



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

8 MARCH 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.

Internal Audit Management Actions			
Audit Plan year 2013/14			
Networked Fire Control Project			
Review the partnership and FRS benefits alignment.	August 2014 Revised to December 2017	M	The project end date has been delayed due to partnership requirements. The project closure report is due to be presented in July 2018.
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	Draft Policy to be considered at the Risk, Resilience & Assurance Board on the 21 February 2018.
Audit Plan year 2015/16			
Business Continuity			
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	October 2016 Revised to January 2019	M	

to allow lessons learned to be identified and actioned.			
Provided Vehicle Policy			
Review the current policy and address the points observed by the Internal Audit.	August 2016	M	Due to changes made in the tax regulations, further work is taking place within the organisation to consider the most recent changes relating to mileage and vehicle use that is considered to be 'private'. The current policy (service order) will be adapted, if necessary, once the implications of HMRC changes are understood.
Audit Plan year 2016/17			
IT Applications and Systems Governance			
The authority and scope of the Digital Technology Board will be reviewed.	January 2018 Revised data March 2018	M	Due to recent personnel changes this will be re-baselined to 31 March 2018.
Production Authorisations (PA) prior to the 2017 one-off exercise have been completed. Further new PA's have been completed since the audit fieldwork. We will ensure that outstanding PA's are completed by the end of January 2018.	January 2018 Revised data March 2018	M	Product Authorisations are being completed and awaiting final sign off which we plan to have done by the end of March 2018.
The production authorisation process will be documented and included in departmental policies.	January 2018 Revised data March 2018	M	Due to personnel changes this will be re-baselined to 31 March 2018
Develop and publish formal procedures for the decommissioning of equipment.	December 2017 Revised data March 2018	M	

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.

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