

# STAFFORDSHIRE FIRE AND RESCUE SERVICE

## Internal Audit Progress Report

**9 December 2020**

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# 1 Key messages

The internal audit plan for 2020/21 was approved by the Ethics, Transparency and Audit Panel (ETAP) at the 5<sup>th</sup> February 2020 meeting. This report provides an update on progress against that plan and summarises the results of our work to date. As the developments around Covid-19 impacts on all areas of the organisation's risk profile, we will continue to work closely with management to deliver an internal audit programme which remains flexible and agile to ensure it meets your needs.



Fieldwork dates have been agreed with management for the internal audits scheduled for 2020/21. Planning meetings have been held and assignment planning sheets issued for the audits planned.



Regular catch up meetings have been held between RSM and management in order to provide updates in relation to changes within the organisation and also to discuss sector wide issues that may have an impact on the internal audit plan.



Two reports have been issued in final format since the last meeting, Key Finance Controls and Risk Management, details of which are provided in Section 2 below.



We have shared with management a number of briefings which are outlined in Appendix B below.




Our Forensics and Fraud Specialist team have been assisting the Service with the National Fraud Initiative (NFI) requirements and will further assist the Service once the data matches have been returned, as appropriate. It is envisaged at this stage that the IA Plan can be flexed to accommodate this requirement, but that is dependent on the level of resource needed, once the data matches are returned. (Refer to comments included at Appendix B).

## 2 Reports

### 2.1 Summary of final reports being presented to this committee

This section summarises the reports that have been finalised since the last meeting.

Assignment	Opinion issued	Actions agreed		
		L	M	H
<b>Key Finance Controls (2.20/21)</b>  There is an appropriate control framework in place for governing Key Finance Controls across the Service. Our work confirmed that there are adequate controls in place which are being consistently applied. One area of improvement has been noted in relation to the updating of supplier standing data which has resulted in the agreement of one ‘ <b>medium</b> ’ priority management action.	Substantial Assurance 	0	1	0
<b>Risk Management (4.20/21)</b>  There is a well-defined governance structure in place that includes the Performance and Assurance Board (P&AB) and the Service Delivery Board (SDB) to scrutinise strategic risks.  Whilst a Strategic Risk Register and the Operational Risk Registers are in place, regular and more frequent reviews of risk and controls should be undertaken to ensure both the operational and strategic risk profile remains reflective of both the Services’ internal and external environment	Reasonable Assurance 	0	5	0

## Appendix A – Progress against the internal audit plan 2020/21

Assignment	Status / Opinion issued	Actions agreed			Target Audit and Governance Committee (as per IA plan)	Actual Audit and Governance Committee
		L	M	H		
Safeguarding – Mental Health & Wellbeing	Final issued – Reasonable Assurance	1	3	-	July 2020	October 2020
Absence Management	Final issued – Substantial Assurance	4	1	-	December 2020	October 2020
Collaboration Governance and Savings	Advisory – Position Statement	3 advisory actions agreed (not categorised)			October 2020	October 2020
Key Finance Controls	Final issued – Substantial Assurance	0	1	0	February 2021	December 2020
Risk Management	Final issued – Reasonable Assurance	0	5	0	December 2020	December 2020
Payroll	Scope issued – date to be agreed - January 2021				July 2020 (will now be February 2021)	
Fleet Utilisation	Work in Progress				October 2020 (will now be February 2021)	
Estates	Work in Progress				February 2021	
Partnerships	See note below at Appendix B				-	-
Follow Up of Previous Internal Audit Recommendations	Scope to be issued in due course				February 2021	

## Appendix B – Other matters

### Changes to the audit plan

Our approach to working with you is to respond to your changing assurance needs. By employing an 'agile' or a 'flexible' approach to our service delivery, we are able to change the focus of audits / audit delivery. As a result, some changes to the timing of the audit coverage have been made (as included at Appendix A) and included below are the changes to the audit plan:

Note	Auditable area	Reason for change
<b>Previously Reported to ETAP</b>		
1	Partnerships	In discussion with management, it was considered that this review is not going to add the most value to the Authority at this time and therefore it is proposed that an audit around Covid and the impact of that be included as an alternative.
<b>Change since the previous ETAP</b>		
2	Partnerships	<p>As above, we had anticipated to include coverage of Covid and the impact, as an alternative to the Partnerships audit. However, given the need to assist with the NFI work, it has instead been agreed to use that allocation to fund that work. At this stage, we envisage that this will be appropriate to fund the resource, but we will have further clarity once the data matches have been received.</p> <p>It is planned to discuss the 2021/22 Internal Audit Plan in early January 2021 and we can use that opportunity to consider any audit coverage around Covid and its impact at that stage.</p>

### Annual Opinion 2020/21

The ETAP should note that the assurances given in our audit assignments are included within our Annual Assurance report. In particular, the ETAP should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion. We have finalised five reports to date, none of which resulted in a negative opinion. We will provide further updates throughout the year.



## Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department. This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

## Post assignment surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attach a brief survey for the client lead to complete. The results of these surveys will be shared at each ETAP.

## Updates and briefings

We have provided the following information and briefings to management and members since the last meeting:

- Emergency Service New Briefing – December 2020

## Appendix C - Key performance indicators (KPIs)

Delivery				Quality			
	Target	Actual	Notes (ref)		Target	Actual	Notes (ref)
Audits commenced in line with agreed timescales	Yes	Yes		Conformance with PSIAS and IIA Standards	Yes	Yes	
Draft reports issued within 10 days of debrief meeting	10 days	5 days		Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	Yes	
Final report issued within 3 days of management response	3 days	1 day		Response time for all general enquiries for assistance	2 working days	100%	
				Response for emergencies and potential fraud	1 working days	N/a	

Notes





## For more information contact

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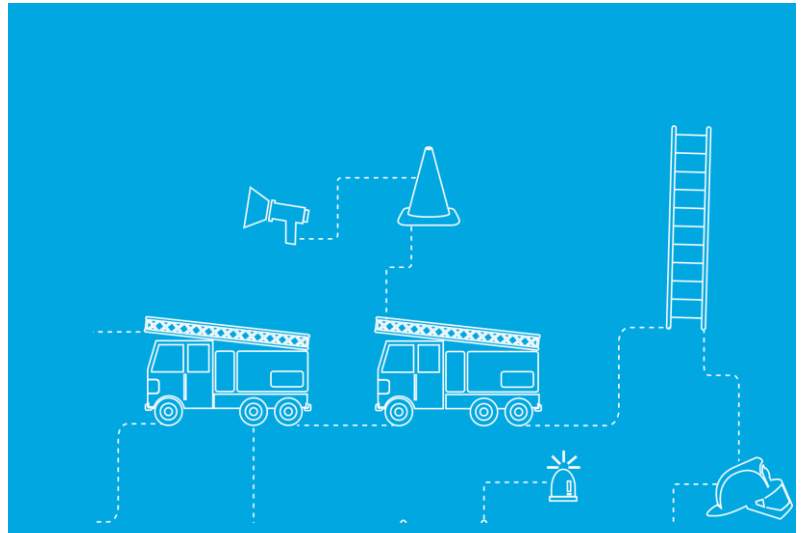
The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Staffordshire Fire and Rescue and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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# Emergency Services News briefing

December 2020



In this edition of our news briefing, we draw attention to some of the key developments and publications affecting the sector, with particular focus on the government's efforts to support police forces during the pandemic and the latest Home Office statistics on fire and rescue incidents and fires attended by services.

## Almost 6,000 new officers join police forces

Police forces hired almost 6,000 officers in the first year of the government's recruitment drive to sign up an additional 20,000 officers by 2023. The overall provisional headcount of officers in England and Wales is now 134,885, according to Home Office figures to the end of September. This includes 5,824 hired within the first year since the campaign was launched, suggesting that the recruitment drive is on track to meet its first-year target of 6,000 by March 2021.

[Read more](#)

## Covid-19 enforcement boosted with £60m surge funding

Police forces and local councils will receive an equal share of an additional £60m fund from the government to 'step up their enforcement' of Covid-19 regulations as part of the government's plans to tackle the rise in infections. The funding will allow police to increase patrols in town centres and ensure that people are complying with the restrictions that are in place, particularly in those areas of high-risk. Police forces will also provide more support to local authorities and NHS Test and Trace to enforce self-isolation requirements.

[Read more](#)

## Income loss recovery scheme for police forces

The Home Office has published guidance for Police and Crime Commissioners on how to access the income loss recovery scheme for lost sales, fees and charges as a result of Covid-19. This 'new one-off income loss scheme' will compensate for irrecoverable and unavoidable losses from sales, fees and charges income generated in the delivery of services in the financial year 2020/21.

[Read more](#)

## New police covenant to protect officers and staff

Following the [consultation outcome](#) on a police covenant for England and Wales, Priti Patel, Home Secretary, has confirmed that a police covenant aimed at boosting protection and support for officers and staff will be created. The consultation, which received responses from police groups and the public, showed that over 90 per cent supported the introduction of a covenant. The police covenant will offer physical protection, help for health and wellbeing and support for officers' families and will require the Home Secretary to report annually on its progress to Parliament.

[Read more](#)

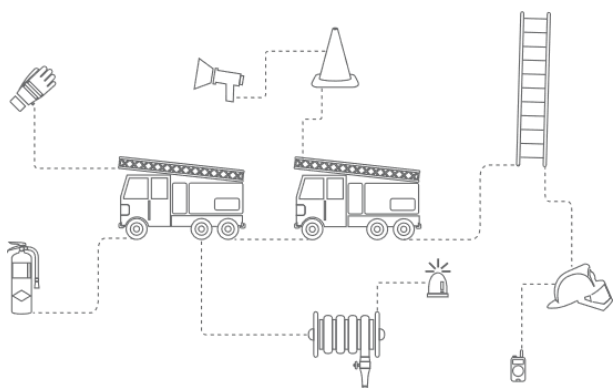
## IOPC Impact report 2019/20

The Independent Office for Police Conduct's (IOPC) second annual 'Impact report' shows how its work is making a difference by influencing improvements in policing practice and reducing future risks. The IOPC oversee the police complaints system in England and Wales and aims to improve public confidence in policing by ensuring the police are accountable for their actions and lessons are learnt.

The report sets out the IOPC's impact in four priority areas; police accountability, using learning, working with others, and being an effective organisation. The report highlights that between 1 April 2019 and 31 March 2020, the IOPC:

- dealt with 2,838 valid complaint appeals;
- completed 718 independent investigations, of which 35 per cent of investigations were completed within six months and 79 per cent within 12 months; and
- made 105 formal organisational learning recommendations including those in relation to local police forces, policy or guidance, training for police officers and staff, or legislation, amongst other matters.

[Read more](#)



## APCC Impact report 2019/20

The Association of Police and Crime Commissioners' (APCC) 'Impact report' demonstrates the breadth of work and impact of the Association against its five business priorities:

- funding, efficiency and transformation;
- supporting victims: developing local victims and criminal justice commissioning;
- communicating and engaging;
- sharing knowledge and good practice; and
- delivering a national policy portfolio structure.

[Read more](#)

## Update on inspection programme

In March 2020, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) suspended all inspection work requiring appreciable contributions from police forces and fire and rescue services, to enable them to focus on the Covid-19 response. HMICFRS resumed inspections in September and has prioritised new inspections of how forces and fire and rescue services are responding to the pandemic, as they continue to face challenges during this difficult period. In addition, HMICFRS has begun work on inspecting the policing of public protests, following a commission from the Home Secretary.

[Read more](#)

## Fire

### Fire and rescue incident statistics

The Home Office has published statistics in fires, casualties, false alarms and non-fire incidents attended by fire and rescue services in England for the year ending June 2020.

[Read more](#)

### Analysis of fires attended by fire and rescue services

The Home Office has published detailed statistics on fires attended by fire and rescue services across England, and fire-related fatalities and non-fatal casualties in those fires between April 2019 to March 2020.

[Read more](#)

## Other useful publications

### Market exploration future policing

The Home Office and National Police Chiefs' Council (NPCC) are undertaking a market assessment of the availability of 'cutting-edge solutions and innovative concepts' in development that will transform UK policing and security over the following 10 to 20 years. The Defence and Security Accelerator (DASA) and the Defence Science and Technology Laboratory (Dstl) are exploring the technological landscape across a wide range of capabilities.

[Read more](#)

### An inspection of the National Crime Agency's relationship with regional organised crime units

HMICFRS has published a report into the National Crime Agency's (NCA) relationship with the regional organised crime unit (ROCU) network. HMICFRS 'sought to establish how effectively the NCA works with one of its most important partners', the ROCU network, to tackle serious and organised crime. This was an inspection of the National Crime Agency not of the police or the ROCUs.

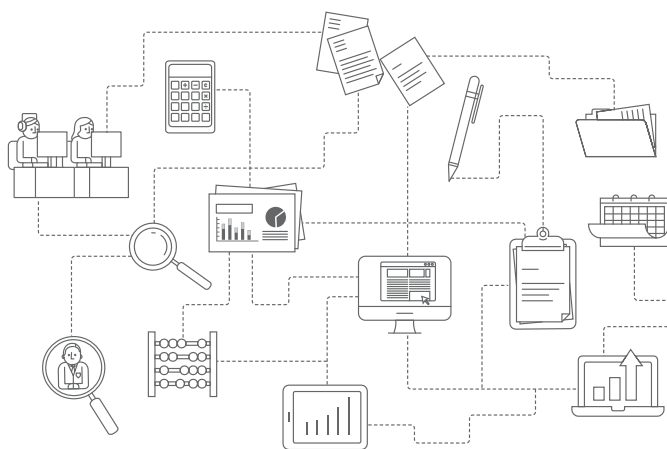
[Read more](#)

### Independent review on local authority financial reporting and external audit

This independent review, led by Sir Tony Redmond, considered the effectiveness of external audit and transparency of financial reporting in local authorities. The review also includes 'the functions of police and fire services.'

The final report makes several recommendations in relation to transparency of financial reporting and smaller authorities audit regulation, including establishing a new regulatory body, 'the Office of Local Audit and Regulation', responsible for procurement, contract management, regulation and oversight of local audit. It is recognised that the new body will liaise with the Financial Reporting Council (FRC) regarding its role in setting auditing standards.

[Read more](#)



### Audit quality review


The FRC has published its annual [individual firm](#) and [thematic inspections](#) reports, which summarise the results of its inspection activities. FRC also issue 'confidential reports on individual audits reviewed to the relevant audit firms and Audit Committee Chairs.'

[Read more](#)

### Code of Audit Practice

The National Audit Office's (NAO) revised Code of Audit Practice, which came into effect in April 2020, sets out what local auditors of relevant local public bodies, including local authorities, police forces and fire services, amongst other local bodies, are required to do to fulfil their statutory responsibilities under the 'Local Audit and Accountability Act 2014.'

[Read more](#)



We hope you find this update a useful source of insight. If you have any queries, please get in touch with your RSM contact and we will be delighted to help.

## Further information

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