

CHESHIRE FIRE AUTHORITY

MEETING OF: PERFORMANCE & OVERVIEW COMMITTEE
DATE: 16 NOVEMBER 2016
REPORT OF: HEAD OF FINANCE
AUTHOR: CHRIS ASTALL

SUBJECT: 2016-17 Q2 INTERNAL AUDIT PROGRESS AND FOLLOW UP REPORTS

Purpose of Report

1. The purpose of this paper is to present Members two from Mersey International Audit Agency (MIAA): Internal Audit Progress Report (attached as Appendix 1 to this report); and Internal Audit Follow Up Report (attached as Appendix 2 to this report).

Recommended: That Members

- [1] Review and note the contents of the attached reports; and
- [2] Highlight areas that they would like to be further explained.

Background

2. Internal auditing is an assurance function that primarily provides an independent and objective opinion to the Authority on the organisation's control environment.
3. Findings and recommendations made by MIAA during the course of an audit are presented formally in a report to the relevant Heads of Department. Each recommendation is prioritised as Critical, High, Medium, or Low to reflect the assessment of risk associated with any identified control weakness. It is a management responsibility to respond to the recommendations and identify actions that can be taken to address any issues.
5. Each individual Terms of Reference (ToR) and audit reports are reviewed and approved by senior officers and any substantial risks may be referred to the Risk Management Board (RMB) if considered necessary. The Performance & Overview Committee receives updates on a quarterly basis for the purpose of monitoring and scrutiny of progress against the annual audit plan.
6. All recommendations are populated on the Service's Cheshire Planning System (CPS) for monitoring and tracking of delivery and progress. All recommendations are reviewed during the year by PAG and independently assessed by MIAA during the annual 'follow-up' audit.

Information

Reviews completed since last report to P&O Committee

7. Since the previous meeting of the Performance and Overview Committee the following reviews have been completed by MIAA
 - Insurance Arrangements – Significant Assurance
 - Follow-Up Audit

Work in Progress 16-17

8. There has been substantial activity aligned to the 2016-17 audit plan during Q2 with the following Terms of Reference (ToRs) developed.
 - On Call Availability
 - Site Specific Risk Information
 - Station Management Framework

Request for audit plan Changes

9. The contingency element of the Audit Plan allows the flexibility to respond to any changes in risk profile during the financial year. There have been no requests for change during the Quarter 2 reporting period, however some of the audits have been rescheduled based on risk and priority.

Financial Implications

10. Internal audit is an outsourced service funded from base budget. Any additional financial implications arising from internal audit recommendations are assessed individually as part of the management response for final audit reports.

Legal Implications

11. There are no specific legal implications arising from this report.

Equality & Diversity Implications

12. There are no differential impacts on any particular section of the community arising from this report.

Environmental Implications

13. There are no specific impacts on the environment arising from this report.

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Appendix 1 – Internal Audit Progress Report – 16th November 2016

Appendix 2 – Internal Audit Follow Up Report – 6th November 2016