



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Standards & Governance Committee

Purpose: Noted

Date: 24 February 2021

Title: **INTERNAL AUDIT PROGRESS REPORT 2020/21**

Report of the Chief Internal Auditor

SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with:
 - an overview of internal audit work completed in accordance with the approved audit plans, and
 - an overview of the status of 'live' reports.

BACKGROUND

2. The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

3. In accordance with proper internal audit practices and the Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to the Standards and Governance Committee, summarising:
 - the status of 'live' internal audit reports;
 - an update on progress against the annual audit plans;
 - a summary of internal audit performance, planning and resourcing issues; and
 - a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.

4. The report attached at Appendix A summarises the activities of internal audit for the period ending January 2021.

IMPACT OF COVID-19

5. Although the challenges presented by COVID-19 have slowed our progress, due to the request to delay any reviews impacting on operational staff in the early part of the year, we continue to work remotely to deliver the internal audit plan. The plan and progress remain under review in our regular liaison meetings with officers to ensure that audits remain appropriate and relevant and to assess the ongoing impact of COVID-19 on systems and resources.
6. Resources were discussed at our Blue Light Partnership Board in October 2020 where it was agreed that the focus for the remainder of the year will be to ensure that we complete sufficient assurance work to provide annual internal audit opinions across the wider Partnership. This remains subject to maintaining existing resource levels and the Service's ongoing ability to accommodate the audits in view of the ongoing challenges presented by COVID-19. At the time of writing, we remain on track to provide an internal audit opinion, and plans are in place to complete the remaining audits in the 2020/21 plan. However, guidance has been issued by CIPFA in November 2020 should limitations to scope arise over the remainder of the year.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

7. 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

8. The 2020/21 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.
9. The audit plan will remain fluid to enable us to react to the changing needs of Hampshire Fire and Rescue Authority.

IMPACT ASSESSMENTS

10. Impact assessments have not been required for this report as the production of the report will not result in the implementation of a new change activity, and/or introducing, or amending, a Service Policy.

LEGAL IMPLICATIONS

11. There are no legal implications arising from this report.

OPTIONS

12. The options are that the progress in delivering the internal audit plan for 2020/21 and the outcomes to date are noted, or not noted, by Hampshire Fire and Rescue Authority Standards and Governance Committee.

EVALUATION

13. Internal audit activity provides the Authority with an assurance mechanism to evaluate the effectiveness of the Service's risk management, control and governance processes.

RISK ANALYSIS

14. 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

15. The appendices outline the progress made in delivering the internal audit plan for 2020/21 and the issues arising to date.

RECOMMENDATION

16. That the progress in delivering the internal audit plan for 2020/21 and the outcomes to date be noted by Hampshire Fire and Rescue Authority Standards and Governance Committee.

APPENDICES ATTACHED

Appendix A: Internal Audit Progress Report 2020/21.

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