



SCOTTISH
FIRE AND RESCUE SERVICE

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Report to: SCOTTISH FIRE AND RESCUE SERVICE BOARD
Report No: B/ARAC/03-15
Date: 28 MARCH 2015
Report By: NEIL PIRIE, CHAIR OF THE SFRS AUDIT AND RISK ASSURANCE COMMITTEE

Subject: INTERNAL AUDIT PLAN 2015/16

1 PURPOSE

- 1.1 The purpose of this report is to advise the Board of the internal audit activity planned for 2015/16.

2 RECOMMENDATION

- 2.1 The Board is asked to approve the Internal Audit Plan 2015/16, attached at Appendix A.

3 BACKGROUND

- 3.1 Under the terms of the Scottish Government Shared Service arrangements, the Scottish Government Internal Audit Division (SGIAD) has agreed to provide an Internal Audit service for the new Scottish Fire and Rescue Service (SFRS).

4 INTERNAL AUDIT PLAN 2015/16

- 4.1 The Internal Audit Plan 2015/16 has been developed in accordance with the SGIAD Charter and Strategy and takes into account a variety of sources, which helps ensure an effective and efficient audit service, by concentrating resources on key activities which link to the business's purpose, objectives and risk.
- 4.2 Internal Audit presented an updated draft Internal Audit Plan 2015/16, for the Audit and Risk Assurance Committee's consideration at its meeting of 04 March 2015. The development of the plan included meetings with SFRS management and the ARAC

Chair. The proposed plan was circulated to ARAC members prior to discussions at the March meeting. The ARAC members noted and commented on the content of the plan. The Committee members are satisfied that the plan is appropriate in terms of its proposed change is adequately resourced.

- 4.3 The list of assignments covered by 2015/16 Internal Audit Plan are as follows:
- Workforce and succession planning, recruitment and interchange procedures;
 - Environmental responsibilities, including energy management carbon footprint compliance requirements/reduction;
 - ITrent payroll roll-out project and centralised payroll controls
 - Risk Management/Business Continuity/Insurance arrangements;
 - Records Management;
 - Banking, Income and Cash Management, and
 - Travel and subsistence: Leased Car arrangements.

5 EMPLOYEE IMPLICATIONS

- 5.1 Two members of SFRS staff will work with SGIAD in delivering the internal audit plan under a co-sourcing arrangement.

6 FINANCIAL IMPLICATIONS

- 6.1 The estimated cost of Internal Audit's work during 2015/16 is £55,000 plus VAT.

7 LEGAL IMPLICATIONS

- 7.1 There are no legal implications associated with the report.

8 EQUALITY IMPLICATIONS

- 8.1 Not applicable.

**NEIL PIRIE
CHAIR OF THE SFRS AUDIT AND RISK ASSURANCE COMMITTEE
28 MARCH 2015**

INTERNAL AUDIT PROPOSED PLAN: 2015/16

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1. 8 Main Assignments: Estimated Resource days 300

Proposed Review	Broad Coverage	Related Risk Register Entry	Estimated Resource Days	Lead
POD: Workforce and Succession Planning, Recruitment and Interchange Procedures	Review the procedures in place for monitoring and managing overall staff establishment numbers, recruiting new staff and managing secondments to and from the service.	CR3 There is a risk to SFRS where succession planning is not fully developed. CR8 There is a risk to SFRS where it fails to attract and retain staff with the appropriate skills.	40	SFRS
Environmental Responsibilities including Energy Management Carbon footprint compliance requirements/reduction	Review the arrangements in place to ensure compliance with key environmental responsibilities, eg minimising staff travel, energy conservation, waste disposal etc.	CR13 There is a risk to SFRS where it fails to adopt effective governance arrangements. Note: Added at ARAC request	40	SFRS
iTRENT Payroll Roll out project and centralised payroll controls	Review of the central controls being put in place in place to manage the risks to efficient and effective roll-out of the new corporate payroll system related centralised processing	CR2 There is a risk to SFRS where it fails to standardise and align resources, taking account of national and local factors. CR4 There is a risk to SFRS where it fails to harmonise pay	45	SFRS

Proposed Review	Broad Coverage	Related Risk Register Entry	Estimated Resource Days	Lead
	controls.	and grading structures. CR7 There is a risk to SFRS where it fails to secure Financial Sustainability		
Risk Management/Business Continuity/Insurance arrangements	Review of corporate risk management arrangements. To include the effectiveness of business continuity plans and the procurement and contract management arrangements surrounding the use of business insurance.	CR1 There is a risk to SFRS where it fails to maintain and improve the safety of communities and staff CR13 There is a risk to SFRS where it fails to adopt effective governance arrangements.	40	SG
Performance Management Arrangements	Review the controls in place to manage the risks to effective monitoring and reporting of organisational and senior management performance.	CR6 There is a risk to SFRS where it fails to meet the performance targets set within both the strategic Plan and the Annual Operating Plan.	40	SG
Records Management	Review of the arrangements for ensuring effective information management. To include arrangements for ensuring compliance with FoI and Data Protection requirements	CR5 There is a risk to SFRS where it fails to meet statutory obligations.	35	SFRS

Proposed Review	Broad Coverage	Related Risk Register Entry	Estimated Resource Days	Lead
Banking, Income and Cash Management	Review of the arrangements in place to ensure risk to the effective and secure management of income and funding are minimised.	<p>CR2 There is a risk to SFRS where it fails to standardise and align resources, taking account of national and local factors.</p> <p>CR7 There is a risk to SFRS where it fails to secure Financial Sustainability</p>	30	SFRS
Travel and Subsistence: Leased car arrangements	Review the effectiveness and efficiency of arrangements for reimbursing staff's travel and related expenditure. This will focus on compliance with recently introduced corporate leased car arrangements.	CR7 There is a risk to SFRS where it fails to secure Financial Sustainability	30	SFRS
			300	