

# Internal Audit Progress Report @ 31 August 2015

## Audit Committee – 9 November 2015



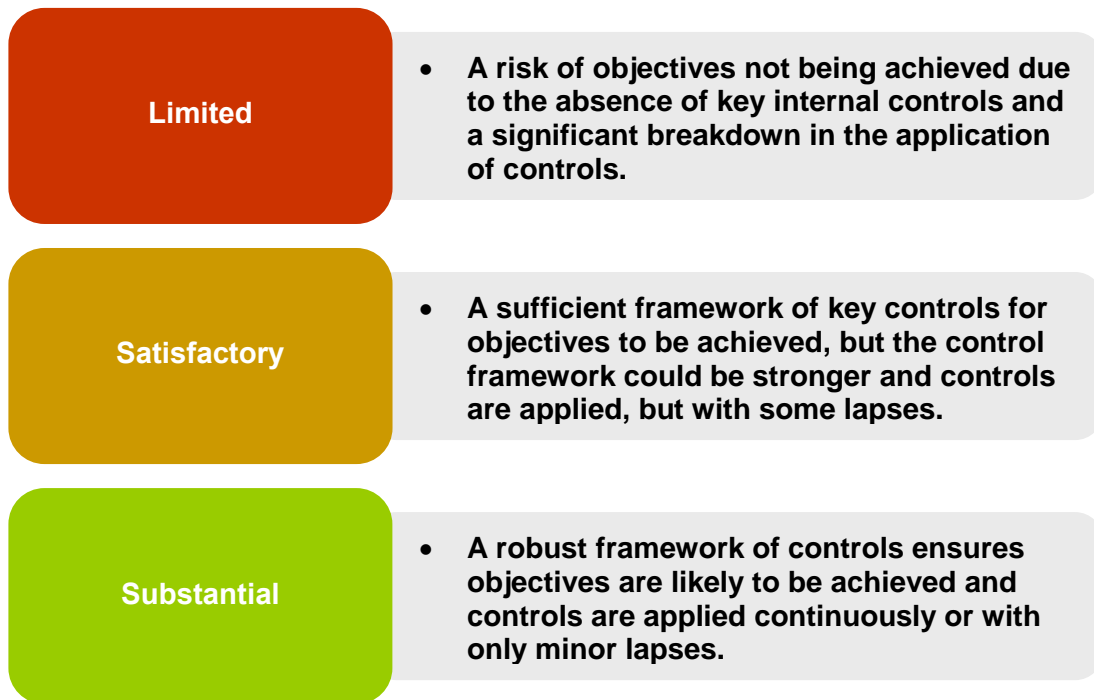
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# 1 Introduction

The purpose of this report is to bring the Audit Committee up to date with the progress made against the delivery of the 2015/16 Internal Audit Plan.

The information included in this progress report will feed into, and inform our overall opinion in our Internal Audit Annual Report issued at the year end.

Where appropriate each report we issue during the year is given an overall opinion based on the following criteria:



This is based upon the number and type of recommendations we make in each report. Each recommendation is categorised in line with the following:

Priority rating for issues identified		
<b>Fundamental</b> action is imperative to ensure that the objectives for the area under review are met.	<b>Significant</b> requires action to avoid exposure to significant risks in achieving the objectives for the area under review.	<b>Merits attention</b> action is advised to enhance risk mitigation, or control and operational efficiency.

## 2 Summary of work completed and in progress @ 31 August 2015

Auditable Area	ANA Rating	Suggested/Agreed Actions				Number accepted	Level of Assurance
		Fundamental	Significant	Merits attention	Total		
<b>Completed:</b>							
Pension Certification	-	-	-	-	-	-	Substantial
Budgetary Control	KFS	-	-	-	-	-	Substantial
<b>In progress:</b>							
Procurement	High						
Accounts Receivable	KFS						
Accounts Payable	KFS						
Fixed Asset Accounting/Asset Planning	KFS						
National Fraud Initiative	-						

Key:

KFS = Key Financial System

[ILO: UNCLASSIFIED]

## 3 Issues arising

### **Pension Certification**

An audit was undertaken to assist with the provision of assurance on the accuracy of the 2014/15 return to the Local Government Pension Scheme. We were pleased to report that all of our testing proved satisfactory.

### **Budgetary Control**

A review of the budgetary control system was undertaken to ensure the Fire Service had established its budget and was managing it appropriately. Our review covered controls over monitoring, reporting, changes to budgets and the process to link budgets to medium and long term plans. Again, we found no issues that needed flagging.

## 4 Other Activities

### **Review of the Effectiveness of Internal Audit**

The Accounts and Audit (England) Regulation 2011, require an annual review of the effectiveness of internal audit be undertaken and that the outcomes are considered by the Audit Committee. The report, which confirmed the effectiveness of internal audit, was presented to and approved by the Audit Committee.

### **Audit Committee Annual Report**

On behalf of the Chair of the Audit Committee, internal audit prepared a report outlining the activities of the Audit Committee during 2014/15. The report, which confirmed the adequacy of the Fire Authority's risk management framework and its associated control environment, was approved by the Audit Committee and presented at the full Authority meeting on 29 June 2015.

### **Audit Committee Update**

The CIPFA Better Governance Forum produce briefings for audit committee members in public sector bodies. The aim is to provide members of Audit Committees with direct access to relevant and topical information that will support them in their role. Internal audit presented the latest briefing which covered the role of the Audit Committee in reviewing and approving financial statements and the key issues that they should be considering at its September meeting.

## 5 Service quality questionnaire feedback

No feedback has been received so far:

Overall Satisfaction with Audit Services	Average Score
	n/a

Scores range between 1 = Poor and 5 = very good. We have a target of achieving an average score of **4 = good**.