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Internal Audit Plan

Scottish Fire and Rescue Service 2018-19

28/03/2018

Internal Audit Directorate

Report Issue Date: 16-03-2018

Paper no:	C/ARAC/03-18
Meeting date:	28 March 2018
Agenda item:	6b

Purpose

For information and comment.

Key Messages

- Planned Internal Audit Programme for 2018-19 comprises six assurance reviews.

Action Required

- The Committee is invited to consider the proposed Internal Audit Plan and offer any comments on the paper.

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Senior Internal Audit Manager

Internal Audit Manager

Introduction

1. This paper provides Members with the opportunity to consider proposals for the 2018-19 Internal Audit Plan.

Standards

2. Our work is undertaken in accordance with UK Public Sector Internal Audit Standards (PSIAS), the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF), and with the standards set out in the Scottish Public Finance Manual (SPFM). These standards require us to establish an annual risk-based plan that is consistent with Scottish Fire and Rescue's (SFRS) objectives and will enable us to reach an objective assurance opinion supported by sufficient, reliable and relevant evidence.

Planning Process

3. To develop our risk-based proposals, we reviewed key documents, including SFRS's Strategic Plan, Risk Registers and Assurance Map. We consulted with the Chief Officer, Director of Finance and Contractual Services and also the Chair of SFRS Audit and Risk Assurance Committee. Finally, to ensure proper coverage, minimise duplication of effort and comply with the principles of integrated assurance, we took into consideration HM Fire Service Inspectorate audit plans and SFRS's plans to seek assurance from self-assessment reviews, 2nd party reviews and 3rd party reviews. Finally, we framed our proposals in the context of our historical coverage of SFRS's governance, risk and control environment.

Proposals

4. Our proposals for 2018-19 comprise of six assurance assignments. The details are set out at **Annex 1**, together with related risks, outline scopes and indicative timings. We will provide detailed Terms of Reference for each assignment nearer the time and are grateful for senior management's support in ensuring that the relevant managers and staff have sufficient notice of proposed work, so they can plan accordingly. We shall endeavour to ensure that the phasing of our is spread evenly across the audit year. We acknowledge the volatile, uncertain, complex and ambiguous nature of the operating environment for public bodies and the potential need for some flexibility in the plan. Where circumstances permit, we will therefore consider in-year requests to alter the plan. In addition, we shall also review the

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Internal Audit function and existing processes in order to develop them further in accordance with professional standards.

5. **Annex 2** sets out other areas identified through our planning work which are likely to appear in future audit plans. This list will be revisited and discussed with SFRS's management and Committee members.
6. Finally, we have provided for the time required to support the Audit and Risk Assurance Committee, through preparation of reports, review of agenda papers and attendance at meetings.

Conclusion

7. We believe the proposed coverage internal audit coverage is appropriately risk-based, aligned with other planned assurance reviews and sufficient to enable us to provide SFRS with an objective assurance opinion for 2018-19.

Action Required

8. Members are invited to consider and offer comments on the Internal Audit Plan proposals for 2018-19.

INTERNAL AUDIT PROPOSED PLAN: 2018/19**1. 4 Main Reviews**

Proposed Review	Proposed Coverage	Related Risk Register Entry	Indicative Timing
Information Governance	Preparedness and compliance with General Data Protection Regulation	Failure to ensure Legal Compliance is maintained	Quarter 1 & Follow Up in Quarter 4
Corporate Governance – Board and Committees	Strategic Risk ownership Interdependencies of Committees Delegated Authority of Committees Operating culture	Failure to maintain confidence in the Service	Quarter 2
Corporate Governance – External engagement	Engagement with external partners including Scottish Government, Department etc.	Failure to maintain confidence in the Service	Quarter 3

<p>Performance Management Reporting</p>	<p>Governance and monitoring arrangements</p> <p>Business planning and risk management arrangements</p> <p>Operating culture</p>	<p>Failure to maintain confidence in the Service</p> <p>Failure to provide/identify appropriate performance measures driving service improvement</p>	<p>Quarter 4</p>
<p>Transformation Programme</p>	<p>Planning processes</p> <p>Framework communication</p> <p>Programme linkages and critical dependancies</p> <p>Organisation scrutiny</p> <p>Leadership capacity and capability</p>	<p>Failure to deliver Service Transformation</p>	<p>Quarter 3</p>
<p>Improvement Strategy</p>	<p>Strategy Governance</p> <p>Strategy development</p> <p>Lessons learned</p> <p>Knowledge transfer</p> <p>Benefits realisation</p>	<p>Failure to maintain confidence in the Service</p> <p>Failure to provide/identify appropriate performance measures driving service improvement</p>	<p>Quarter 2</p>

Annex 2

Indicative Areas for Review in 2019/20
Water Planning
Payroll Harmonisation
Recruitment and Induction