



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

Date 15 SEPTEMBER 2017

Title **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 as officers to oversee the implementation of internal audit recommendations and their respective actions.
2. It also 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. We see the internal audit follow-up process as 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 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.

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. We are committed to this, and the internal Risk and Assurance Board will oversee progress.

5.6 The table below details 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.

Internal Audit Management Actions			
Audit Plan year 2013/14			
Networked Fire Control Project			
Review partnership and FRS benefits alignment.	Initial target August 2014 Revised to December 2017	M	Due to unavoidable delays the project close date has been extended to 31.12.17. Although some benefits measurement has taken place, the close report is yet to be complete. This will detail a full assessment of the benefits which will meet the outstanding actions.
Undertake further baseline benefits measurement (FRS).	Initial target August 2014 Revised to December 2017	M	
Audit Plan year 2014/15			
Partnerships and Associated Contracts – South Central Ambulance Service			
Partnerships Policy to be updated and a Partnerships Register to be created.	July 2016	M	An overall policy framework has now been agreed with guidance notes on partnership governance planned. The register is being considered to ensure that it provides value proportion to the amount of bureaucracy involved.

Audit Plan year 2015/16			
Provided Vehicle Policy			
Review the current policy and address the points observed by IA. Report to Project Board.	August 2016	M	Policy has been updated.
Driver's Handbook to be reviewed in light of the observations and amended where needed. Report to Project Board.	August 2016	M	
Ensure that systems are understood and support the ability of managers to check reported mileage. Report to Project Board.	August 2016	M	
Clarification through Project Board of what constitutes 'normal place of work' and communicated to FDS officers. Report to Project Board.	August 2016	M	
Risk Management			
The risk management framework will include an effective process to ensure risks are discharged appropriately and archived.	April 2017	M	A revised Risk Management Strategy was approved in March 2017. The Risk and Assurance Board is currently overseeing a new framework to ensure that there are adequate controls in place.
Audit Plan year 2016/17			
Supplies and stores procurement			
Process maps for day to day operations to be created, to be displayed within stores area at all times.	July 2017	M	Work is ongoing to progress.
Procurement of Operational Equipment & Vehicles			
Add process step to operating procedures to ensure vehicle modifications and refurbishments are fully compliant with stated procurement processes.	July 2017	M	Work is ongoing to progress.

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 as a result of 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.

Contact: Samuel Fairman, Performance Review Manager,
Samuel.fairman@hantsfire.gov.uk