



**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA Standards and Governance Committee

Purpose: **Noted**

Date: **27 SEPTEMBER 2023**

Title: **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this report is to provide the latest update on the medium and high management actions that have not been completed within their target date and their status. The Standards and Governance Committee has a key scrutiny role in monitoring the implementation of internal management actions.

BACKGROUND

2. Internal audit is provided by the Southern Internal Audit Partnership (SIAP) and is one of various assurance mechanisms that the Service utilises as part of our wider assurance programme. Our assurance programme includes internal and external assurance mechanisms. External mechanisms include from His Majesty's Inspectorate of Fire and Rescue Services (HMICFRS) and ISO certification testing.
3. In terms of internal audit, Hampshire and Isle of Wight Fire and Rescue Service (HIWFRS) Organisational Assurance team maintains, monitors and reports on a record of audits against the current risk-based Internal Audit Plan, noting whether they are in progress or have been completed. Heads of Service are responsible for the delivery of actions that fall within their areas of responsibility.
4. Once a final audit report has been issued, the agreed management actions are recorded along with:
 - (a) the priority of the recommendation;
 - (b) the target date for implementation; and
 - (c) the person responsible for the action.

5. The Organisational Assurance team will ask for confirmation and evidence that an action has been implemented, or if it has not been completed when it is expected to be. Any management actions that continue to remain outstanding are referred to the relevant Director. Outstanding audit recommendations are monitored regularly by the Director of Policy, Planning and Assurance and the Head of Governance and Assurance.

MANAGEMENT ACTIONS

6. The table below lists those recommendations that are currently outstanding beyond their agreed target date and if they are of medium (M) or high (H) priority. There is a brief commentary against each to explain the status and any mitigating factors.

Internal Audit Management Actions			
Competency, Resourcing and Succession planning – Prevention and Protection			
Implementation of the new Gartan management system and the 'Expert Module' will resolve the issue that currently exists in relation to tracking non-operational competencies. This is dependent on the project team delivering against their timeline.	31 October 2022, revised to 31 March 2023, revised to April 2024.	M	The tracking of Prevention and Protection specific competencies needs to be manually set up within the Gartan Expert system by HIWFRS and this is being progressed between the ICT Systems team and the Prevention and Protection teams. This will be delivered by April 2024. It is important to note, however, that there is current mitigation provided by a locally held training database.
Referral Pathways			
Developing a Quality Assurance Framework to ensure delivery of prevention duties.	30 November 2021, revised to 30 November 24	M	The Evaluation & Quality Assurance Programme Manager for Community Safety, responsible for delivering the Quality Assurance framework has left the organisation. A

			new appointment has been made and this action have been reprioritised.
Improvements in systems and processes: the QA framework and new electronic Safe & Well Form will address delays in closing jobs in CFRMIS. Interim process in place.	31 January 2022, revised to 30 November 24	H	Improvements to avoid delays in closing jobs in CFRMIS has a dependency on the delivery of a Quality Assurance framework.
Purchasing Cards (P-Card)			
A review of the policy and governance arrangements for p-cards. Making it clear what is and what is not acceptable.	31 July 2023, extended 30 September 2023	H	In progress – linked to a wider piece of work that Hampshire County Council are undertaking.
A review of the p-card system to consider options for compliance checks prior to submission.	31 July 2023, extended 30 September 2023	H	In progress – linked to a wider piece of work that Hampshire County Council are undertaking.
Reinforcement to all p-card holders and their managers of their responsibilities in line with the revised policy and system.	31 July 2023, extended 30 September 2023	H	In progress
A review of p-card holders and Service need	31 July 2023, extended 30 September 2023	H	In progress

MANAGEMENT COMMENTARY

7. Since the last committee meeting, the Network Management audit has been completed, this audit received a substantial rating and does not have any

management actions. An outstanding action for the Cyber Security Audit, that was due on 30 August 2023 has also now been completed.

8. There are currently 26 open audit actions which are being tracked by the Organisational Assurance team (compared to 20 open actions in the last quarter). Only medium and high overdue actions are reported to the Committee. As stated above, there are seven actions that are now overdue.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

9. By ensuring the implementation of internal audit recommendations, we assist the Authority in improving its planning and performance management processes and in complying with its governance arrangements. This in turn assists the Authority in achieving our *High Performance* and *Learning and Improving* Safety Plan priorities, and our vision to work smarter, be more efficient and to make life safer for everyone in Hampshire and the Isle of Wight.

COLLABORATION

10. The Southern Internal Audit Partnership (SIAP) provide internal audit on behalf of all partners within Shared Services and many other public service organisations.
11. Our internal audit procedure, which acts as a Memorandum of Understanding (MoU) and outlines how HIWFRS and the Southern Internal Audit Partnership (SIAP) collaborate, was revisited by HIWFRS and SIAP in 2021 light of the combined fire authority, and the relationship continues to be effective, as evidenced by the progress made with audit actions and our approach to risk-based audit planning.

RESOURCE IMPLICATIONS

12. When agreeing management actions in response to an audit report, the cost of addressing the risk should be considered against the risk materialising. Implementing audit recommendations helps to ensure that the Authority uses its resources efficiently, that key controls are in place and working, and opportunities to achieve value for money are taken.
13. The management of internal audit actions is carried out within current resources.

IMPACT ASSESSMENTS

14. Impact assessments have not been required for this report as the production of the report will not result in the implementation a new change activity, and/or introducing, or amending, a Service Policy.

LEGAL IMPLICATIONS

15. There are no legal implications arising from this report.

RISK ANALYSIS

16. Failure to implement internal audit recommendations leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in controls. Internal management of audit recommendations is an important process within the Authority's risk management arrangements. The updates on progress ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.

EVALUATION

17. The evaluation of the progress the Service makes in completing internal audit management actions forms an important part of the Service's organisational assurance activity, provides a valuable measure of corporate health and identifies learning across the Service. The Service's Organisational Assurance team regularly monitors progress in completing management actions, for example via reporting into the Service's Integrated Performance and Assurance Group (IPAG) and in regular discussions with our internal auditors, the Southern Internal Audit Partnership.

CONCLUSION

18. Progress continues to be made in both completing the management actions from previous audits and progressing the current audit plan. Management actions will be undertaken in respect of the specific audits themselves and more widely in respect of internal control issues and how they are managed across the Service. As outlined in the MoU, management actions are owned by an Executive Sponsor and Heads of Service, who work with their teams to ensure progress is made.

RECOMMENDATION

19. That the Standards and Governance Committee notes the progress made towards the implementation of the internal audit management actions and the delivery of the audit plan.

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