

**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	5	5				3	2
General Ledger							
Payroll & Expenses							
Capital Programme							
Payment & Creditors							
Cash, Bank Treasury							
Income and Debtors							
Procurement	1	1				1	
<b>Total</b>	<b>6</b>	<b>6</b>				<b>4</b>	<b>2</b>
<b>Percentage complete</b>	<b>100%</b>	<b>100%</b>				<b>66%</b>	<b>33%</b>

**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 <sup>st</sup> 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
	<p>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.</p> <p>This will be made available and communicated to all current Budget Managers and will also be provided to all newly appointed Budget Managers.</p>	Principal Management Accountant	31 <sup>st</sup> December 2021	Ongoing			

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	Complete			
	<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	31 <sup>st</sup> March 2022	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 <sup>th</sup> 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	Complete	