

APPENDIX A

**NORTH WALES FIRE AND RESCUE AUTHORITY**  
**Internal Audit Section – 2007/08 Annual Summary of Recommendations and Audit Opinions**

	<b>Auditable Area</b>	<b>Audit Coverage</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Total</b>	<b>Agreed by Mgmt</b>	<b>Audit Opinion</b>
1	Payroll - Starters & Leavers	Systems of internal control operating in respect of starters and leavers.	3	2	1	6	6	Satisfactory
2	Fleet Management - Fuel	Control and issue of fuel cards, use of fuel consumption data, payment of fuel invoices and budgetary control.	0	5	1	6	6	Satisfactory
3	National Fraud Initiative	NFI is a comprehensive and thorough 'data matching' exercise organised by the Audit Commission in partnership with the Wales Audit Office (WAO).	0	0	0	0	0	Good
4	Equipment Security and Inventory	Fire Station and Appliance Inventory Records and Equipment Security – Holyhead, Caernarfon, Llandudno, Rhyl & Deeside Fire Stations.	4	12	2	18	18	Adequate
5	Network Management	Carried forward to 2008/09 at management's request. Review scheduled to commence in May 2008.						
		<b>Totals</b>	<b>7</b>	<b>19</b>	<b>4</b>	<b>30</b>	<b>30</b>	
							<b>Good</b>	<b>1</b>
							<b>Satisfactory</b>	<b>2</b>
							<b>Adequate</b>	<b>1</b>
							<b>Unsatisfactory</b>	<b>0</b>

**APPENDIX B**

**NORTH WALES FIRE AND RESCUE AUTHORITY  
Schedule of Follow up Audits 2007/08**

	<b>Description</b>	<b>File Ref.</b>	<b>Auditor</b>	<b>Audit Date</b>	<b>Follow up Due Date</b>	<b>Follow up Date</b>	<b>No. Recs</b>	<b>Recs Outstanding</b>	<b>Revised Audit Opinion</b>
<b>1</b>	NW Fire Service - Headquarters 06/07	<b>VF0 150</b>	<b>RJ</b>	<b>March-07</b>	<b>Sept-07</b>	<b>Oct-07</b>	<b>5</b>	<b>0</b>	<b>Good</b>
<b>2</b>	Retained Stations - Conwy & Denbighshire 06/07	<b>VF0 170</b>	<b>RJ</b>	<b>Oct-06</b>	<b>Apr-07</b>	<b>Oct-07</b>	<b>5</b>	<b>0</b>	<b>Good</b>
<b>3</b>	Review of Internet and E-Mail Controls 06/07	<b>VF0 466</b>	<b>DP</b>	<b>Jul-07</b>	<b>Dec-07</b>	<b>Dec-07</b>	<b>9</b>	<b>2</b>	<b>Good</b>
<b>4</b>	Payroll - Starters and Leavers 07/08	<b>VF0 220</b>	<b>KVW</b>	<b>Jul-07</b>	<b>Dec-07</b>	<b>Nov-07</b>	<b>6</b>	<b>2</b>	<b>Satisfactory</b>

# North Wales Fire and Rescue Authority

## CONWY COUNTY BOROUGH COUNCIL

### Summary of Internal Audit Activity 2007/08

	Department / Service	Planned Days 2007/08	Actual Days 2007/08
1	Payroll Starters and Leavers	5	7
2	Fleet Management – Fuel	8	10
3	Fire Station and Appliance Inventories	8	10
4	National Fraud Initiative	5	7
5	Network Management	8	Deferred to 2008/09
6	Recruitment & Selection	8	0 Slippage
7	Audit Follow ups – NWFRA Headquarters Retained Stations – Conwy & Denbighshire Internet & E Mail Controls Payroll Starters & Leavers	3	6
8	NWFRA Planning & Reporting (Including Annual Statement of Assurance & Needs Assessment)	5	5
9	Contingency Reserve	3	0
	<b>TOTAL DAYS</b>	<b>53</b>	<b>45</b>

<b>Days Allocated 2007/08</b>	<b>53</b>
<b>Actual Days 2007/08</b>	<b>45</b>
<b>Total Days C/F to 2008/09</b>	<b>08</b>

## APPENDIX D

**North Wales Fire and Rescue Authority  
CONWY COUNTY BOROUGH COUNCIL  
Draft Internal Audit Annual Plan 2008/09**

Needs Ass't Ref	Audit Review	Comments	Days	Planned Timing
<b>Risk Area – Financial and Fraud Risks</b>				
17	Payroll	To review the internal controls operating over amendments to pay and allowances.	8	July 08
28	Main Financial Systems - Creditors	Creditor ordering and payment function based within NWF&RA. The systems audit approach is based on the Systems Based Auditing publication and associated control matrices produced by CIPFA	11	Nov 08
<b>Risk Area – Information Management &amp; Technology</b>				
32	Network Management	Security and Control; Physical and Logical Security; Back Up and Disaster Recovery; Performance; Hardware, Media, Topolgy: Security and Control: Management Support: Communications Software; Wireless Connections.	8	May 08
See Dom	Information Security Management	Corporate Security Management; Systems Development & Maintenance, Information Access Control Management, Compliance Management, HR Security Management, Communications & Operations Management, Organisational Asset Management, Physical and Enviro Security Management, Security Policy Management, Disaster Recovery Plan.	8	Nov 08
<b>Risk Area – Other Systems</b>				
38	Welfare Funds	To undertake a review of NWF&RA Fire Station Welfare Funds to ensure compliance with the SAPPO.	10	August 08
<b>Other Audit Work</b>				
-	Audit Planning, Annual Report and Management	Provision for time required for management element of contract.	5	
-	Follow up of Previous Recommendations	Following up recommendations made in 2007/08 which are not covered in the above programme: Fleet Management – Fuel Fire Station and Appliance Inventories Network Management	5	
-	Contingency Reserve	For unplanned work identified during the year and liaison/advice as required.	3	
<b>Total Days Required for Audit Work</b>			<b>58</b>	

<b>Days Allocated 2008/09</b>	<b>50</b>
<b>Days b/f from 2007/08</b>	<b>08</b>
<b>Total Days Available 2008/09</b>	<b>58</b>

**APPENDIX E**

**NORTH WALES FIRE AND RESCUE AUTHORITY  
Internal Audit Needs Assessment and Audit Plan for 2008/09**

	<b>Main System and Subsystem</b>	<b>Potential Areas for Audit</b>	<b>Risk Assessment</b>	<b>2008/09 Days</b>	<b>Comments</b>
<b>Risk Area – Strategic Management and Governance</b>					
1	Corporate Governance	Legal Compliance Arrangements; Policy and Decision Making; Scheme of Delegation; Codes of Conduct - Officers; Codes of Conduct - Members; Training and Awareness; Chief Officers Pay; Standing Orders and Financial Regulations; Anti-fraud and Whistle-blowing; Environmental Policy.	A		Regulatory Plan 2007/08 identifies that CIPFA/SOLACE have recently published 'Good Governance in Local Government-Framework.' The Governance Statement subsumes the current SIC and will be a requirement from 2007/08. KPMG to review whether Authority up to date with new legislation and appropriate processes and procedures in place.
2	Service Planning	Corporate Planning; IRMP; BVPP; Service Unit Plans; CPA Improvement Plan; Modernisation; Consultation; Risk Assessment; Resourcing and Financial Approval; Improvement Co-ordinating Unit	B		
3	Performance Management	Roles and Responsibilities; Target Setting; Data Collection; Data Quality Control; Reporting; Use of Management Information to support Service Improvement.	A		Regulatory Plan 2007/08 – KPMG to review whether Authority have in place robust and effective arrangements to prevent and detect fraud.  Audit of the Annual Action/Improvement Plan and performance indicators.

	<b>Main System and Subsystem</b>	<b>Potential Areas for Audit</b>	<b>Risk Assessment</b>		<b>2008/09 Days</b>	<b>Com ments</b>
4	Risk Management, Emergency Planning and Business Continuity	Policy and Framework; Roles and Responsibilities; Training; Corporate Risk Register; Integration with Management Processes ; Monitoring and Assurance Mechanisms; Reporting; Emergency Planning; Risk Assessment; Business Continuity; Urban Search and Rescue; Compliance with CCA 2004; Working with Partner Agencies and Local Businesses; Resilience Forums; Mobile Conference Facilities;	A			WAO Risk Management Strategy 2005.
5	Equalities and Diversity	Compliance with Legislation; Policy, Practice and Procedure; Responsibilities; Awareness and Training; Performance Management.	C			
<b>Risk Area – Operational Service Delivery</b>						
6	Control Room Operations  Incident Response and management	Compliance with Key Risk Mitigation; Mobilisation Procedures; Incident Response Prioritisation; Monitoring and Measuring Performance; Staffing and Resources; Training; Incident Command System.	C			Arrangements are now well advanced for the Fire and Rescue Service Control Room to be moved to St. Asaph and co-located with North Wales Police's Control Room in St Asaph. Therefore this area is currently not considered appropriate for 2008/09 coverage.  Making Connections Agenda

	<b>Main System and Subsystem</b>	<b>Potential Areas for Audit</b>	<b>Risk Assessment</b>		<b>2008/09 Days</b>	<b>Comments</b>
7	Hoax Call Procedures	Policy and Procedure; Recording and Monitoring; Education; Communication.	C			
8	Community Fire Safety and Arson Task Force	Communication; Education; Resourcing Risk Profiling; Working with Business, LEAs, CYPT, YOT, other FRSS Sprinklers project; Smoke Alarms; Home Fire Safety Checks; Community Safety Events; Vehicle Recovery.	C			
9	Inspection & Investigations	Compliance with Policy; Inspections Programme; Online assessments; Compliance with building control; Issue of licences/certificates; Income from inspections and licences.	C			
10	Partnership Working	Partnership Governance; Risk Assessment; Crime and Disorder Reduction; Local Strategic Partnership; Local Area Agreements; LEAs and others.	B			WAO National Review of Partnership Working 2006/07.

	Main System and Subsystem	Potential Areas for Audit	Risk Assessment		2008/09 Days	Comments
<b>Risk Area – People Management</b>						
11	Health and Safety	Compliance with Legislation; Policy, Practice, Procedure; Responsibilities Awareness and Training Performance Management Incident Monitoring and Reporting; Insurance (Public and Employers liability)	B			
12	Managing Attendance (uniformed and non uniformed)	Compliance with Policy; Reporting and recording absence; Performance Information.	C			WAO National Review of Sickness Absence 2006/07.
13	Staff Training and Development (uniformed and non uniformed)	Implementation of IPDS; Skills Assessment; Development Portfolios; Personal Development Reviews; Performance Appraisal; Training Facilities; Joint Training Schemes; Succession Planning; Leadership Development (Service Improvement); Value Centred Training.	C			
14	Recruitment and Selection	Compliance with Recruitment Policies and Procedures; Equalities and inclusion; Pre-employment checks; Performance Management.	C			Pre-employment checks eg. references, CTB checks covered as part of starters and leavers audit 2007/08.



	Main System and Subsystem	Potential Areas for Audit	Risk Assessment		2008/09 Days	Comments
<b>Risk Area – Project Management</b>						
15	Project Management	Special Projects Unit; Roles and Responsibilities; Project Prioritisation; Risk Assessment; Compliance with Prince 2; Training in Project Management; Monitoring and Delivery; Financing.	B			
<b>Risk Area – Financial and Fraud Risks</b>						
16	Financial Planning & Budgetary Control	Funding Arrangements Resource Allocation Medium Term Financial Planning Budget setting and approval Financial delegations Budget Holder Training Budget Monitoring Financial Forecasting/Reporting	A			Regulatory Plan 2007/08 – Code of Practice on Local Authority Accounting in the UK – A Statement of Recommended Practice (SoRP) introduces significant changes to Fire and Rescue Authority Accounting from 1 April 2007. KPMG will confirm that the Authority's Financial Statements comply with the relevant statutory requirements. The Authority's arrangements for budget setting and monitoring financial performance will be reviewed.
17	Payroll	Starters, Leavers, Amendments; Payment Control; Certification; Accuracy; Monitoring; Reporting.	A		8	Payroll Starters and Leavers Audit 2007/08. Audit Opinion was Satisfactory.
18	Employee & Members Allowances	Claims, authorisation and Processing in respect of: Travel and Subsistence; Long Service Awards; Relocation; Residential Allowances; Medical Allowances.; Other Material Allowances.	D			Internal Audit Review of Members Allowances 2005/06. Audit Opinion was Good.

	<b>Main System and Subsystem</b>	<b>Potential Areas for Audit</b>	<b>Risk Assessment</b>	<b>2008/09 Days</b>	<b>Comments</b>
19	Pensions	Notification to Administering Authority; Verification of Changes; Unfunded Charges.	C		Regulatory Plan 2007/08 – KPMG to confirm that the Authority's Financial Statements comply with new Fire Service Pension Accounts requirements.
20	Procurement & Purchasing	Procurement Strategy; Efficiency and Value for Money; E Procurement; Compliance with Financial regulations and Contract Standing Orders; Purchasing and Payment Procedures; Credit Card Expenditure; Cash Expenditure.	B		WAO Annual Opinion in respect of VFM.
21	Capital Strategy and Accounting	Strategy and Programme Setting/Approval; Monitoring; Capitalisation/ Authorisation of Expenditure ; Prudential Borrowing; Fixed Asset Management and Accounting; Fixed Asset Register; Asset Valuation/Depreciation; Insurance; PFI Schemes incl VAT.	A		WAO 2006/07 Coverage – Review of Final Accounts, Fixed Asset Register etc.
22	Fleet Management and Fuel	Procurement/Leasing; Management and Strategic Alignment; Maintenance and Inspection; Fuel Issues and Usage; Disposal; Insurance.	C		Internal Audit Review of Fleet Management 2005/06. Audit Opinion was Good. Internal Audit review of Fuel 2007/08. Audit Opinion was Satisfactory. Regulatory Plan 2007/08 – KPMG review of Fleet and Vehicle Asset Management.
23	Income Collection & Banking	Receipt of Funds; Grant Income; Precept Income: Collection and Accounting Procedures;	C		Review of Income Collection and Banking undertaken as part of NWFRS HQ Audit 2006/07. Audit Opinion was Good.

	Main System and Subsystem	Potential Areas for Audit	Risk Assessment	2008/09 Days	Comments
		Miscellaneous Income; Compliance with Charging Policy; Inspection Certificate Income; Cash Security and Banking; Insurance.			
24	Stores	Stock Control, Valuation and Recording; Purchasing and Receipt; Security of Stores; Security of IT System; Issue and Returns Procedures; Insurance.	D		Internal Audit Review 2003/04. Audit Opinion was Good.
25	Equipment Security and Inventory	Inventory Level; Recording and Reviewing; Marking of Equipment; Loan of Equipment; Physical Security of Location; Insurance.	C		Internal Audit Review 2007/08. Audit Opinion was adequate.
26	Utility Costs and Service Contracts	Tendering and Value for Money; Monitoring Energy Costs; Compliance with Financial Regulations.	C		
27	National Fraud Initiative	Payroll Download; Creditors Download; Investigation of Output from National Matching Exercise.	A		NFI data matching of payroll and creditors data to be conducted every 2 years.
28	Main Financial Systems <ul style="list-style-type: none"> <li>• Payroll</li> <li>• Creditors</li> <li>• Debtors</li> <li>• Treasury Management</li> <li>• Accounting System</li> <li>• Anti Fraud</li> </ul>	Completeness, Accuracy and Validity of Transactions; Correct Accounting; Monitoring and Reporting; Efficiency; Value for Money; Documentation of Systems; Compliance with Financial Regulations and Procedures.	A		Covered by Audit of CCBC Systems on an annual basis.

	Main System and Subsystem	Potential Areas for Audit	Risk Assessment		2008/09 Days	Comments
<b>Risk Area – Reputation and Public Confidence</b>						
29	Complaints Procedures	Policy, Procedure, Best Practice; Compliance; Monitoring and Reporting; Service Improvement; Compensation.	C			
30	Corporate Communications	Communications Strategy; Marketing and Media; Responsibilities; Incident monitoring.	C			
<b>Risk Area – Information Management and Technology</b>						
31	IT Strategy and Management	Strategy Development and Resourcing; Policies and Management Framework; Internet and Email Control; Responsibilities; ICT Procurement and Development; Insurance.	C		8	
32	Network Management	Security and Control; Physical and Logical Security; Back Up and Disaster Recovery; Performance; Hardware, Media, Topolgy: Security and Control: Management Support: Communications Software; Wireless Connections.	C		8	
33	Telecomms (non control room)	Security and Control; Physical and Logical Security; Back Up and Disaster Recovery.	C			WAO Coverage 2006/007.

	Main System and Subsystem	Potential Areas for Audit	Risk Assessment		2008/09 Days	Comments
34	E Government	Strategy; Resourcing; Initiatives; Performance.	C			
35	Control Room IT	Cell Phones; Radio System; Call Out System; Physical Security; Back Up and Disaster Recovery; Performance Monitoring.	C			
36	Data Protection / Freedom of Information	Compliance with Legislation; Staff Awareness; Information requests; Monitoring and Performance.	C			
<b>Risk Area – Other Systems</b>						
37	Canteen Operation	Agreement and Monitoring; Food Hygiene and cleanliness; Staff Training; Income Collection and Banking; Ordering Procedures.	C			
38	Welfare Funds	Written procedures; Welfare Fund Records; Bank Reconciliations; Independent Audits.	C		10	
<b>Risk Area – Other Audit Work</b>						
	Audit Planning, Annual Report and Management				5	
	Follow up of Previous Recommendations				5	
	Contingency Reserve				3	
			<b>Total 2007/08 Coverage</b>		<b>58</b>	
<p><b>Risk Assessments – The Needs Assessment documents each project and allocates a risk rating in respect of each auditable area, based on the completion of a risk matrix held on the Internal Audit Section’s Apace Audit Planning and Control System. The risk assessment dictates the degree of risk and the subsequent frequency of each audit. Where an area has not been recently reviewed by either Internal Audit or WAO a ‘C’ risk rating is allocated until such time as an audit review is performed and an informed opinion can be made. The current risk ratings are as follows:</b></p> <ul style="list-style-type: none"> <li>• Risk Rating A - High Risk Requiring an Annual Review</li> <li>• Risk Rating B - High Risk Requiring a review every 2 years</li> <li>• Risk Rating C - Medium Risk Requiring a review every 3 years</li> <li>• Risk Rating D - Low Risk Requiring a review every 4 years</li> </ul>						

