAP will also report a summary of their findings, including any persistent and outstanding issues, to the Finance & Governance Committee on a regular basis.

Internal audit reports will normally be by means of a brief presentation to the relevant manager accompanied by a detailed report in writing. The detailed report will be copied to the relevant line management, who will already have been made fully aware of the detail and whose co-operation in preparing the summary report will have been sought. The detailed report will also be copied to the Head Strategic Planning & Corporate Assurance and approved by the appropriate Director and SLT.

The Head of Strategic Planning & Corporate Assurance will review and assure against the development of audit recommendations and will provide a quarterly report to the Finance & Governance Committee on the progress of these recommendations.

The Chief Executive of SWAP will submit an annual report to the Finance & Governance Committee in September providing an overall opinion of the status of risk and internal control within the organisation, based on the internal audit work conducted during the previous year.

In addition to the reporting lines outlined above, the Chief Executive of SWAP and the Assistant Director have the unreserved right to report directly to the Chair of the Finance & Governance Committee, the Chief Fire Officer or the External Audit Manager.

February 2019