



# STAFFORDSHIRE FIRE AND RESCUE SERVICE

## Internal Audit Progress Report

**31 October 2022**

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To the fullest extent permitted by law, RSM UK 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 2022/23 was approved by the Ethics, Transparency and Audit Panel (ETAP) at the 25<sup>th</sup> May 2022 meeting. This report provides an update on progress against that plan and summarises the results of our work to date.

We have issued three final reports since the last ETAP which are in relation to:



- PFI Contract Management (Substantial Assurance)
- Governance – Immediate Detriment Framework (Substantial Assurance)
- Governance – Community Safety Plan (Substantial Assurance)



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



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>PFI Contract Management</b>	Substantial Assurance	1	1	0
<p>The Service has robust procedures in place regarding the management of the PFI contracts, and signed documentation relating to the contract has been retained. The roles, responsibilities and accountabilities of the PFI Contractors are documented within the sub-schedules of the PFI contracts, and the Service Estate Team's responsibilities are documented within their job descriptions.</p> <p>There are clear governance, reporting and monitoring mechanisms in place to provide assurance to the Service regarding the PFI Contractor's performance, and there was clear demonstration of scrutiny of performance reports by both the Service and the Contractor to ensure appropriate deductions were applied to the MUC.</p> <p>We did, however, find instances where formal documentation of the final approval of deductions by the Service and the Contractor was not in place. It was also recognised that a formal Terms of Reference for the FM Meetings was not in place.</p>				





Assignment

Opinion issued

Actions agreed

L M H

Governance – Immediate Detriment Framework

Our review concluded that the Service has employed a consistent and robust governance framework with regards to the introduction, application, and recent ceasing of the Immediate Detriment awards. Supporting evidence, sign-off and clear rationale was found to have been maintained on file for all key decisions impacting the overarching governance framework.

Substantial Assurance

0 0 0



Governance – Community Safety Plan

The Service has robust procedures in place regarding the development of the Community Safety Plan and the corresponding governance arrangements in place for the monitoring of performance against the Plan.

Substantial Assurance

1 0 0

Performance Dashboards, prepared by the Performance and Assurance Team are consistently reported to the Service Delivery Board (SDB), Service Management Board (SMB) and Strategic Governance Board (SGB) for review and scrutiny of department and directorate performance.



Furthermore, opportunity is provided within the Staffordshire Commissioner Police, Fire and Crime (PFC) Panel meetings for the Commissioner to provide comment and feedback against performance of the Plan.

We noted one area of improvement in relation to the Service Performance Management Framework which had not yet been formally approved at the time of audit

## Appendix A – Progress against the internal audit plan 2022/23

Assignment	Status / Opinion issued	Actions agreed			Target ETAP as per IA plan	Actual ETAP
		L	M	H		
Procurement – PFI	Final Report issued / Substantial Assurance	1	1	0	October 2022	October 2022
Framework for Compliance with Legal and Regulatory Requirements: Freedom of Information	Draft Report issued	TBC	TBC	TBC	October 2022 (will now be February 2023)	October 2022
Governance - Immediate Detriment Framework	Final Report issued / Substantial Assurance	0	0	0	October 2022	October 2022
Governance - Community Safety Plan	Final Report issued / Substantial Assurance	1	0	0	December 2022	October 2022
NFI Data Matching	Work has commenced	-			-	
Framework for Compliance with Legal and Regulatory Requirements: Data Protection	Scoping meeting to be arranged	-			February 2023	
Cyber Security	Scoping meeting to be arranged	-			February 2023	
Financial Controls – Pension Arrangements	Scoping meeting to be arranged	-			February 2023	
Financial Controls – Payroll	Scoping meeting to be arranged	-			February 2023	
Follow Up of Previous Internal Audit Management Actions	Scoping meeting to be arranged	-			February 2023	



## 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.

There have not been any changes to the audit plan since the last ETAP meeting.

### Annual Opinion 2022/23

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. To date we have not issued any negative assurance opinions from the reports that have been finalised.

### 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.



**Client Briefings**

Since the last meeting we have issued the Emergency Services Briefing for September 2022. This has been circulated to members.



## 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	N/A	
Final report issued within 3 days of management response	3 days	1 day		Response time for all general enquiries for assistance	2 working days	1 working day	
				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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