

Mersey Internal Audit Agency

Proposed Internal Audit Plan
Humberside Fire Authority

25th April 2014

For consideration & approval



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Executive Summary

Introduction

This plan describes how MIAA (as your incoming Internal Audit partner) will deliver your internal audit services in 2014/15. The attached proposed plan is based on our local risk assessment and shows how our work aligns to your strategic plans. We have developed a detailed operational plan for 2014/15 in the context of an indicative 3 year strategy (Appendix A refers).

In Section One we confirm that this risk based Internal Audit Plan has been developed in compliance with national standards and guidance. We provide detail about the MIAA planning methodology and how the work we do in the year informs the Director of Audit Opinion which in turn contributes to your Annual Governance Statement.

Proposed audit coverage

Our local risk assessment in Section Two sets out the process we have followed to arrive at the areas for review. The draft plan takes into account the organisation's strategic objectives and risks and previous internal audit coverage and is being further developed through a process of stakeholder consultation. Accordingly the views of CMT, the Performance & Risk Board and GAS Committee have been sought in advance of requesting consideration and approval from the Authority. The agreed plan, nevertheless, will remain flexible and responsive to a changing risk profile, as appropriate.

The proposed areas of coverage across the 3 years are summarised below:

Finance & Resources	<ul style="list-style-type: none"> • Providing proportionate assurance on the fundamental financial controls, whilst also assessing key risk areas and developments including the arrangements for savings, income generation and capital programme.
Performance	<ul style="list-style-type: none"> • Constructive challenge on partnership arrangements, business/ community safety work, performance reporting and data quality to give you confidence in your reliance on this information.
Operations	<ul style="list-style-type: none"> • Providing independent assurance on operational systems, including training compliance, management of resources (staff/volunteers/partners/equipment/assets) and assurance on IT infrastructure, critical & mobile applications & business continuity arrangements to optimise service outcomes.
Governance, Risk & Legality	<ul style="list-style-type: none"> • Bringing independent insight into risk management. • Providing assurance on governance processes, committee arrangements and statutory requirements underpinning public safety

Appendix A sets out the proposed detailed operational plan for 2014/15, as well as outlining the scope of the reviews.

Flexibility of the plan

We will update our understanding of the risks facing Humberside Fire Authority through our regular liaison meetings with managers and key staff, and keeping an oversight of the Authority and Committee agendas. We recognise that we may need to update the audit plan during the year as different risks emerge, in particular the implications of government policy.

We will naturally keep you informed about any proposed changes to the plan and these will be discussed with the s151 Officer/Monitoring Officer and routed through GAS Committee.



1. Internal Audit Plan Approach

The Internal Audit Plan should ensure that you are provided with a comprehensive service that can support the Authority, s151 Officer, Monitoring Officer and GAS Committee in discharging their governance responsibilities. It is important that the Plan meets your assurance needs and adds value to the organisation. The internal audit plan requirements and methodology set out the approach to ensuring this is achieved.

1.1 Internal Audit Plan Requirements

MIAA will provide you with a Director of Internal Audit Opinion that will be formed from the completion of a risk based audit plan that is performed in full compliance with the Public Sector Internal Audit Standards (2012) and is clearly linked to your objectives.

Internal Auditors must establish risk based plans to determine the priorities of internal audit activity, consistent with the organisation's goals.

(Public Sector Internal Audit Standards, 2012).

Recognising the breadth of coverage needed to provide a comprehensive internal audit service and deliver a wide ranging Director of Audit Opinion to support your Annual Governance Statement, MIAA ensures that our specialist functions are integral to the delivery of our core audit programme. Our plan covers assurances regarding: governance, business planning, finance, IT, risk, compliance with statute and performance.

The completion of the assignments programmed within the plan will form the basis for delivery of the Director of Audit Opinion on the effectiveness of the system of internal control at the organisation in 2014/15. The Director of Internal Audit Opinion will be such that it provides a key piece of supporting evidence across a range of agreed assurance areas to contribute to your Annual Governance Statement.

In accordance with requirements placed upon Internal Audit, the plan covers its two key roles of:

- The Provision of an independent and objective opinion to the s151 Officer, Monitoring Officer, the Authority and the GAS Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives.
- The provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.

As a public sector provider of internal audit and advisory services, our strategy is built upon quality and value. A fundamental aspect of our approach is to provide a cost-effective service that harnesses the benefits of scale to provide a highly skilled, flexible and responsive solution whilst remaining part of the public sector.

1.2 Plan Methodology

Our audit plan methodology is based on best practice and has been developed in accordance with professional standards.

MIAA's planning methodology also ensures contribution to supporting you in achieving your strategic objectives through risk-based coverage of your business areas over a rolling programme.

Our risk assessment approach is aligned to your strategic risk assessment (see figure 1). It utilises your assurance framework, Strategic Plan and other key documents, involves discussions with key officers, and brings our knowledge and experience of the challenges facing the sector.

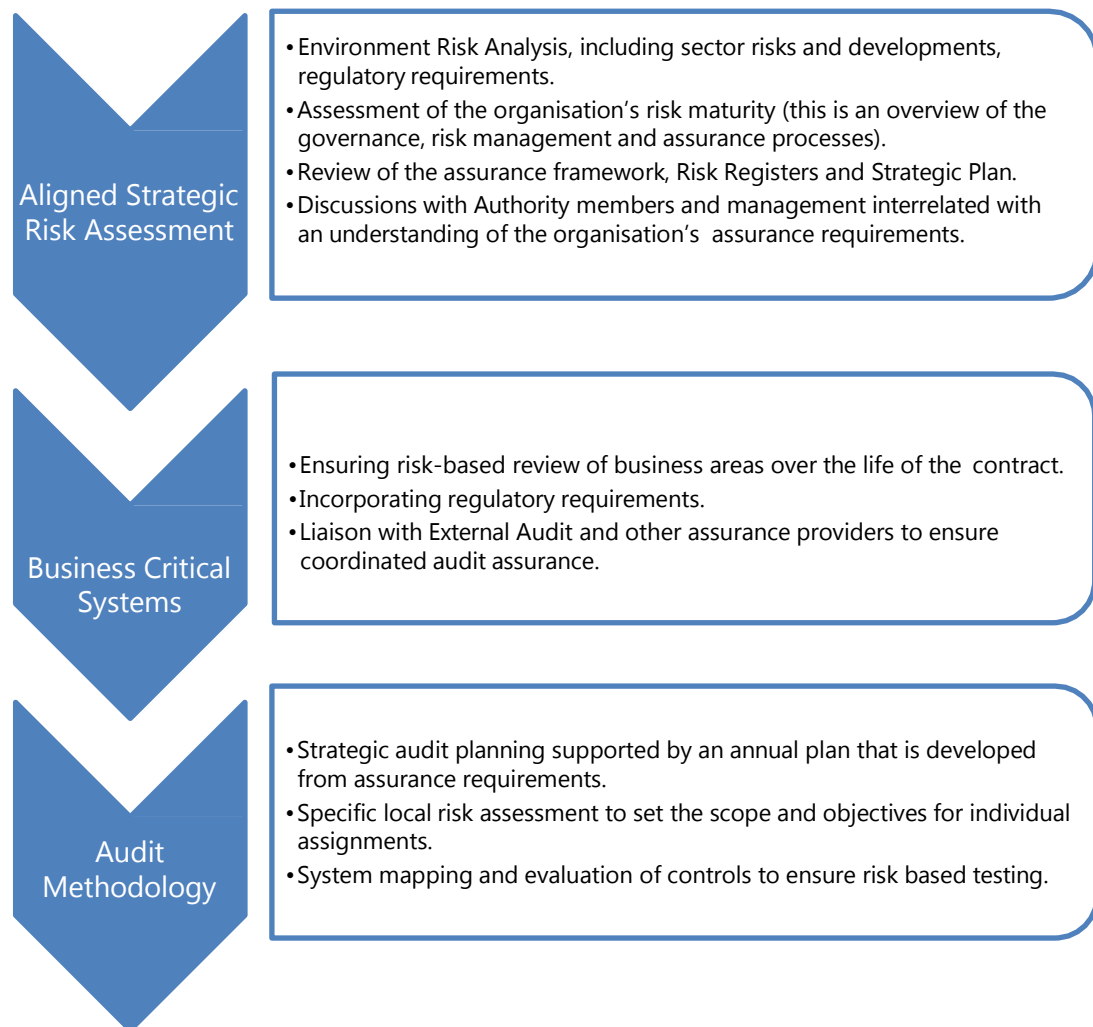


Figure 1 Audit Planning Risk Based Approach

Your Internal Audit Plan is structured to meet the Public Sector Internal Audit requirements and provide the Director of Audit's Opinion which subsequently contributes to your Annual Governance Statement (AGS).

During the establishment of the plan and through the prioritisation of coverage, we consider the audit resource requirements. Any impact on the integrity of the plan, including those relating to resources, will be brought to the attention of the Authority.

The Internal Audit Charter (Appendix B) sets out further details of the underpinning requirements and relationships with the organisation and is supported by other operational documents.



2 Your Strategic Internal Audit Plan

Your Strategic Internal Audit Plan has been derived following the risk assessment process outlined in section 1.2 above. It is important that the Plan meets your assurance needs and adds value.

2.1 Risk Assessment

A key focus of the risk assessment is in understanding your vision and ensuring that the internal audit plan contributes to your objectives. This ensures that the assurance provided is built around your risks. The high level risk assessment of the organisation is provided below and this underpins the proposed audit plan coverage set out in section 2.2.



HUMBERSIDE
Fire & Rescue Service

Contributing to achieving your objectives

1. Preventing loss of life injuries and community impact from emergency incidents.
2. Responding quickly and effectively to emergencies when requested
3. Reducing risk in our communities
4. Making the best use of the resources we have
5. Continuing to develop a committed, skilled and safe workforce.

Assurance built around your risk areas

Failure to:

- deliver high quality services in a challenging financial environment,
- maintain detailed understanding of your communities to identify the people and property most at risk,
- deliver the Integrated Risk Management plan,
- respond to challenges of service re-configuration
- engage effectively with partners and stakeholders
- demonstrate value for money, effective performance management, and
- ensure effective operational control, compliance with statutory responsibilities, and quality of reporting and decision-making.

2.2 Proposed Internal Audit Plan Coverage

The following sets out the proposed strategic three year Internal Audit Plan based on an indicative risk assessment and aims to prioritise coverage on a combination of risk rating, organisational impact and recognition of the organisation's wider assurance mechanisms. The strategic internal audit plan will be subject to annual risk assessment. A detailed operational plan for 2014/15 demonstrating the risk source in relation to each output is provided in Appendix A.

CORE AUDIT PLAN	2014/15*	2015/16	2016/17
FINANCE & RESOURCES			
Combined Financial Systems	✓	✓	✓
Fees and Charges/Trading Arrangements		✓	
Savings Plan Delivery	✓		✓
Capital Programme Management		✓	
Procurement			✓
Counter fraud arrangements			✓
PERFORMANCE			
Performance Management/Data Quality	✓		
Delivery of Strategic Plan			✓
Value for money/service improvement		✓	
Partnerships			✓
Business / Community Safety	✓		
OPERATIONAL COMPLIANCE			
IT Infrastructure	✓		
IT Critical Applications		✓	
Mobile computing	✓		
Business Continuity			✓
Training		✓	
Operational Reviews (stations/fleet /equipment etc)	✓		✓
GOVERNANCE, RISK & LEGALITY			
Risk Management & Assurance Framework		✓	
Change Readiness		✓	
Governance /Legal Compliance	✓		

CORE AUDIT PLAN	2014/15	2015/16	2016/17
FOLLOW UP & CONTINGENCY			
Follow-up	✓	✓	✓
AUDIT COMMITTEE, PLANNING & MANAGEMENT			
Planning liaison and management	✓	✓	✓
Reporting and meetings	✓	✓	✓

**As the contract was let on an 'outcomes' basis, the input days are not included and will not be used as a basis for monitoring. However, to enable the plan 'size' to be appreciated, the tendered service equates to approximately 70 standard input days. Differential rates have been applied in the bid costing process.*

Appendix A: 2014/15 Detailed Operational Plan

The 2014/15 operational plan is provided below. The risk source references the utilization of your assurance framework, annual plan and other key documents, discussions with key officers, along with our knowledge and experience of the challenges facing the sector and specifically the Fire Authority.

Core Plan Outputs	Outcomes	Risk Source												
FINANCE & RESOURCES														
<p>Combined Financial Systems – Assurance will be provided in respect of key controls within the main financial systems. The scope of the review will be restricted to the key controls supplemented with analytical review and surveys. Discussions will be held with External Audit to confirm coverage and ensure complementary working. The systems incorporated in the review (and covered through an agreed cyclical programme) will be:</p> <table border="1" data-bbox="193 898 890 1099"> <tr> <td>Financial Reporting</td> <td>Accounts Payable</td> <td>Treasury Management</td> <td>Budgetary Control</td> </tr> <tr> <td>Financial Ledger</td> <td>Accounts Receivable</td> <td>Asset Management</td> <td>Payroll</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Pensions</td> </tr> </table>	Financial Reporting	Accounts Payable	Treasury Management	Budgetary Control	Financial Ledger	Accounts Receivable	Asset Management	Payroll				Pensions	<p>Sound financial management and control supports the efficient and effective operation of the Authority underpinning a sound VFM opinion.</p> <p>Strength of financial systems underpins sound decision making and maintains stakeholder confidence.</p> <p>Ensuring the ‘basics are right’ provides a firm foundation for innovation</p>	<p>Audit Risk assessment</p>
Financial Reporting	Accounts Payable	Treasury Management	Budgetary Control											
Financial Ledger	Accounts Receivable	Asset Management	Payroll											
			Pensions											
<p>Savings Plan Review – the review will evaluate and challenge the ‘business case’ approach to identify and deliver innovative and efficiency based reviews and the associated programme monitoring and outcome management against key delivery milestones.</p>	<p>Ensuring an effective efficiency programme demonstrates VFM and effective financial and operational control</p>	<p>Audit Risk assessment</p>												
PERFORMANCE														
<p>Performance Management – To review the systems and processes to ensure the accuracy, completeness and quality of data (e.g. Service Performance Indicators) contained within the Performance Reports to the Authority. This review of performance management would be linked with risk management and seek to provide a view on developments towards a more risk/outcome based performance management approach, data quality used within HFA reports and their format and content.</p>	<p>Robust performance management arrangements underpin sound and reliable decision-making to ensure achievement of planned service outcomes</p>	<p>Strategic Plans</p>												



Core Plan Outputs	Outcomes	Risk Source
<p>Business / Community Safety – To review the arrangements in place for the business/community safety work undertaken to ensure that it is in line with the Authority’s arrangements and is targeted at the areas of greatest risk.</p> <p>This review would include an organisational intelligence and risk perspective to assess how business/community safety work focus is determined. This links with risk and performance management processes as well as community and partner engagement. Specific focus will be around the CBSL programme and the effectiveness of Technical Fire Safety staff and Community Safety Advocates in terms of business, community and partner engagement, prioritisation, VFM.</p>	<p>Business intelligence and its appropriate use is fundamental in ensuring resources are appropriately targeted to achieve reduced risk of injury, loss of life and community impact.</p>	<p>Strategic Plans</p>
OPERATIONS		
<p>IT Infrastructure - We will review the organisation’s Post Implementation Review (PIR) of its Wide Area Network through an assessment of the quality of the project evaluation process and associated outcomes.</p>	<p>Effective project planning and management underpins robust control over limited resources and demonstrates a learning culture.</p>	<p>Management Directed</p>
<p>VFM - Mobile computing - We will consider the VFM of mobile technology and the effectiveness of the development, configuration and management of mobile devices to ensure the requirements of the organisation are met and optimised.</p>	<p>Mobile technology and its effective use underpins an efficient and effective organization which is innovative. Risks of inappropriate and sub-optimal use must however be mitigated.</p>	<p>Management Directed</p>
<p>Operational Reviews - A combination of self assessment, analytical review and specific risk based audit testing will be completed to provide opinion on the controls and systems in place at a local level across a range of areas including fleet and asset management, resource deployment, workforce management etc.</p> <p>Proposed focus in 2014/15 is around vehicle utilisation which incorporates both usage and fuel. This would incorporate the service wide fleet of 'grey' vehicles i.e. support service cars and those allocated to on-call operational officers.</p>	<p>Service based reviews underpin appropriate assurance of resource use and provide essential visibility of the audit function.</p>	<p>Audit Risk assessment/ Management Directed</p>

Core Plan Outputs	Outcomes	Risk Source
GOVERNANCE RISK & LEGALITY		
Governance Arrangements – A review of the organisation’s Board arrangements to assess the effectiveness of the structure and overall framework.	An effective governance framework facilitates delivery of strategic objectives in the most efficient and effective way.	Audit Risk assessment/ Management Directed
FOLLOW UP & CONTINGENCY		
Follow-up - will be conducted throughout the year to provide the GAS Committee with assurance regarding management’s implementation of agreed actions.		
AUDIT COMMITTEE, PLANNING & MANAGEMENT		
In providing an internal audit service an allocation of time is required for the management of the contract. <ul style="list-style-type: none"> • Planning liaison and management - Incorporating preparation and attendance at GAS Committee; completion of risk assessment and planning; liaison with the client and organisation of the audit reviews. • Reporting and meetings – Key reports will be provided to support this, such as the Director of Audit Opinion and Annual Report, Annual Plan and Interim Update Reports. 		

Following agreement to the plan a schedule of the timing for the audit reviews will be provided in the Internal Audit Progress Report. Liaison with your External Auditors will take place to ensure maximum benefit is derived from your total audit resource.

Your Team

In the delivery of our range of services we maintain a balance between having consistency in the staff working on your contract whilst introducing new staff with experience of working in other organisations. We have found this to be a very effective method of operating which has enabled our staff to develop familiarity and experience of your financial systems and the specific issues you face and has provided your staff with recognised points of contact with whom they can discuss audit issues.



Tim Crowley
(CPFA)

Director

Tim has worked in senior audit, assurance and governance roles in the health sector for over 30 years. As Director of MIAA he leads an organization with a national reputation for the delivery of audit and assurance services to the NHS. In particular, he has a track record of achievements in the areas of standard setting and development; assurance design; and board engagement on audit and assurance matters.

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Steve Connor
(CPFA, MBA)

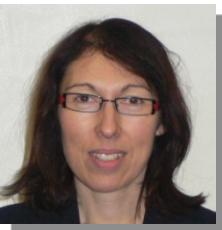
Deputy Director

Steve has overall responsibility for MIAA business development along with the delivery, performance and resource management across all of MIAA's clients. This includes keeping MIAA at the forefront in terms of Internal Audit practice.

Steve also supports organisations and their Audit Committees in all aspects of Audit and Governance, bringing in his wealth of experience as a member of the IIA Technical Committee and HfMA Audit and Governance Committee.

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Benita Jones
(CPFA, MBA)

ECAC

Partner Lead

Benita has 24 years experience across the public sector in external and internal audit, accountancy and risk management positions. Her roles have required regular work alongside senior officers and elected members/non-executive Directors at a strategic level.

In her role as Director of Audit with East Coast Audit Consortium she will provide local senior presence and visibility in the delivery of the MIAA contract.

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Tony Cobain
(CIAA, QiCA)

Head of IM&T

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Tony has undertaken major consultancy and secondment assignments at a national and regional level. He is co-author of the NHS Information Security Code of Practice and has worked as part of the development team for the security elements of the NHS Information Governance Toolkit.

He has led and personally undertaken significant assignments relating to:

- the merger and transfer of services to shared IT services
- service management and governance including compliance with relevant ISO and SDI standards
- security management including compliance with ISO 27001
- vulnerability assessment and penetration testing

Kim Burns

Senior Auditor

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Kim Burns qualified as ACCA in 2001 and is now a Fellow (FCCA).

Located in Willerby, Kim has spent a significant proportion of her time at a range of clients (particularly within operational areas) and has undertaken work at Yorkshire Ambulance Service.

Richard Barton

Senior Auditor

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Richard is a member of the Institute of Chartered Accountants in England and Wales (ICAEW), having qualified with Ernst & Young in 1994. He has a BSc (Hons) degree in Mathematics. He has previous experience as a Financial Accountant and Commercial Accountant in the private sector.

Richard has performed internal audit reviews at a number of different organisations, including CCGs, Acute and Foundation Trusts, as well as education and CIC clients.





Mersey Internal Audit Agency

Internal Audit Charter

Humberside Fire Authority



Introduction

The Internal Audit Charter is mandated through the Public Sector Internal Audit Standards (2013) and is a formal document that defines the internal audit activity's purpose, authority and responsibility. The internal audit charter establishes the internal audit activity's position within the organisation; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

This Charter is structured around the Public Sector Internal Audit Standards (2013)

Public Sector Internal Audit Standards – Attribute Standards

1000 - Purpose, Authority and Responsibility

1100 - Independence and Objectivity

1200 - Proficiency and Due Professional Care

1300 - Quality Assurance and Improvement Programme

Public Sector Internal Audit Standards – Performance Standards

2000 - Managing the Internal Audit Activity

2100 - Nature of Work

2200 - Engagement Planning

2300 - Performing the Engagement

2400 - Communicating Results

2500 - Monitoring Progress

2600 – Communicating the acceptance of risks.

MIAA confirms ongoing compliance with the Public Sector Internal Audit Standards.



Standard 1000 - Purpose, Authority and Responsibility

Internal auditing is “an independent, objective assurance and consulting activity designed to add value and improve an 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 processes¹”.

The provision of assurance services is the primary role for internal audit. This role requires the internal auditor to provide an independent opinion based on an objective assessment of the framework of governance, risk management and control. The main purpose of internal audit activity is therefore to provide the s151 Officer and Monitoring Officer with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. The Director of Internal Audit’s opinion is a key element of the framework of assurance that the s151 Officer and Monitoring Officer needs to inform the completion of the Annual Governance Statement (AGS).

Internal audit also provides an independent and objective consultancy service which is advisory in nature, and generally performed at the specific request of the organisation. Such consultancy work is separate from but contributes to the opinion which internal audit provides on risk management control and governance. When performing consulting services, the internal auditor will maintain objectivity and not take on management responsibility.

Assurance Reviews will provide individual audit opinions to support the annual Director of Internal Audit Opinion. Formal agreement will be sought for the provision of third party assurances to other bodies in respect of the services provided.

In accordance with the organisations’ Constitution, Internal Auditors will (without necessarily giving prior notice) have access to all records (including those of a confidential nature) and employees of the organisation.

¹ The Definition of Internal Auditing Copyright © 2009 by The Institute of Internal Auditors



Standard 1100 - Independence and Objectivity

The internal audit activity must be independent, and internal auditors must be objective in performing their work. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the Director of Internal Audit will have direct and unrestricted access to senior management and the GAS Committee.

The Director of Internal Audit will confirm to the organisation, at least annually, the organisational independence of the internal audit activity.

The Director of Internal Audit will report against plan to the GAS Committee and establish effective communication with, and have free and unfettered access to, the s151 Officer and Monitoring Officer and the Chair of the GAS Committee. This will include communicating and interacting directly with the GAS Committee and where relevant with HFA.

Internal audit activity will be free from interference in determining the scope of internal auditing, performing work and communicating results. Internal auditors will have an impartial, unbiased attitude and avoid any conflict of interest. Conflicts of interest may arise where an auditor provides services other than internal audit to the organisation. Steps will be taken to avoid or manage transparently and openly such conflicts of interest, so that there is no real or perceived threat or impairment to independence in performing the audit role.

All internal auditors will complete an annual declaration of interest identifying possible conflicts of interest and the actions taken to mitigate them. This process, and its outcomes, will be communicated to the GAS Committee annually through the Director of Internal Audit Opinion and Annual Report.

If independence or objectivity is impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.

Standard 1200 - Proficiency and Due Professional Care

Engagements will be performed with proficiency and due professional care. Internal auditors will possess the knowledge, skills, and other competencies needed to perform their individual responsibilities. The internal audit activity collectively will possess or obtain the knowledge, skills and other competencies needed to perform its responsibilities. The



Director of Internal Audit is a CCAB qualified Accountant and is responsible for ensuring access to the full range of knowledge, skills, qualifications and experience to meet the requirements of the Internal Audit Standards. MIAA internal auditors will ensure Continuing Professional Development and compliance with professional standards.

Internal auditors will apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.

Standard 1300 - Quality Assurance and Improvement Programme

The Director of Audit will develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. The quality assurance and improvement programme will include both internal and external assessments.

Internal assessment will include;

- Ongoing monitoring of the performance of the internal audit activity; and
- Periodic self assessments or assessment by other persons within the organisation with sufficient knowledge of internal audit practices.

External assessments will also be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organisation. The results of external quality reviews and any consequent improvement plans will to be reported to the s151 Officer and Monitoring Officer and GAS Committee.

Standard 2000 - Managing the Internal Audit Activity

The Director of Internal Audit will develop and maintain an Internal Audit strategy designed to meet the main purpose of the internal audit activity and its service provision needs. This strategy will advocate a systematic and prioritised review, outlining the resources and skills required to meet the assurance needs of the s151 Officer and Monitoring Officer, GAS Committee and HFA. The strategy will take into account the relative risk maturity of the organisation, taking due regard of the Assurance Framework.

The Director of Internal Audit will establish risk based plans to determine the priorities of the internal audit activity consistent with the organisation's goals.

The Director of Internal Audit will include in the internal audit strategy the approach to using other sources of internal and external assurance. Periodic plans will include any work associated with placing reliance upon such work.



The Director of Internal Audit will agree the strategy and periodic plans with the s151 Officer and Monitoring Officer, GAS Committee and HFA.

Where the Director of Internal Audit believes that the level of agreed resources will prevent the s151 Officer and Monitoring Officer being provided with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control, the consequences will be brought to the attention of HFA.

The Director of Internal Audit will agree arrangements for interim reporting to the s151 Officer and Monitoring Officer and GAS Committee in the course of the year and produce an annual report that incorporates his opinion.

The Director of Internal Audit will provide to the s151 Officer and Monitoring Officer an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control, timed to support the Annual Governance Statement.

Standard 2100 - Nature of Work

The internal audit activity will evaluate and contribute to the improvement of governance, risk management and control processes, using a systematic and disciplined approach.

The Director of Internal Audit will ensure that any potential or actual frauds identified through internal audit activity are referred, as appropriate, for investigation.

The Director of Internal Audit will also liaise with the organisation's external auditors and other review bodies to facilitate the effective co-ordination of audit resources and assurances.

Standard 2200 - Engagement Planning

The Director of Internal Audit will establish a risk based Internal Audit Plan in conjunction with the client and with the agreement of the GAS Committee. The plan will set out the priorities for Internal Audit activity, consistent with the organisations goals and objectives.

Internal auditors will develop and document a terms of reference for each engagement, including the engagement's objectives, scope, timing and resource allocations, based on an evaluation of the nature and complexity of each engagement, time constraints and available resources. A work plan will be developed and documented that achieves the engagement objectives.



Internal Audit will meet 6 weekly with the s151 Officer and Monitoring Officer to monitor and evaluate progress in delivering the internal audit plan.

Internal audit will meet regularly with the external auditor to consult on audit plans and discuss matters of mutual interest.

Standard 2300 - Performing the Engagement

Internal audit will identify, analyse, evaluate and document sufficient information to achieve the engagement's objectives. Internal auditors will base conclusions and engagement results on appropriate analyses and evaluations. Internal auditors will document relevant information to support the conclusions and engagement results.

Engagements will be properly supervised to ensure objectives are achieved, quality is assured and staff are developed.

Standard 2400 - Communicating Results

Internal auditors will communicate the engagement results with appropriate parties, including the engagement's objectives and scope, as well as applicable conclusions, recommendations and action plans.

Working with the organisation, the Director of Internal Audit will ensure that communications are accurate, objective, clear, concise, constructive, complete and timely.

The Director of internal Audit will deliver an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement.

The annual internal audit opinion will conclude on the overall adequacy and effectiveness of the organisations framework of governance, risk management and control.

The annual report will incorporate;

- The opinion;
- A summary of the work that supports the opinion; and
- A statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

Standard 2500 - Monitoring Progress

The Director of Internal Audit will establish and maintain a follow-up process to monitor that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. This will be operated to support the organisation in ensuring the implementation of actions, and reporting progress to the GAS Committee.



Standard 2600 - Communication the Acceptance of Risks

When the Director of Internal Audit believes that senior management has accepted a level of residual risk that may be unacceptable to the organisation, the Director of Internal Audit will discuss the matter with senior management. If the decision regarding residual risk is not resolved, the Director of Internal Audit will report the matter to the GAS Committee for resolution.

Code of Ethics

MIAA will operate within the definition of Internal Auditing and ensure that the Code of Ethics (Institute of Internal Auditors, 2009) underpins the internal audit services provided to the organisation.

INTEGRITY

- Honesty, Diligence & Responsibility
- Legal & Professional disclosure
- Contribution to Legitimate & Ethical objectives

OBJECTIVITY

- Unbiased assessment
- Relationships
- Not subject to Undue Influence
- Conflict of Interest disclosure

CONFIDENTIALITY

- Prudence in use & protection of Information
- Not use information for personal gain or contrary to legal requirements

COMPETENCY

- Knowledge, Skills and experience
- Compliance with standards and professional practice
- Continuous improvement



MIAA Key Contacts

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