

Appendix – Progress against the Internal Audit Plan 2017-18 at 25th August 2017

Audits marked () may be utilised by the external auditor in their annual assessment of the likelihood of material misstatement in the Authority's financial accounts so the detailed scope will be subject to the External Auditor's (EA's) approach*

ToE – terms of engagement

Work in progress

No.	Category	Auditable area	Potential assurance requirements....	Position at 25/08	Summary recommendations	Opinion
18/2	Governance	Performance Monitoring	Performance measurement and timely and accurate reporting against the six key corporate strategies (supporting six corporate aims) of the 'Towards 2020' Corporate and Integrated Risk Management Plan (IRMP) – work to focus on dashboard reporting	Draft ToE issued Work in progress		
18/3	Governance	Declaration of Interests/Gifts and Hospitality	Policies and procedures are appropriately operated	Draft ToE issued Work in progress		

18/4	Governance	General Data Protection Regulation (GDPR)	Readiness for compliance	Work in progress		
18/5	Governance	Transparency Reporting	Requirements of the Transparency Code are complied with	Draft ToE issued Work in progress		
18/10	Risk Management	Risk Management Framework	Continuous improvement in the risk management framework.	Work in progress		
18/12	Risk Management	Procurement	The approach to commissioning and procurement Maintenance of procurement and contracts register Maximising collaboration opportunities	Work in progress		
18/13	Internal Control	Key financial systems (*)	Financial management including areas such as reconciliation procedures, suspense accounts, journals, bank reconciliation Payables Receivables including debt recovery Treasury management	Terms of engagement being devised ready to start work in December 2017 – to meet external audit requirements		

18/14	Internal Control	Key Financials Payroll (*)	Payroll and Pensions Starters, Leavers & Variations Contribution Bandings	Terms of engagement being devised ready to start work in December 2017 – to meet external audit requirements		
18/15	Internal Control	ICT controls (*)	Robustness and integrity of the ICT infrastructure and associated applications that either directly or indirectly contribute to the production of the financial statements or associated management decision making	Terms of engagement issued ready to start work in December 2017 – to meet external audit requirements		
18/16	Internal Control	Expenses	Expenses claimed are in accordance with policy	ToE agreed Testing planned in September		
18/17	Internal Control	National Fraud Initiative	To ensure that matches from data submitted in 16/17 have been investigated and action taken where appropriate	On-going work		

18/18	Governance	Fire-fighter Pensions – Roles & Responsibilities	Review of any changes to the roles and responsibilities across LFRS, Payroll, the scheme Manager, the Pensions Administrator and the Local Pensions Scheme Board	Draft imminent		
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Work not yet started

No.	Category	Auditable area	Potential assurance requirements....	Position at 25/08	Summary recommendations	Opinion
18.1	Governance	Financial Management Software	Implementation of further module(s) of the software to address core business functions	- Await further strategic direction to inform areas of coverage		
18/6	Governance	Constitution	Revisions to the Constitution are appropriately applied at an operational level – likely to focus on any changes to local budget monitoring	- Date for testing dependent on date of approval of revised constitution		
18/8	Governance	ICT Modernisation	Projects (selected from sample) are appropriately managed – likely areas could be incident reporting, learning management, IP telephony	- Await further strategic direction to inform areas of coverage		
18/9	Governance	Review of the estate	Concentrate on ‘invest to save’ opportunities with the existing estate.	- Awaiting CFA report to inform coverage areas		

18/11	Risk Management	Insurance arrangements	Benefits of being a member of the Fire and Rescue Insurance Consortium (FRIC) are realised in order to reduce CFA specific risk and share best practice.	- Deferred awaiting internal report by Area Manager Finance and ICT		
18/19	Risk Management	Firefighter Pensions – Scheme Management	Changes to scheme management requirements are applied in a timely manner e.g. electronic data transfer from payroll to pensions.	- Work deferred to allow more time for the audit in respect of Firefighter Pension - roles and responsibilities audit – see above		
18/20	Internal Control	Fire-fighter Pensions – Pensions Calculations	Pension calculations	- Work deferred to allow more time for the audit in respect of Firefighter Pension - roles and responsibilities audit – see above		

18/21	High Importance Recommendations	Follow up testing of any high importance recommendations to ensure they have been addressed in a timely manner in order to mitigate risk to an acceptable level.	Follow up testing of any high importance recommendations to ensure they have been addressed in a timely manner in order to mitigate risk to an acceptable level.	- No high recommendation to currently review		
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Deferred/cancelled Jobs:

No.	Category	Auditable area	Potential assurance requirements....	Position at 25/08	Summary recommendations	Opinion
18/7	Governance	IR35 (intermediaries legislation)	Legislation is correctly applied	Wider specialist tax advice being sought by the service therefore job may potentially be cancelled		

Potential substitute Jobs:

No.	Category	Auditable area	Potential assurance requirements....	Position at 25/08	Summary recommendations	Opinion
18/23	Governance	Partnerships	Strategic and Operational Objectives are being achieved	Only ever potential substitute jobs therefore coverage not expected		
18/24	Governance	Procurement	Replacement financial management software – option consideration	Only ever potential substitute jobs therefore coverage not expected		
18/25	Governance	Information management	Authorisation arrangements, management and reporting of incidents relating to covert intelligence e.g. RIPA	Only ever potential substitute jobs therefore coverage not expected		