



# STAFFORDSHIRE FIRE AND RESCUE SERVICE

Item 4 (i)

## Internal Audit Progress Report

**28 October 2020**

This report is solely for the use of the persons to whom it is addressed.  
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.





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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 will continue to impact on all areas of the organisation's risk profile, we will work closely with management to deliver an internal audit programme which remains flexible and agile to ensure it meets your needs in the current circumstances.



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 for November and December 2020.



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, Safeguarding – Mental Health & Wellbeing and Absence Management, details of which are provided in Section 2 below.

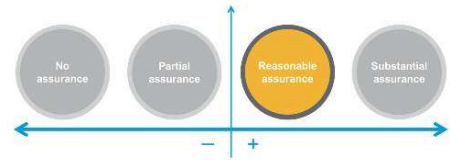
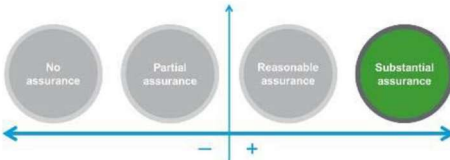


We have shared with management a number of briefings which are outlined in Appendix B below.

## 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>Safeguarding – Mental Health &amp; Wellbeing (01.2020/21)</b>  There was an appropriate control framework in place for governing Mental Health and Wellbeing. Our work confirmed that there are adequate controls in place, however, testing identified that the controls are not always consistently applied.	Reasonable Assurance 	1	3	0
<b>Absence Management (02.2020/21)</b>  An adequate control framework was in place for governing Absence Management from a design perspective. Our testing has identified that some controls are not always consistently applied and we have also identified some best practice improvements that could be implemented.	Substantial Assurance 	4	1	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 (will now be October 2020)	October 2020
Absence Management	Final issued – Substantial Assurance	4	1	-	December 2020 (will now be October 2020)	October 2020
Key Finance Controls	Scope issued – w/c 2 November				February 2021	
Payroll	Scope issued – date to be agreed - January 2021				July 2020 (will now be February 2021)	
Risk Management	Scope issued – w/c 2 November				December 2020	
Fleet Utilisation	Scope issued – w/c 9 November				October 2020 (will now be February 2021)	
Estates	Scope issued – w/c 9 November				February 2021	
Partnerships	See note below at Appendix B				-	-



Assignment	Status / Opinion issued	Actions agreed			Target Audit and Governance Committee (as per IA plan)	Actual Audit and Governance Committee
		L	M	H		
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
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. This is in the process of being scoped and agreed.

### 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 two reports to date, neither 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:

- Audit and Risk Committees – Navigating COVID-19;
- The new board agenda - How organisations can better manage their contingency risks; and
- Emergency Service New Briefing – September 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.

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