

Internal Audit Plan from 2025/26

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 258915 or Joanne Coadey, Head of Finance on 01743 260215.

1 Executive Summary

This report informs the Committee of the proposed internal audit plan for 2025/26.

2 Recommendations

The Committee is asked to:

- a) note the change in provision for internal audit services, and
- b) approve the audit plan proposed for 2025/26.

3 Background

The Treasurer is legally required to maintain sound and proper financial management on behalf of the Fire Authority. This includes a responsibility for maintaining internal audit.

Provision of an Internal Audit Annual Plan satisfies both the Public Sector Internal Audit Standards (PSIAS) and the Accounts and Audit Regulations 2015, part 2 which sets out the requirements on all relevant authorities in relation to internal control, including requirements in respect of accounting records, internal audit and review of the system of internal control.

Specifically:

‘A relevant authority 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.’

4 Provision of Internal Audit Services

The provision of internal audit services for the Fire Authority was transferred to Worcester Internal Audit Shared Service (WIASS) on 1 April 2022. The Authority entered into a number of single year contracts with WIASS, in order to assess the approach and outcomes of the shared service, and also to adapt to changes following loss of key staff at WIASS.

Internal audit plans are put together by WIASS following a review of the Service's governance and risk arrangements, and both parties have continued to find the approach and experience positive.

An annual report on internal audit will be brought by WIASS to the Committee in July 2025.

5 Internal Audit Plan 2025/26

Following three successful single year agreements with WIASS, the Authority were approached about entering the Shared Services arrangement as a partner and working collaboratively and efficiently with others in the region, including our Alliance partners, Hereford & Worcester FRS. This arrangement does not require contract renegotiation and offers the opportunity to shape the nature of internal audit reviews by identifying best practices.

On 18 July 2024, the WIASS Shared Service Client Officer Group formally invited the Authority to join the Shared Service from 1st April 2025. Following the Authority's acceptance, the Head of Finance now represents the Authority on this group.

The proposed plan for 2025/26 is appended to the report and has been discussed with the Service's senior managers, to ensure that audit days are used in areas that cover potential risks and also add value. The Service will pay £376 per day, the same daily cost for the provision of internal audit as in 2024/25, with no increase for pay costs at this time.

6 Fire Alliance / Collaboration / Partnership Working

The collaborative aspects of the contract, particularly with our Alliance partners, have been outlined in the report.

7 Financial Implications

Costs for the internal audit provision are already included within the revenue budget.

8 Legal Comment

Under the Accounts and Audit Regulations 2015, there are legal obligations on the Treasurer to maintain sound and proper financial management on behalf of the Authority. This report provides compliance with that obligation by putting in place arrangements for an effective internal audit arrangement.

10 Appendix

Internal Audit Plan 2025/26

11 Background Papers

There are no background papers associated with this report.