

**NORTH YORKSHIRE POLICE, FIRE AND CRIME COMMISSIONER  
FIRE AND RESCUE AUTHORITY**

**FIRE JOINT INDEPENDENT AUDIT COMMITTEE**

**23 JULY 2019**

**ANNUAL REPORT OF THE HEAD OF INTERNAL AUDIT**

**1.0 PURPOSE OF THE REPORT**

- 1.1 To provide a summary of the internal audit work performed during the year ended 31 March 2019 and to express an opinion on the overall framework of governance, risk management and control in place within the Fire and Rescue Authority.
- 1.2 To inform Committee Members of Veritau's conformance to professional standards and the conclusions arising from the Quality Assurance and Improvement Programme.

**2.0 BACKGROUND**

- 2.1 The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. The applicable standards for local government are the Public Sector Internal Audit Standards (PSIAS) which comply with the international standards issued by the global Institute of Internal Auditors (IIA).
- 2.2 In accordance with the Standards, the Head of Internal Audit is required to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control operating within the Fire and Rescue Authority. The Head of Internal Audit should also contribute to the preparation of the Annual Governance Statement by identifying any significant control issues identified during the course of audit work.

**3.0 INTERNAL AUDIT WORK**

- 3.1 The results of completed audit work have been reported to relevant officers during the year. Veritau has completed all audit fieldwork work and issued and agreed all expected reports with management. Further details of the work completed is included in Appendix 1 of Annex 1 and were also reported to this Committee in May 2019.

- 3.2 The overall opinion of the Head of Internal Audit on the framework of governance, risk management, and control operating in the authority is that it provides Substantial Assurance, which is outlined in paragraph 8 of Annex 1. There are no qualifications to this opinion and no reliance was placed on the work of other assurance bodies in reaching this opinion.
- 3.3 The Head of Internal Audit is also required to highlight any significant weaknesses in control that need to be considered for inclusion in the Annual Governance Statement (AGS). There are no such weaknesses that need to be brought to Members' attention for the 2018/19 AGS.
- 3.4 Internal quality assurance procedures are in place, covering all work undertaken. In addition an external assessment of Veritau's arrangements was undertaken in 2018 by the South West Audit Partnership. The outcome from the review demonstrated that the service provided by Veritau conforms to professional standards. Further details of quality assurance arrangements and an improvement action plan are included in Appendix 3 of Annex 1.

#### **4.0 RECOMMENDATIONS**

4.1 Members are asked to:-

- (i) note the overall "Substantial Assurance" opinion of the Head of Internal Audit regarding the overall framework of governance, risk management and control operating within the Fire and Rescue Authority.
- (ii) note the outcome of the quality assurance and improvement programme and the confirmation that the internal audit service conforms with the Public Sector Internal Audit Standards.

Report prepared and presented by Stuart Cutts, Audit Manager, Veritau Ltd.

Stuart Cutts  
Audit Manager  
Veritau Limited  
County Hall  
Northallerton

23 July 2019