

Appendix 1 – Progress against the Internal Audit Plan 2022-23 at 11 November 2022

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

HI – high importance recommendation

Institute of Internal Auditors definitions: -

- The first line of defence – functions that own and manage risk
- The second line of defence – functions that oversee or specialise in risk management, compliance
- The third line of defence – functions that provide independent assurance, including internal audit.

Work completed (to at least draft report issued stage or complete for the financial year)

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/01	Various	Completion of any residual work on 22/23 audits	Completion of any residual work on 22/23 audits	Final Reports Issued	All three prior year reports issued	2 x Substantial 1 x Partial
23/08	Internal Control	Counter Fraud: National Fraud Initiative	<ul style="list-style-type: none"> Ensure relevant data is extracted at 30 September 2022, uploaded in October 2022 and assessment of output reports commenced in Feb 2023 with the overall objective of results being correctly interpreted and investigated and have due regard for a segregation of duties. 	Datasets required submitted for: Creditors Payroll Pensions Potential Matches released Jan 23 for clearance by the first quarter of 23/24	N/A – The distribution of reports in late Jan 23 will be the only work to complete in 22/23 now	N/A

Work in progress

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/02	Governance	Safeguarding	An audit of policies and procedures, ensuring pre-engagement checks and actual engagement actions/activities are robust and appropriate	Terms of Engagement completed – testing being undertaken	N/A	N/A
23/03	Risk Management	Fire Protection	The engagement approach, audit effectiveness and post audit evaluation, particularly focusing on the Risk Based Inspection Programme (RBIP)	Terms of Engagement completed – testing being undertaken	N/A	N/A

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/04	Internal Control	Key Financial Systems – Reconciliations and Balances	<p>Key reconciliations and other agreed in scope processes are undertaken accurately and promptly</p> <p><i>(Note, where applicable this will include follow up of any material internal control weaknesses defined in the International Standard on Auditing (ISA260) report).</i></p>	<p>Terms of Engagement completed – testing being undertaken</p> <p><i>Note: Testing cannot commence until now to allow enough testing periods from the current financial year in order to provide a representative 22/23 sample.</i></p>	N/A	N/A

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/05	Internal Control	Key Financials Payroll	Payroll Starters, leavers, and variations to pay are valid and accurately accounted for	<p>Terms of Engagement completed – testing being undertaken</p> <p><i>Note: Testing cannot commence until now to allow enough testing periods from the current financial year in order to provide a representative 22/23 sample.</i></p>	N/A	N/A

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/06	Internal Control	Key Financials Pensions	<p>To provide assurance regarding operational processes for Fire Fighter Pensions. Topic area(s) will be risk assessed and then selected from the following:</p> <ul style="list-style-type: none"> • Starters, leavers, and variations to pension are accurately accounted for in respect of pensionable adjustments required. • Contribution banding, pensions increases and dependants' pension requirements are correctly applied. • To review the validity and accuracy of calculations with regard to payments for new pensions and lump sums 	<p>Terms of Engagement completed – testing being undertaken</p> <p><i>Note: Testing cannot commence until now to allow enough testing periods from the current financial year in order to provide a representative 22/23 sample.</i></p>	N/A	N/A

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/07	Internal Control	ICT Controls	<ul style="list-style-type: none"> • 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 	<p>Terms of Engagement completed – testing being undertaken</p> <p><i>Note: Testing cannot commence until now to allow enough testing periods from the current financial year in order to provide a representative 22/23 sample.</i></p>	N/A	N/A

No.	Category	Auditable area	Potential assurance requirements....	Position at 11/11	Summary recommendations	Opinion
23/09	Internal Control	Contract Procedure Rules and associated Policies and Processes	<p>Follow up of partial assurance report</p> <p>Note the degree of detailed testing required for this specific audit means this cannot be absorbed from</p>	Progress being monitored in conjunction with the Assist. Chief Fire and Rescue Officer (Director of Service Support) with a view to	N/A	N/A

			the allocation of time further below	completing the work in late Quarter 3 after the 30/9 deadline for implementation of the recommendations has passed.		
23/10	Internal Control	Human Resources	<ul style="list-style-type: none"> Recruitment and retention processes and activities, to specifically incorporate any 'positive actions' work in trying to achieve a workforce reflective of our communities. The audit will also review the leavers process and any associated in exit interviews 	<p>Terms of Engagement completed and testing due to commence.</p> <p><i>This work was always due to commence this period after the current recruitment campaign has been completed.</i></p>	N/A	N/A
23/11	Internal Control	Counter Fraud: Bank Mandate Fraud	Policies and procedures surrounding the amendment of bank accounts are robust	<p>Terms of Engagement issued to client</p> <p>Work commenced however slightly delayed as management information regarding approval process is still at</p>	N/A	N/A

				development stage		
23/12	Various	Contingency - Emerging Issues	Emerging issues affecting the service e.g. Climate Change, New Legislation, Residual Brexit Issues, Forge Health etc	Ad-hoc advice issued in respect of gifts and hospitality and declarations of interests returns, amendment of bank account procedures and queries from the external auditor	N/A	N/A

Audits not started

None

Areas of the original plan that will not be undertaken and associated rationale

None specified as yet

Potential Substitute Audits

None specified as yet

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