

CHESHIRE FIRE AUTHORITY

MEETING OF: PERFORMANCE & OVERVIEW COMMITTEE
DATE: 1ST MARCH 2017
REPORT OF: HEAD OF LEGAL AND DEMOCRATIC SERVICES
AUTHOR: CHRIS ASTALL

SUBJECT: 2016-17 QUARTER 3 INTERNAL AUDIT PLAN
PROGRESS REPORT

Purpose of Report

1. To present an update on Quarter 3 (Q3) progress made in respect of the 2016-17 Internal Audit Plan.

Recommended: That

- [1] Members review and note the attached report (Appendix 1); and
- [2] Members highlight any specific audit findings for which they would like further detail.

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.
4. Audit Terms of Reference (ToR) and resulting audit reports are reviewed and approved by senior officers with any substantial risks capable of being referred to the Risk Management Board (RMB) where necessary. The Performance & Overview Committee receives updates on a quarterly basis for the purpose of monitoring and scrutiny of progress against the Internal Audit Plan.
5. All recommendations are populated on the Service's Cheshire Planning System (CPS) to allow for monitoring and tracking of delivery and progress. All recommendations are reviewed during the year by the Policy Approval Group and independently assessed by MIAA during the annual 'follow-up' audit.

Information

6. The Internal Audit Progress report, attached as Appendix 1, has been prepared by Mersey Internal Audit Agency (MIAA) who will be attending the meeting.

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
 - Treasury Management – High Assurance
 - Cash and Bank – Significant Assurance
 - Payroll – Significant Assurance
 - Station Management Framework – Significant Assurance
 - On Call Availability – Significant Assurance

Work in Progress 2016-17

8. There has been substantial activity aligned to the 2016-17 Internal Audit Plan during Q3 with the following work in progress.
 - Site Specific Risk Information
 - National Fraud Initiative

Request for audit plan Changes

9. The contingency element of the Internal Audit Plan allows the flexibility to respond to any changes in risk profile throughout the financial year. There have been no requests for change during the Quarter 3 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 to 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.