



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Overview and Audit Committee
DATE OF MEETING	2 December 2015
OFFICER	Maggie Gibb, Audit Manager David Sutherland, Director of Finance and Assets
LEAD MEMBER	Councillor David Watson
SUBJECT OF THE REPORT	Internal Audit Report: Update of progress of the Annual Audit Plan
EXECUTIVE SUMMARY	<p>The purpose of this paper is to update the Overview and Audit Committee on the progress of the annual Internal Audit Plan since the last meeting.</p> <p>Work is progressing according to the 2015/16 plan, and regular discussions have been held with the Acting Director of Finance and Assets to monitor progress.</p> <p>The audits of Pensions Administration and Control Centre are expected to be completed and at a draft report stage by the end of November and as such the progress report will be updated ahead of the next Overview and Audit Committee meeting to reflect this.</p> <p>The audit of HR People Management will also be in progress before the next Overview and Audit Committee meeting.</p> <p>Timings for the remaining audits will be discussed and agreed with the Overview and Audit Committee.</p>
ACTION	Information.
RECOMMENDATIONS	That the progress on the annual Internal Audit Plan be noted.
RISK MANAGEMENT	There are no risk implications arising from this report.
FINANCIAL IMPLICATIONS	The audit work is contained within the 2015-16 budget.
LEGAL IMPLICATIONS	There are no legal implications arising from this report.
CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION	The Authority has committed to a default position of collaboration with Thames Valley FRAs unless a clear business case favours an alternative collaborative option.

HEALTH AND SAFETY	There are no health and safety implications arising from this report.
EQUALITY AND DIVERSITY	There are no equality and diversity implications arising from this report.
USE OF RESOURCES	Communication and progress monitoring. All audits follow up reports and further updates will be submitted to the Strategic Management Board (SMB) and Overview and Audit Committee.
PROVENANCE SECTION & BACKGROUND PAPERS	Internal Audit Plan 2015/16. Internal Audit reports taken to Overview and Audit Committee.
APPENDICES	Annex A: Progress against the 2015/16 annual Audit Plan, including timings of the planned work.
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	Maggie Gibb – Internal Audit Manager mgibb@live.co.uk 01296 387327

Progress against 2015/16 Internal Audit Plan with a schedule of proposed work still to be undertaken

Auditable Area	Key Audit Objectives	Day Budget (Timing)	Status	O&A Report Date
Core Financial Controls	<p>To fulfil our statutory responsibilities, we will undertake work to provide assurance over key controls within the financial governance framework. Key systems that will be tested include:</p> <ul style="list-style-type: none"> ○ Budget Setting/Monitoring ○ Procure to Pay ○ Payroll & Pensions ○ Debtors ○ Capital ○ Financial Regulations ○ General Ledger ○ Reconciliations ○ Treasury Management <p>This review will include a follow up of the 2014/15 audit report.</p>	30 days (Q4)	Planning (start date 4 January16)	March/ June 2016
Pension Administration	This audit will focus on the systems of control in place for the administration of Firefighters Pensions, including roles and responsibilities, compliance with legislation and accuracy of accounting.	7 days (Q2)	Fieldwork in progress	March 2016
Control Centre	Scope to be agreed post cut over (possibly joint with OCC)	8 days (Q1)	Planning	March 2016
Asset Management	The audit will provide assurance on the governance framework and functionality of the Asset Management System including system security, asset recording and reporting.	7 days (Q2)	Final Report REASONABLE	December 2015
TBC	<p>Possible areas:</p> <p>Project Management Contract Management Financial Planning</p> <p>To be discussed and agreed with Acting Director of Finance and Assets in conjunction with Overview and Audit Committee.</p>	13 days (Q3)		March 2016
HR People Management	This audit will focus on the systems of control in place within the HR service over allocation of workloads and managing staff. This will include a review of the VIVA system.	5 days (Q1)	<p>Planning (initial meeting 28/8/15)</p> <p>(delayed to Q3)</p>	March 2016

Internal Audit Report: Update of progress of the Annual Audit Plan

Contingency	A contingency has been included within the audit plan to provide flexibility and in recognition of an expected but as yet unspecified need. If the days remain as at the beginning of Q4 then they will be used to review some key Governance areas such as Project Management and Contract Management, with the agreement of the Acting Director of Finance and Assets.	10 days		
Follow Up				
Follow Up - general	To ensure all 2013/14 and 2014/15 medium and high recommendations of significant nature are implemented, in addition to recommendations still outstanding from previous years.	10 days	Ongoing	December 2015
Audit Management				
Corporate Work	A proportion of the total audit resource is made available for 'corporate work'. Corporate work is non-audit specific activity which still 'adds value' or fulfils our statutory duties. Examples of this type of work include attendance and reporting to Management and Committee, and audit strategy and planning work. This also includes developing the Audit Plan, writing the Annual Report and undertaking the annual Review of Effectiveness of Internal Audit.	10 days	N/a	N/a
Total		100 days		