

FINANCE EXTERNAL AUDIT / INTERNAL AUDIT ACTION PLAN

Finance and Payroll Action Summary

Recommendations		Milestones					
Area	No.	No.	Not Agreed	Red	Amber	Green	Green Complete
Budgetary Control	7	7				5	2
General Ledger							
Payroll & Expenses	1	1					1
Capital Programme							
Payment & Creditors	1	1					1
Cash, Bank Treasury							
Income and Debtors							
Procurement	1	1				1	
Total	10	10				6	4
Percentage complete	100%	100%				60%	40%

Area: Payroll and Expenses

Action No.	Recommendation Description and Source Document	Responsible Officer	Milestones	Progress to Date	Status		
					Red	Amber	Green
	The process for regular sample testing of starters, leavers and amendments processed by staff on the authorised list will be finalised and implemented, including backdated sample testing from September 2020 to the date of implementation of the sampling process.	Deborah Turrell-Oldacre Transactional Team Manager Sarah Brent, Recruitment Manager	30 th June 2021	Complete			

Area: Payments and Creditors

Action No.	Recommendation Description and Source Document	Responsible Officer	Milestones	Progress to Date	Status		
					Red	Amber	Green
	The Head of Finance will ensure that all amendments initiated by suppliers to bank details are verified with the supplier, regardless of the nature of the supplier and the amendment request. In addition, the Head of Finance will consider undertaking spot checks for supplier amendments	Head of Finance	30 th June 2021	Complete – the purchase ledger team are now review all bank detail changes including those which we have additional information held on file.			

Area: BCH Procurement Follow Up – BCH Actions

Action No.	Recommendation Description and Source Document	Responsible Officer	Milestones	Progress to Date	Status		
					Red	Amber	Green
	Three quotations for purchases between £5k and £25k will be saved centrally by individuals ordering goods/services and a regular dip sample of compliance with this requirement will be undertaken by Procurement	CFO of each force	31 st May 2021	Ongoing – communication by CFO in general orders. Reviewing and dip sampling on going.			

Area: Budgetary Control

Action No.	Recommendation Description and Source Document	Responsible Officer	Milestones	Progress to Date	Status		
					Red	Amber	Green
	We will ensure that the current version of the FFIs are made available to all staff via the intranet. Budget Managers and other key staff in the budgetary control process will be informed of the location of the FFIs and reminded of the need to familiarise themselves with and follow the requirements of these.	Head of Finance	31 st October 2021	Complete			
	We will update the budget manager training pack to ensure that this provides up to date and comprehensive guidance on the key processes which Budget Managers are responsible for completing. This will be made available and communicated to all current Budget Managers and will also be provided to all newly appointed Budget Managers.	Principal Management Accountant	31 st December 2021	Ongoing			
	We will ensure that the figures detailed in the monthly reports to Budget Managers are checked back to the figures in the ledger by the relevant Finance Business Partner, with this check evidenced on the report. We will also ensure that these reports are created following the ledger being closed for month end where possible. Where this is not possible, any changes to the figures detailed in the report will be specifically highlighted to the Budget Manager in a timely manner.	Principal Management Accountant	31 st October 2021	Complete			

Action No.	Recommendation Description and Source Document	Responsible Officer	Milestones	Progress to Date	Status		
					Red	Amber	Green
	We will ensure that a budget setting timetable for the 2022/23 budget setting process is created and communicated to relevant parties in a timely manner, with the aspects of the budget setting process completed in line with this.	Principal Management Accountant	31st October 2021	Ongoing			
	<p>We will ensure that the reasoning for all manual adjustments to actual expenditure are documented on the spreadsheet used to create FEB/BCB budget reports and will consider recording the reasoning for significant budget profile adjustments.</p> <p>A consistent methodology will be established and applied for the checks on the accuracy of the expenditure figures in these reports. As part of these checks, figures for a sample of budget areas will be reconciled back to E-financials and the Budget Manager report each month, with the sample rotated monthly to ensure all areas are reconciled each quarter. Similarly, overall figures will be reconciled back to E-financials each month.</p> <p>These checks will be clearly evidenced on the spreadsheets, and where discrepancies arise these will be appropriately resolved, with consideration given to checks on additional samples.</p> <p>The spreadsheet will then be reviewed and approved by the Head of Finance, to confirm that manual adjustments were justified and appropriate checks were completed.</p>	Principal Management Accountant/ Head of Finance	31st December 2021	Ongoing			

	<p>A review will be performed to ensure that all cost centres are mapped correctly, to enable accurate monitoring of expenditure against budget. Where cost centres are identified as having been mapped incorrectly, this will be resolved, and the Budget Manager will be advised of the current budget position.</p> <p>This review will then be performed every six months, with the first review for the financial year completed prior to the first budget report being provided to the FEB for month two.</p>	Principal Management Accountant	30 th April 2022	Ongoing	
	<p>We will review all virements processed in 2021/22, including the above exceptions, to ensure that they were approved in line with the FFIs and used for appropriate reasons, with these retrospectively approved where approval cannot be evidenced.</p> <p>Moving forward, we will ensure that all virements are approved in line with the FFIs prior to processing, with approval clearly evidenced.</p>	Principal Management Accountant	31st October 2021	Ongoing	