



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

HIWFRA Standards and Governance Committee

Purpose: Noted

Date: **29 July 2022**

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

Report of Chief Fire Officer

SUMMARY

1. The purpose of this paper is to provide the latest update on the 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 one of various assurance mechanisms that the Service utilises as part of our wider assurance programme. This assurance programme includes internal and external assurance mechanisms – other external examples include from HMICFRS, OFSTED, and ISO certification testing.
3. In terms of internal audit, the 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. The respective members of the Chief Officer's Group 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:
 - the priority of the recommendation;
 - the target date for implementation; and
 - 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. Our internal Integrated Performance and Assurance Group (IPAG) also provides an overview of outstanding recommendations, and they are also monitored regularly by the Director of Policy, Planning and Assurance and the Head of Performance.

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			
Prevention Referral Pathways			
Improvements in systems and processes, QA framework and new electronic Safe & Well Form will address delays in closing jobs in CFRMIS. Interim process in place.	January 2022 revised to end of January 2023	H	<p>There is also ongoing work with ICT and a third-party supplier to deliver a new electronic Safe and Well form, which will push data from CSOs and crews directly into CFRMIS (to then be reported on), that is set to be launched in January 2023 and will be communicated to our staff, along with other related activity and improvements, including our new risk-based Safe & Well visit programme. Although being delivered later than planned, this will give HIWFRS the most resilient and best supported electronic form and process.</p> <p>Recruitment of new staff into Prevention will assist in delivering these items. However, this has been delayed pending the selection suitable candidates, and will now be completed by the end of August</p>

			<p>2022. This is later than originally planned as recruiting into these posts has been challenging so we have combined focus on this with wider work to refine and improve the Prevention team structure.</p> <p>Two temporary Crew Manager posts have been filled and are providing additional capacity to the Home Safety Team.</p>
<p>Developing a Quality Assurance Framework to ensure delivery of prevention duties.</p>	<p>November 2021 date revised to end of August 2022</p>	M	<p>As noted above, recruitment into this new post has been delayed pending the selection of a suitable candidate which will be completed by the end of August 2022. This is later than originally planned as recruiting into this post has been challenging so we have combined focus on this with wider work to refine and improve the Prevention team structure.</p> <p>A job description has been completed and is going to a Job Evaluation Panel on 14 July 2022. Recruitment to this post will be immediately after the panel convenes.</p>

MANAGEMENT COMMENTARY

7. The number of open audit management actions is now 28, owing to the finalisation of various audits (as noted below), including on Risk Management, Data Quality and DBS Checks. However, only two of our management actions – both from the Referral Pathways audit, are overdue for the reasons explained in the above table.
8. In recent years, we have observed a positive increase in the number of ‘substantial’ and ‘adequate’ (now referred to as ‘reasonable’) audit opinions received over time:

- 2018/19: 100% audits reported as limited;
 - 2019/20: 50% reported as limited, 50% adequate; and
 - 2020/21: 55% reported as substantial and 36% as reasonable in 2020/21 with 9% (1 audit) reported as limited.
9. For the 2021/22 risk-based internal audit plan, we have had 12 completed fire-specific audits, eight have received a reasonable opinion and four had limited opinions:
- The Prevention Referral Pathways audit, which was rated 'limited' and has two overdue actions (related to ongoing recruitment). The other 17 actions have been completed.
 - The GDPR and Data Protection audit, which was rated 'limited' with 9 management actions. Of these five actions have been completed, and the remaining four actions are not due yet.
 - The Data Quality audit, which was rated 'limited' with 6 actions – 1 has been completed and another 5 actions are not yet due.
 - The DBS check audit, which was rated 'limited' with 8 actions – 2 of which have been completed and 6 of which are not yet due.
 - The audit on Competency, Resourcing and Succession planning – Prevention and Protection, which was rated 'reasonable' meaning there is a generally sound system of governance, risk management and control in place. This audit has three management actions, with two completed and one not yet due.
 - The Compliant Management of Fleet audit, which was rated 'reasonable'. This audit had five management actions that have all been completed.
 - The Business Continuity audit, which received 'reasonable' assurance, had no management actions, and included a wide range of positive audit findings.
 - The Risk Management audit, which received 'reasonable' assurance, had seven management actions, none of which are due yet.
 - The Pay Claims (Recurring Allowances), which received 'reasonable' assurance, with one action that is not yet due. This demonstrates the significant progress made in this area since it was previously audited in 2018/19.

- The ICT project management audit, which was rated 'reasonable' and had six management actions, all of which have been completed.
- The ICT patch management audit, which was also rated 'reasonable' with 7 management actions, with all actions now completed.
- Finally, the ICT change management audit, which received a 'reasonable' assurance opinion that had four management actions – two have been completed and two that are not yet due.

ASSURANCE OVER THE PREVENTION REFERRAL PATHWAY ACTIONS

10. The Prevention Referral Pathways audit focused on referrals from key stakeholders and partners to ensure that vulnerable members of the community are protected from fire risks. Internal auditors looked at the number of Safe and Well Visits made against the agreed targets in place and how those targets are calculated to ensure that they are focused on relevant risk factors.
11. The audit found some weaknesses in our risk management controls and in response a comprehensive action plan was put together consisting of 19 actions. 17 of these actions have already been completed with a further 2 to be completed by August 2022 pending recruitment into some specific new posts. The completed actions to date include, but are not limited to:
 - The 2022-25 Community Safety Plan has been signed off by the Operations Management Board, following consultation with key stakeholders and partners.
 - The newly developed risk heat map has been communicated across the Service, initially via our Group Commanders, as part of launching new Group and Station Safe and Well Activity Based Goals, which are split by post-incident, partner referral-led, and risk-based Safe and Well visits.
 - We had planned to align the risk rating of referrals (shaped by NFCC guidance) across the Southeast region. However, this has not been possible, there a HIWFRS methodology has been adopted that creates four levels of risk and time scales for delivery of Safe and Well visits: very high risk – visited within 48 hours; high risk – visited within 14 days; medium risk – 28 days; and low risk – use of online self-service via the new Safelincs form.
 - We have reviewed our Safe and Well delivery methodology; and plans are now in place to deliver these essential visits in a more effective and efficient way. This is through a better use of our whole-time resources, effectively deploying into higher-risk on-call areas. All

delivery progress is being closely monitored, in order to provide the necessary quality assurance.

- Various resources have been invested to address the number of open Safe and Well job cards.
- A cross directorate exercise has been undertaken to map Safe and Well to simplify processes and systems, monitoring and reporting.
- Data from a wide range of internal and external sources has been used to create new risk scores for Group and Stations, as well as a 'Heat Map' of risk and vulnerability in our communities across Hampshire and the Isle of Wight. This will enable us to focus more efficiently on those areas where.
- All our recruitment open days had a representation from, and presentation regarding, Prevention activity; during the latest Crew Manager promotion process, candidates had to present on a prevention-based question; and the wholetime firefighter trainee course content includes prevention, and Safe and Well input.
- Live Power BI reports have been developed to show the number and source of referrals, with an ability to view this data by Group and station. The date the referral was received has also been added into the live Power BI reporting on Safe and Well visit activity. Our Power BI dashboard has also been amended to reflect the annual Service target for Safe and Well visits, and to include referral dates.

ASSURANCE OVER THE GDPR AND DATA PROTECTION COMPLIANCE ACTIONS

12. Whilst we recognise this audit had a 'limited' assurance opinion we welcome the recognition that HIWFRS has implemented a number of changes and improvements since SIAP's previous audit and their noting that we have plans to further enhance the control framework going forward. The report also notes that HIWFRS understand where there are gaps in the control framework, and the ensuing risks, and have plans to address them.

13. In terms of progress against the specific actions raised in the audit, to date we have:

- Completed a review of our current GDPR training package with the intention to deliver a new training package by March 2023;
- Created a new work plan with clear objectives, with allocated responsible owners and set priorities based upon risk and potential for non-compliance; and
- Commenced engagement with department managers to review their local retention practices.
- Targeted GDPR and data protection compliance activities aimed at our on-call staff.

ASSURANCE OVER THE DATA QUALITY AUDIT

14. This audit received a 'limited' assurance opinion; however, importantly, it notes that a clear data quality procedure is in place, various manual and automated data quality processes are undertaken by the Organisational Performance Team, and there is evidence of continued improvement in the completion of IRS reports within seven days as required by the Home Office.

15. The actions from this audit report are being progressed and the issues flagged in this report do not present a risk to our critical internal and external performance and data reporting areas.

ASSURANCE OVER THE DBS CHECKS ACTIONS

16. Whilst we recognise this audit had a 'limited' assurance opinion we welcome the recognition that there has been significant improvement since the previous full audit review carried out in 2018/19. However, testing did identify that there are still some discrepancies relating to historic checks that have been undertaken. Two of the management actions required have already been completed:

- to correct the vetting 'flag' on each role within the Service (future DBS checks will be undertaken in line with the information contained within our HR system for the particular role; and
- to undertake regular reporting within the People & Organisational Development directorate to provide assurance on whether individuals have the correct DBS re/check for their post – escalating any issues or

actions to the relevant member of the Chief Officer's Group when required.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

17. 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

18. The Southern Internal Audit Partnership provide internal audit on behalf of all partners within Shared Services and many other public service organisations.
19. Our internal audit procedure, which acts as a Memorandum of Understanding (MoU) and outlines how HIWFRS and 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

20. 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.
21. The management of internal audit actions is within current resources.

IMPACT ASSESSMENTS

22. 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

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

RISK ANALYSIS

24. Failure to implement internal audit recommendations leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. 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

25. 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

26. 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 a Chief Officer's Group (COG) lead, who work with their teams to ensure progress is made.

RECOMMENDATION

27. That the HIWFRA 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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