

Report to	Audit Committee
Date	18 December 2023
Lead Officer	Helen MacArthur, Assistant Chief Fire Officer Finance and Resources
Contact Officer	Angharad Ellis (MIAA)
Subject	Internal Audit Report – Payroll and Attendance Management



PURPOSE OF REPORT

- 1 The purpose of this report is to present to Members the findings of the internal audit review of the payroll and attendance management arrangements and controls.

EXECUTIVE SUMMARY

- 2 The Authority is required to put arrangements in place for the audit of systems of control. The payroll and attendance management arrangements are considered to be a key financial system and the audit reviewed both the design and operation of these arrangements.
- 3 The report contained within Appendix 1 provides substantial assurance, identified areas of good practice and makes seven recommendations for further improvement.

RECOMMENDATIONS

- 4 It is recommended that Members:
 - i. Note the findings of the internal audit review of the payroll and attendance management arrangements.

BACKGROUND

- 5 The Internal Audit plan approved for 2024/25 includes a review of business critical systems which includes the audit of the payroll and attendance management arrangements.
- 6 The presence and operation of effective controls is critical to the overall governance arrangements and enables the Authority to discharge its responsibilities in relation to the Annual Governance Statement.

INFORMATION

- 7 The report contained within Appendix 1 provides confirmation of the work undertaken to review the control environment and operating effectiveness of the payroll and attendance management system.
- 8 The report confirms a substantial level of assurance with good practice noted in relation to the arrangements for attendance management. Seven recommendations for further improvement were agreed with management.

GOBLYGIADAU

Wellbeing Objectives	The operation of financial systems that are properly controlled supports the delivery of the well-being objectives and longer-term sustainability of services.
Budget	Assurance on the existence and operation of internal controls supports the effective budget setting and monitoring processes
Legal	An effective internal audit arrangement is a requirement of the Accounts and Audit (Wales) 2014 Regulations
Staffing	The review of key financial systems including payroll provide assurance that controls are present an that payments are in accordance with agreed policies and procedures.
Equalities/ Human Rights/ Welsh Language	The engagement lead with MIAA is bi-lingual and reports will be subject to normal translation processes.
Risks	The report confirms a substantial level of assurance with all recommendations for improvement being low or medium risk.