



**HAMPSHIRE  
FIRE AND  
RESCUE  
AUTHORITY**

Purpose: Noted

26 JULY 2018

## IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS – PROGRESS REPORT

Report of Chief Officer

### EXECUTIVE SUMMARY

1. This report provides the Committee with an overview of the work we do to oversee the implementation of internal audit recommendations and their respective actions.
2. It provides an update on those actions that have not been completed within their target date, and their status.
3. The Standards and Governance Committee has a key scrutiny role in monitoring the implementation of internal actions.

### BACKGROUND

4. The internal audit follow-up process is an important element in our overall approach to risk management and governance. When an action is agreed by managers to address a control weakness, or to make an improvement to the way we work, it is important that the action is then implemented as planned.

#### **5 Liaison with internal audit and the follow up process**

- 5.1 The internal audit service is provided to the Authority by Southern Internal Audit Partnership (SIAP) at Hampshire County Council. There is an Internal Audit Charter that has been in place since 2014. This and the Internal Audit Plan are reviewed and updated annually to reflect changing organisational priorities and needs.
- 5.2 The Knowledge Management team maintains a record of audits against the current Internal Audit Plan and whether they are in progress or have been completed. The respective managers are responsible for the delivery of actions that fall within their areas of responsibility.

- 5.3 Once a final audit report has been issued, the agreed management actions are recorded along with:
- the priority of the recommendation;
  - the target date for implementation; and
  - the person responsible for the action.
- 5.4 The Knowledge Management Team will ask for confirmation and evidence that an action has been implemented, or if not, when it is expected to be. The response is recorded. Any recommendations that continue to remain outstanding are referred to the relevant Director. Our internal Risk and Assurance Board now keeps an overview of outstanding recommendations.
- 5.5 Performance of the implementation of audit recommendations remains good. We do however recognise the need to make improvements in the speed with which we progress the individual audits at times. We are committed to this, and the internal Risk, Resilience and Assurance Board oversees progress.
- 5.6 The table below lists those recommendations that are currently outstanding beyond their agreed target date and of medium (M) or high (H) priority. There is a brief commentary against each to explain the status and any mitigating factors.

<b>Internal Audit Management Actions</b>			
<b>Audit Plan year 2015/16</b>			
<b>Business Continuity</b>			
Comprehensive review of Resilience Plan testing and exercising to be undertaken and an appropriate schedule commencing January 2017 put in place to meet organisational requirements.	October 2016 Revised to January 2019	M	The outstanding actions are now included in the wider review of our Business Continuity Management System. This means that we have a revised target date of January 2019 for all the work to have been achieved.
A robust recording and evaluation process to be put in place for Service Resilience events to support current arrangements and to allow lessons learned to be identified and actioned.	October 2016 Revised to January 2019	M	
<b>Audit Plan year 2016/17</b>			
<b>Procurement of Operational Equipment &amp; Vehicles</b>			
Finalise the new Strategic Vehicle and Equipment Plan to include clear strategy principles for both life cycle determination and disposals.	March 2018 Revised to September 2018	M	Following organisational changes and relocation of teams, the terms of reference for Strategic Vehicle and Equipment Board (SVEB) are currently being reviewed. This board provides governance for the organisation and the Strategic Vehicle and Equipment Plan will be considered as part of this

			review.
<b>Procurement Processes</b>			
A review of the Procurement position around temporary staff will be undertaken.	December 2017	H	A complete review is currently taking place around temporary staff including the approval process.
<b>Audit Plan year 2017/18</b>			
<b>Budgetary Control</b>			
Induction training for all new budget managers.	April 2018	M	Induction course under development.
<b>Safeguarding</b>			
Obtain further information on the questions asked of HFRS managers and the answers given on their responsibilities for monitoring DBS checks.	June 2018	H	Evaluation of the answers is underway. Once complete this will be provided to us from Shared Services.

## SUPPORTING OUR SERVICE PLAN AND PRIORITIES

- 6 Implementation of internal audit recommendations assists the Authority in the improvement planning process, performance management framework, and in compliance with its governance arrangements. This in turn, assists the Authority in achieving its aim to be the best fire and rescue service in the country.

## RESOURCE IMPLICATIONS

- 7 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.
- 8 The management of internal audit actions is within current resources.

## LEGAL IMPLICATIONS

- 9 There are no legal implications arising from this report.

## PEOPLE IMPACT ASSESSMENT

- 10 The contents of this report are considered compatible with the provisions of equality and human rights legislation.

## RISK ANALYSIS

- 11 Failure to implement internal audit recommendations clearly leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. The process 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.

## RECOMMENDATION

- 12 That the progress made towards the implementation of the internal audit management actions is noted and continues to be monitored.

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