



STAFFORDSHIRE FIRE AND RESCUE SERVICE

Internal Audit Progress Report

10 February 2021

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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.

Item 5 (i)





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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 5th 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.



One report has been issued in final format since the last meeting, Fleet Utilisation Follow Up, 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
Fleet Utilisation – Follow Up We have undertaken a review to follow up on progress made to implement the previously agreed management actions from the Fleet Utilisation (4.19/20) review. The objective of the original review was to identify whether there was an effective system of fleet management in place to ensure the right resources are available at the right time and that value for money can be demonstrated. The outcome of the review consisted of two ‘High’, seven ‘Medium’ and three ‘Low’ priority management actions. In our opinion Staffordshire Police, Fire & Crime Commissioner and Chief Constable of Staffordshire has demonstrated reasonable progress in implementing agreed management actions.	Reasonable Progress	2	2	0

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

Assignment	Status / Opinion issued	Actions agreed			Target ETAP as per IA plan	Actual ETAP
		L	M	H	(revised ETAP)	
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
Fleet Utilisation	Final issued – Reasonable Progress	2	2	0	October 2020 (will now be February 2021)	February 2021
Payroll	Draft report issued				July 2020 (will now be April 2021)	
Estates	Allocation to move to be included in 2021/22 IA programme					
Partnerships	See note below at Appendix B				-	-
Follow Up of Previous Internal Audit Recommendations	Scope to be issued in due course				April 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
Previously Reported to ETAP		
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.
Change since the previous ETAP		
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 six 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
- Fire and Rescue Service Risk Register Analysis

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



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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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