



# Dorset & Wiltshire Fire and Rescue Service

## Report of Internal Audit Activity

### Plan Progress 2019-20 Quarter 3

# Internal Audit Plan Progress 2019-20 Quarter 3

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# Internal Audit Plan Progress 2019-20 Quarter 3

## Introduction

This report summarises the Internal Audit activity completed for Dorset & Wiltshire Fire and Rescue Service in Quarter 3 (2019-20) in line with the Annual Audit Plan approved by the Finance & Audit (F&A) Committee and the Chief Fire Officer in March 2019

The schedule provided in Appendix 1 contains a list of all Audits agreed in the Annual Audit Plan 2019-20.

We have provided a summary of activity which outlines our assurance opinion and the number and priority of any recommendations that we made in relation to the Audit work undertaken in Quarter 3. To assist the Committee in its monitoring and scrutiny role, a summary of each audit (objective, risk, controls tested, findings and recommendations) has also been provided, the content of which has been discussed and agreed with the responsible Director.

The scope for each Audit is agreed in advance with nominated managers. This process intends to focus on the key risks to which that area of the Service's activity is exposed and the associated controls which we would expect to be in place to ensure that risk is managed.

The key controls have been assessed against those we would expect to find in place if best practice in relation to the effective management of risk, the delivery of good governance and the attainment of management objectives is to be achieved. Where applicable, selected and targeted testing has been used to support the findings and conclusions reached.

We have performed our work in accordance with the principles of the Institute of Internal Auditors (IIA) International Professional Practice Framework (IPPF) and the Public Sector Internal Audit Standards (PSIAS) in so far as they are applicable to an assignment of this nature and you our client.

## Internal Audit Plan Progress 2019-20 Quarter 3

### Summary

In Quarter 3 of 2019-20, the following Audits were completed in accordance with the Audit Plan:

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Recs	Priority of Recommendations		
						1	2	3
Recruitment and Workforce Planning	People & Asset Management Performance Management Financial Management	Strategic Risk 232 HMICFRS People Pillar Priority 5	Final	Substantial	3	-	-	3
Business Continuity and Multi-Agency Response Planning	Performance Management Corporate Governance Risk Management People & Asset Management	HMICFRS – Effectiveness & Efficiency Pillars Priority 1, 2, 3, 4, 5	Final	Substantial	0	-	-	-

## Assurance Definitions

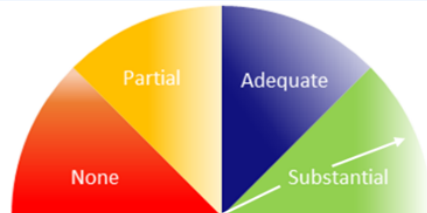
Each completed Audit has been awarded an “Assurance opinion” rating. This opinion takes account of whether the risks material to the achievement of the organisation’s objectives for this area are adequately managed and controlled. The Assurance opinion ratings have been determined in accordance with the Internal Audit “Audit Framework Definitions” as detailed in the below:

Assurance Definitions	
<b>None</b>	The areas reviewed were found to be inadequately controlled. Risks are not well managed, and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Partial</b>	In relation to the areas reviewed and the controls found to be in place, some key risks are not well managed, and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Adequate</b>	Most of the areas reviewed were found to be adequately controlled. Generally, risks are well managed, but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Substantial</b>	The areas reviewed were found to be substantially controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.

From our work In Quarter 3, we have made recommendations which seek to strengthen the Service’s controls within each Audit area. We highlight those matters of that we believe merit acknowledgement in terms of good practice or undermine the system’s control environment, and which require attention by management. All improvement actions are allocated a priority grading and have been agreed with the management teams in the appropriate area.

Categorisation of Recommendations	
In addition to the corporate risk assessment it is important that management know how important the recommendation is to their service. Each recommendation has been given a priority rating at service level with the following definitions:	
<b>Priority 1</b>	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
<b>Priority 2</b>	Important findings that need to be resolved by management.
<b>Priority 3</b>	Finding that requires attention.

## Executive Summary

Audit Opinion		Recommendation Summary	
	The areas reviewed were found to be substantially controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.	Priority	Number
		Priority 1	0
		Priority 2	0
		Priority 3	3
		Total	3

### **Audit Opinion:**

Substantial Assurance

### **Objectives:**

To provide assurance that recruitment and workforce planning arrangements are effective in ensuring the delivery of strategy objectives and that the workforce is reflective of the community it serves.

### **Risk:**

The workforce does not support strategic objectives and/ or operational requirements, leading to an adverse effect on the efficiency and effectiveness of the organisation.

### **Controls Tested:**

- 1) A recruitment strategy exists, is followed and is subject to regular review.
- 2) Recruitment and changes to the establishment are appropriately approved.
- 3) A people strategy or equivalent exists, is followed and links to corporate priorities.
- 4) Workforce planning is structured and recognises the needs and demands of the service.
- 5) There are appropriate levels of investment to achieve a balanced workforce.
- 6) Benchmarking is completed to ensure that on-call recruitment timescales are in line with that of other Services

### **Areas of good practice:**

- 1) The risk of a talent shortage has been identified and captured in the Strategic Plan. A structure of groups has been put together to monitor and resolve this.
- 2) A structure of policies and procedures are being drawn up to support a consistent recruitment and workforce planning approach throughout the organisation.

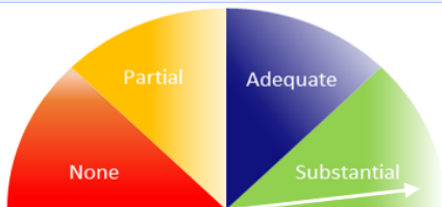
### Summary of Recommendations:

Findings & Risk	Recommendation	Management Response	Officer Responsible/ Timescale	Rec Priority
<p>D&amp;WFRS has a recruitment procedure, which is the key piece of guidance for management conducting this process. This procedure is, however, currently in draft, with a schedule of reviews due to be conducted before it is finalised in December 2019.</p> <p>We have recommended some additions to the current version of the recruitment procedure during this review period.</p> <p>There is an opportunity to improve the effectiveness of the Recruitment Procedure.</p>	<p>We recommend the HR Delivery Manager make the following updates to the recruitment procedure:</p> <ol style="list-style-type: none"> <li>1) Include definitions of the three types of staff (corporate, wholetime and on-call) and define any aspects of the recruitment procedure that would be particular to each. We do, however, note management's intention to link the On-call Recruitment Process supporting document to the Recruitment Procedure.</li> <li>2) The specific documentation required to be reviewed throughout the recruitment process for each type of staff should be detailed.</li> <li>3) Link this procedure to the Community Safety Plan and Service Delivery Plan.</li> </ol>	<p>We accept the recommendation and the recruitment procedure will be updated to reflect the recommendations.</p>	<p>Head of HR 31 March 2020</p>	3



Findings & Risk	Recommendation	Management Response	Officer Responsible/ Timescale	Rec Priority
<p>A Strategic Workforce Plan exists and is followed.</p> <p>While it is an active document, it is still thought of to be a work in progress. It currently does not reference the Community Safety Plan and Service Delivery Plan.</p> <p>There is an opportunity to improve the effectiveness of the Strategic Workforce Plan.</p>	<p>We recommend the HR Delivery Manager revise the Strategic Workforce Plan to reference the Community Safety plan and Service Delivery Plan.</p>	<p>Work is already underway to ensure that the Strategic Workforce Plan aligns to our corporate planning framework. A revised Strategic Workforce Plan will be completed by April 2020 and will be linked to our Strategic Assessment of Risk document. The Strategic Workforce Plan will then be reviewed every two years to align and make clearer reference to the Strategic Assessment of Risk, the Community Safety Plan and Service Delivery Plan.</p>	<p>Head of HR 31 March 2020</p>	3
<p>D&amp;WFRS maintains a re-organisation, re-deployment and redundancy procedure, which explains these processes. We established that the Chief Fire Officer, Payroll and Workforce Planning and Postings Groups play significant roles in this process, which are not explained under the responsibilities section of this procedure.</p> <p>There is an opportunity to improve the re-organisation, re-deployment and redundancy procedure.</p>	<p>We recommend the HR Delivery Manager amend the re-organisation, re-deployment and redundancy procedure's 'Responsibilities' section to detail the roles played in the processes by:</p> <ol style="list-style-type: none"> <li>1) The Chief Fire Officer.</li> <li>2) Payroll.</li> <li>3) The Workforce Planning and Postings Groups.</li> </ol>	<p>The re-organisation, redeployment and redundancy procedure will be updated to reflect the recommendations.</p>	<p>Head of HR 31 March 2020</p>	3

## Executive Summary

Audit Opinion		Recommendation Summary	
	The areas reviewed were found to be substantially controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.	Priority	Number
		Priority 1	0
		Priority 2	0
		Priority 3	0
		Total	0

**Audit Opinion:**

Substantial Assurance

**Objectives:**

To provide assurance to the Authority that the Service is fulfilling its statutory duties within the Civil Contingencies Act as a Category 1 responder (Multi-agency response planning) and has appropriate business continuity arrangements in place, to ensure the continuation of its critical activities during disruptive events.

**Risk:**

The inability to provide a resilient and robust service will impact the service legally, politically, reputationally, economically, and socially.

## Business Continuity and Multi-Agency Response Planning Quarter 3 Audit

### **Controls Tested:**

- 1) The Service has an approved business continuity procedure and service level business continuity plans in place; which capture the objectives, responsibilities and actions to be taken; to enable it to continue delivery of its critical services, in times of crisis or emergency.
- 2) Business continuity plans are tested in line with an agreed schedule or programme and debriefs are completed to capture lessons following an event.
- 3) The Service is fulfilling its legal responsibility as a Category 1 responder.
- 4) Business continuity is included in contracts/ agreements with suppliers and forms part of contract management.
- 5) Management and staff receive both initial and refresher business continuity awareness and training relevant to their role.
- 6) Roles have been established and responsibilities assigned to each role to ensure the response to any business continuity disruption is effectively managed.
- 7) Business impact reviews / risk assessments have been undertaken to identify critical services and prioritisation for recovery of core business systems.
- 8) Risk registers are maintained and consider horizon risks and threats to the Service as well as Local and National risks.
- 9) There is sufficient budget and resources to develop, review and support business continuity and local resilience planning.

### **Areas of good practice:**

- 1) The Service has well documented, comprehensive procedures in place and a mature approach towards Business Continuity, aligned to Business Continuity Institute best practice.
- 2) There are Business Continuity Plans in place for corporate departments and for each of the stations across the Service. These are regularly reviewed. In addition, there are several themed Incident Response Plans in place; these include plans for fuel shortages, severe weather and loss of utilities.
- 3) All plans include a business impact analysis, reviewing department activities against a risk matrix.
- 4) The Service's Strategic Leadership Team approve an annual programme of business continuity work, which is aligned to the procedure and the risks and threats to the organisation.
- 5) The Service has recently delivered a Business Continuity training and awareness campaign.
- 6) Multi-agency plans are established to manage the risks associated with incidents that affect the wider community.
- 7) There is evidence to support regular attendance at the two Local Resilience Forums (LRFs), which both maintain a community risk register and carry out risk assessments to inform it.

- 8) There is evidence to support the connection between local incidents and continuity planning and the wider area resilience work through the LRFs. Details of exercises and debriefing are captured on the Operational Effectiveness Database (OED).
- 9) To increase organisational resilience, LRF partners can contact the Service 24 hours a day, 365 days a year through Fire Control. The Service manages an officer rota which ensures the availability of key officers, including those with specialisms in multi-agency incidents, such as National Interagency Liaison Officers.

**Summary of Recommendations:**

There are no recommendations.

## Appendix 1 - 2019/20 Audit Plan and Performance

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Recs	Recommendations		
						1	2	3
2019-20								
Q1 Planned and Reactive Maintenance	People and Asset Management Financial Management	Strategic Risk 0006 HMICFRS Efficiency Pillar Priority 4	Final	Adequate	3	-	1	2
Q1 Payroll	People and Asset Management Performance Management Financial Management	Strategic Risk 0006, 232 HMICFRS Efficiency Priority 4, 5	Final	Partial	7	-	6	1
Q2 Medium Term Financial Plan and Capital Strategy	Financial Management Performance Management	Strategic Risk 0006 HMICFRS Efficiency Pillar Priority 4	Final	Substantial	-	-	-	-
Q2 ICT Strategy	Performance Management Information Management	Strategic Risk 0006 Priority 4	Final	Adequate	3	-	3	-
Q3 Business Continuity Planning / Multi-agency response arrangements/ Resilience	Performance Management Corporate Governance Risk Management People & Assets Management	HMICFRS – Effectiveness & Efficiency Pillars Priority 1, 2, 3, 4, 5	Final	Substantial	-	-	-	-
Q3 Recruitment and Workforce Planning	People & Asset Management Performance Management Financial Management	Strategic Risk 232 HMICFRS People Pillar Priority 5	Final	Substantial	3	-	-	3
Q4 Risk Critical Information	Information Management Risk Management	HMICFRS Effectiveness Pillar Priority 1, 2, 3, 4, 5	Planned to commence 06 Jan 2020					

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Recs	Recommendations		
						1	2	3
Q4 Procurement Cards and Fuel Cards	Commissioning & Procurement Financial Management	Strategic Risk 0006 HMICFRS Efficiency Pillar	Planned to commence 06 Jan 2020					
Q4 Financial Management Systems	Financial Management	Strategic Risk 0006 HMICFRS Efficiency Pillar Priority 4	Planned to commence 06 Jan 2020					
Follow ups			Not Started					

## Appendix 1 – 2019-20 Audit Plan and Performance

The performance results for progress against the internal audit plan for Quarter 3 of the 2019/20 Internal Audit Plan are as follows;

Performance Target	Average Performance	
	% of the Annual Plan	Number of Assignments
<b><u>Audit Plan – Percentage Progress</u></b>	70%	7
Final, Draft, Discussion, Removed	-	-
In progress, Ongoing	30%	3
Not yet started	100%	10*

The completion of the plan is currently on target with follow up reviews being undertaken throughout the course of the year. As part of the Internal Audit Service and to review performance, SWAP will regularly ask the Service to complete a customer satisfaction questionnaire. At the time of preparing this report, 4 customer satisfaction reports had been issued to the Service and the feedback was, on average 100%.

\*2 audits were combined in Quarter 3 to make a total of 10 audits planned for the year.