



Cheshire Fire and Rescue Service

Draft Internal Audit Plan 2023/2024

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Your Internal Audit Team



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1 Executive Summary

1.1 Working in partnership with you

MIAA Assurance, providing cost effective assurance, insight and foresight. These services are delivered in partnership with you to ensure they are personal and responsive, ensuring the best possible customer experience.



Working with you

- ✓ Strong relationships
- ✓ In depth knowledge and understanding of the organisation
- ✓ Strong risk assessment
- ✓ Tailored plan focused on your risks
- ✓ Core assurances integral to your assurance framework
- ✓ Focus on areas for improvement
- ✓ Flexible and responsive
- ✓ Strong service KPIs and delivery
- ✓ Insights from our wider client base, at both organisation and system levels
- ✓ Benchmarking insights
- ✓ Events and Networking
- ✓ Advisory support
- ✓ Fully compliant External Quality Assessment

1.2 Your Risk Assessment

A strong risk assessment underpins the Internal Audit Plan. This has focused upon your Strategic Risk Register as this represents Cheshire Fire and Rescue Service's own assessment of the risks to achieving its strategic objectives.

1.3 Your Internal Audit Plan

Your Internal Audit service includes core assurances, national and regional risk areas and strategic risks from your Risk Register. The draft plan is based on an initial risk assessment and provides indicative coverage for the organisation. The plan will remain flexible to allow for responses to emerging challenges that the organisation may face.

As this is the last year of our formal contract and will be subject to competitive tender we have not developed a forward looking 3 year strategic audit plan.

MIAA insights, briefings and events will be integral to your plan.

Your internal audit fees for 2023/24 are £22,700



2 Your Assurance and Solutions Services

The public sector landscape in England continues to change, and the impact of COVID-19, international issues and economic challenges are likely to be felt for many years to come.

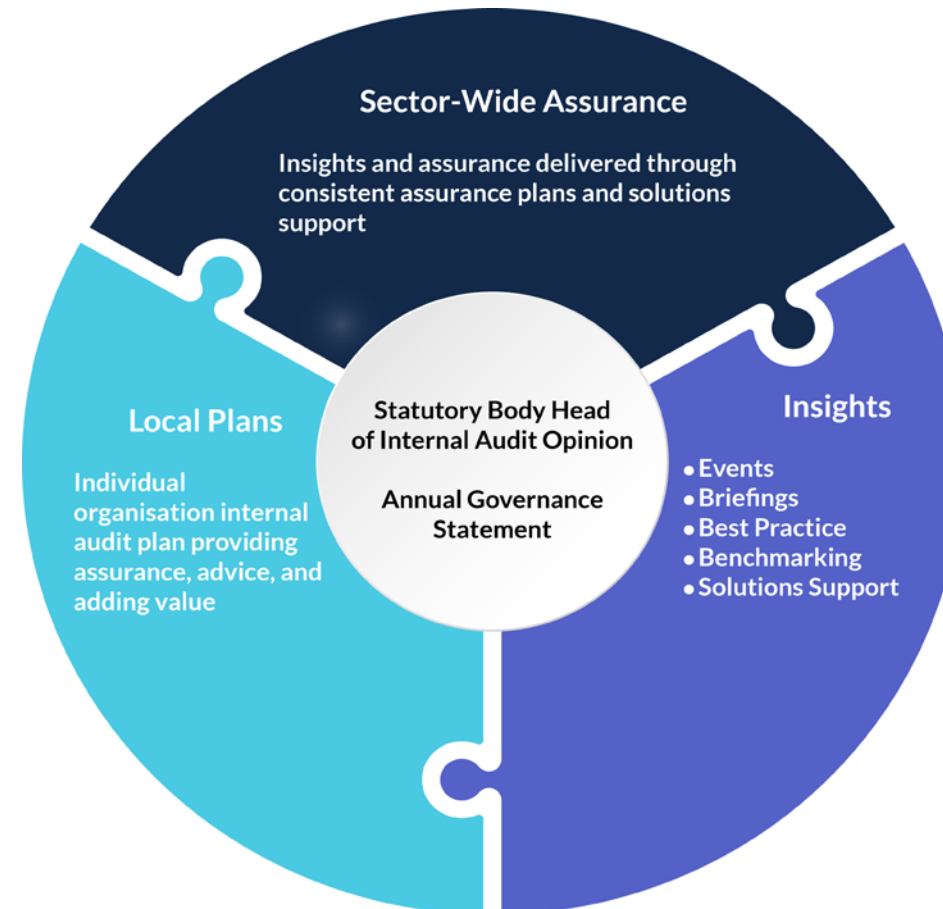
Our vision is for MIAA to continue to be a Trusted Advisor through the retention of personalised, local focus and relationships with the added benefits provided by an at scale provider.

This is about MIAA continuing to build on its shared services capability to create a comprehensive offering, which provides insight, adds value and supports transformational change whilst operating efficiently.

MIAA continue to review and adapt our audit service and the way we provide assurance to meet your needs in the changing landscape.

This is about risk assessment at every level and regrouping audit plans and advisory commissions to support organisations and the wider public sector.

Internal Audit, Assurance and Solution Plans



2 Your Internal Audit, Assurance and Solutions Services – Adding Value

Client Focused
Research & Development
Briefings & Events
Specialist Services
Flexibility and ability to respond and adapt



Embedded external insights and local presence
Access to MIAA Insights
Retention of corporate memory and relationships

Local presence
Multi-disciplinary teams and specialist resource integral to the core service
Use of technology to provide efficient and effective service
Flexibility

No surprises
Relations and ongoing communications
Regular management and Audit Committee reporting

ISO accredited systems
Significant experience and knowledge brought from our extensive client base

2 Your Internal Audit, Assurance and Solutions Services – Adding Value

Understanding Your Vision, Objectives and Risks

A key focus of our strategic risk assessment is understanding your vision and ensuring that the internal audit plan contributes to your objectives. This in turn ensures that the assurances provided are built around your risks.

Assurance Built Around Your Risks And Priorities

- *Financial sustainability*
- *Delivery of the Integrated Risk Management Plan (IRMP) and annual plan for 2023-24 priorities and programmes*
- *Workforce and Health and Wellbeing*
- *Cyber and IT resilience*

We map your strategic priorities and strategic risks to the Internal Audit Plan. This is reviewed as part of the risk assessment process to ensure that the plan remains focused on the organisation's key risks and challenges and adds value. Given that this is the last year of our contract we have not produced a forward looking 3-year Audit Plan.





3 Internal Audit Risk Assessment

The Cheshire Fire and Rescue Service internal audit plan is built from a risk assessment which has considered national and local system risks, place based developments and your local strategic risk assessment, along with our breadth of experience and understanding of the challenges you face.

A key focus of our strategic risk assessment is understanding your vision and ensuring that the internal audit plan contributes to your objectives. This in turn ensures that the assurances provided are built around your risks.

The initial strategic risk assessment and internal audit risk assessment has considered:

- **Organisation intelligence** – including review of your Strategic Risk Register, Integrated Risk Management Plan (IRMP) and operational plans and performance.
- **Assurance mapping** – utilisation of the 3 lines of assurance model and professional standards to ensure focused coverage.
- **Core assurance** – including core systems assurances and Public Sector Internal Audit Standards requirements.
- **Previous Internal Audit coverage** – we have reviewed your previous Internal Audit coverage to ensure the proposed plan does not duplicate coverage.
- **Follow Up** – Internal Audit coverage will also include follow up of outstanding internal audit actions.





4 Internal Audit Plan on a Page

For Cheshire Fire and Rescue Service this is the planning approach we will adopt:

Planning Approach

- Risk Assessment of the external environment, system and organisation (including your Strategic Risk Register and Integrated Risk Management Plan (IRMP)).
- Engagement of Audit Committee, Senior Leadership Team.
- Coverage of Critical Business Systems to support organisation’s objectives through the strategic internal audit plan.
- Provision of sufficient resources and expertise.
- Compliance with Public Sector Internal Audit Standards (PSIAS).

Your Plan

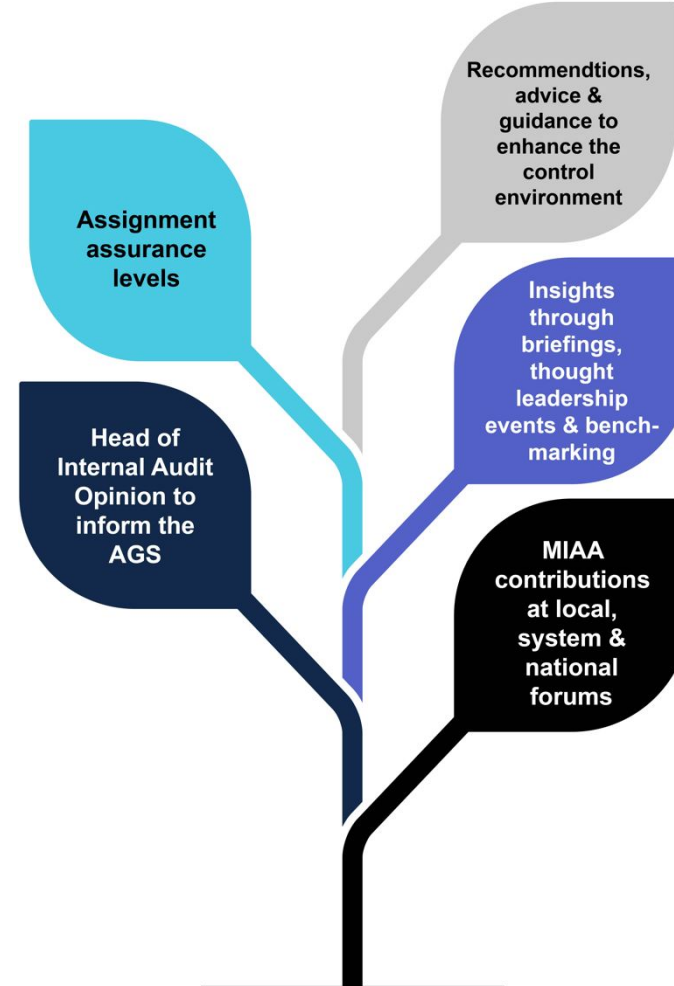
The outcome of your risk assessment is summarised below:

Organisational Reviews
Provision of assurances across core and risk based reviews

- Risk Management core controls
- Whistleblowing / Professional Standards
- Key Financial Systems
- National Fraud Initiative
- HR /Payroll
- IT Asset Management

Follow Up and Contingency

Outcomes



Added Value

5 Operational Internal Audit Plan 23/24

Review & Scope	Risk / Rationale	Planned Delivery	Lead
Governance, Risk & Legality			
Risk Management Core Controls: Assurance in respect of risk management core controls.	HOIA requirement	Q4	Chief Fire Officer
Whistleblowing/ Professional Standards: Evaluation of the whistleblowing arrangements and systems for assurance in respect of professional standards.	Audit Committee Request	Q1	Director of Governance
Finance & Sustainability			
Key Financial Systems : Annual evaluation of the key financial controls and assurance recognising the changes as a result of the break up of Blue Light Collaboration arrangements	Core Assurance	Q3	Treasurer
National Fraud Initiative: Evaluation and investigation of the outcome of the NFI data match exercise.	Mandated Requirement	Q2	Treasurer
People & Performance			
HR/Payroll: Evaluation of the control arrangements for HR and payroll related systems in light of HR related systems moving in house as a result of the break up of Blue Light Collaboration arrangements.	Core Assurance/ Risk Assessment	Q2	Head of People and Development
Information Technology			
IT Asset Management : To provide assurance over the effectiveness of controls to manage IT assets and their deployment / movement .	Core Assurance/Risk Assessment	Q2	Head of IT / Treasurer
Follow up & Contingency			
Follow up and Contingency	PSIAS requirement	Q1 - Q4	Treasurer
Planning & Reporting			
Planning, Management, Reporting & Meetings	PSIAS requirement	Q1 - Q4	Treasurer

The following risk areas were identified as part of the annual risk assessment (refer above), but are not currently prioritised within the Internal Audit Plan coverage.

Risk Area	Review Origin
Fire Stores	Risk Assessment
Duty System	Key Priority IRMP
Station Management Framework	Plan 22/23

The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved via the Audit Committee. A formal 6 month review of the plan will also take place.



Appendix A – MIAA – Assurance and Solutions

MIAA, as an NHS not for profit shared service provides internal audit assurance and a range of specialist advisory support. Advisory support is not restricted to audit clients. Where advisory support is provided to audit clients, there is a clear separation of duties and no interdependencies. There is however an effective interrelationship to inform planning.

MIAA Internal Audit Assurance

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the 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.

- Internal Audit operates to the Public Sector Internal Audit Standards, compliance with which is confirmed through independent external quality assessment.
- We develop risk-based plans to determine the priorities of our internal audit activity which is consistent with the organisation's goals.
- Whilst we undertake consulting/advisory activities these are completed in the context of the activities' potential to improve the management of risks, add value and improve the organisation's operations. These engagements must be reflected in the internal audit plan.
- Public sector requirement for an annual statement to be made by the Head of Internal Audit on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control
- We report to and are accountable to the Audit Committee.

MIAA Solutions

MIAA has taken the step of establishing a separate advisory service offer. Agile support to any organisation including, but not restricted to NHS organisations.

- We provide expert delivery, advice and guidance in respect of system development, known system challenges and/or subject matter expertise to address corporate challenges and transformation.
- There is no annual plan. All commissions are on an agreed project basis.
- Projects may be cross system or at scale (e.g. region wide) and delivered to any organisation. Some may be internal audit clients, many are not.
- This service is managed and delivered independently of MIAA Assurance.
- Our advisory services are commissioned by and report to Executive leads.

Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards and conforms with the International Standards for the Professional Practice of Internal Auditing.

Limitations

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.