

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Overview and Audit Committee
DATE OF MEETING	9 March 2016
OFFICER	David Sutherland, Director of Finance and Assets Maggie Gibb, Internal Audit Manager
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 Members 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 Director of Finance and Assets to monitor progress.</p> <p>The audit of Pensions Administration has been completed and issued as a final report.</p> <p>The fieldwork for the Core Financial Controls audit has been completed, with the draft report due for issue before the end of February. The final report will be presented to Members in June.</p> <p>The Control Centre audit has not yet progressed but will be completed before the year-end. We are in discussions with Audit colleagues in Oxfordshire regarding the approach.</p> <p>The audit of HR People Management has been replaced by a review of the governance arrangements in place to oversee the transfer of Pension Administration responsibilities from Buckinghamshire County Council to West Yorkshire Pension Fund.</p> <p>Timings for the remaining audits will be discussed and agreed with SMB.</p>
ACTION	Information.
RECOMMENDATIONS	That Members note the progress on the Annual Internal Audit Plan.
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	Not applicable.
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 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 2015/16 Internal Audit Plan with a schedule of proposed work still to be undertaken
TIME REQUIRED	10 minutes
REPORT ORIGINATOR AND CONTACT	Maggie Gibb – Internal Audit Manager mgibb@buckscc.gov.uk 01296 387327

Annex A**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	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: <ul style="list-style-type: none"> o Budget Setting/Monitoring o Procure to Pay o Payroll & Pensions o Debtors o Capital o Financial Regulations o General Ledger o Reconciliations o Treasury Management This review will include a follow up of the 2014/15 audit report.	40 days (Q4)	Fieldwork complete	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.	10 days (Q2)	Final Report REASONABLE	March 2016
Control Centre	Scope to be agreed post cut over (possibly joint with OCC)	8 days (Q4)	Planning	June 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
HR People Management - CANCELLED	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.	N/A	Replaced by Pensions Transfer review (below)	June 2016
Pensions Administration Transfer	The objective for this review is to provide an evaluation of the adequacy and effectiveness of the transfer arrangements and governance surrounding the transfer of the administration of the Firefighters' Pension Schemes	5 days (Q4)	Terms of Reference issued	June 2016
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 Director of Finance and Assets.	10 days		

Annex A

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		