



**DORSET & WILTSHIRE  
FIRE AND RESCUE  
AUTHORITY**

Item 17/19

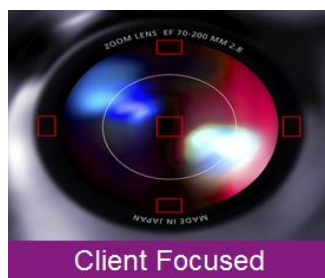
MEETING	Finance, Governance and Audit Committee
DATE OF MEETING	7 July 2017
SUBJECT OF THE REPORT	Internal Audit Quarterly Report
STATUS OF REPORT	For open publication
PURPOSE OF REPORT	To provide assurance assessments and agreed actions in line with the Annual Internal Audit Plan (2017/18)
EXECUTIVE SUMMARY	<p>One internal audit has been undertaken covering communications that received a 'substantial assurance' rating. A review of agreed management actions was also undertaken.</p> <p>Our findings show that the Service has a systematic management framework in place to oversee these and there are no significant issues that the Service is not already dealing with.</p>
RISK ASSESSMENT	Failure to ensure a sound internal audit function may lead to reputational or financial issues. This report is a key control measure associated with mitigating this risk.
COMMUNITY IMPACT ASSESSMENT	None for the purposes of this report
BUDGET IMPLICATIONS	None for the purposes of this report
RECOMMENDATIONS	That Members consider and agree the findings of the audit undertaken.
BACKGROUND PAPERS	None
APPENDICES	Appendix A Gateway Assure Block 1 Audit Report
REPORT ORIGINATOR AND CONTACT	<p>Robin Pritchard, Engagement Director</p> <p><a href="mailto:Robin.pritchard@gatewayassure.com">Robin.pritchard@gatewayassure.com</a></p> <p>07792 296830</p>



## **Dorset & Wiltshire Fire and Rescue Authority**

# **Internal Audit Report for the Dorset & Wiltshire Fire and Rescue Service**

## **Block 1 2017/18**



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## CONTACT DETAILS – MANAGEMENT TEAM

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This report has been prepared for our client and should not be disclosed to any third parties, including in response to requests for information under the Freedom of Information Act, without the prior written consent of Gateway Assure Ltd. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, it is based upon the documentation reviewed and information provided to us during the course of our work. Thus, no guarantee or warranty can be given with regard to the advice and information contained herein. © 2017 Gateway Assure Ltd

# INTRODUCTION

## OPERATIONAL AUDIT PLAN

- 1.1 This report summarises the outcome of work completed to date against the operational audit plan approved by the Authority, Finance, Governance and Audit Committee and the Chief Fire Officer and incorporates cumulative data in support of internal audit performance and how our work during the year feeds in to our annual opinion.
- 1.2 The sequence and timing of individual reviews has been discussed and agreed with management to ensure the completion of all audits within the agreed Internal Audit Strategy 2017/18; the current planned schedule is shown in Appendix C.
- 1.3 In brief the areas subject to audit on this occasion and the result of those audits are as follows:

Audit Area	Opinion	Recommendations				
		F	S	MA	Total	Agreed
Communications	Substantial	0	1	3	4	4

### KEY

<b>Fundamental (F)</b>	-	The organisation is subject to levels of fundamental risk where immediate action should be taken to implement an agreed action plan.
<b>Significant (S)</b>	-	Attention to be given to resolving the position as the organisation may be subject to significant risks.
<b>Merits Attention (MA)</b>	-	Desirable improvements to be made to improve the control, risk management or governance framework or strengthen its effectiveness.

- 1.4 We would like to take this opportunity to thank all members of staff for their co-operation and assistance during the course of our visit.
- 1.5 The results of each audit are reported through the Executive Summary and agreed Action Plan contained within **Appendix A**. A Summary of Opinions and Recommendations is shown as **Appendix B** and progress against the Operational Plan is detailed at **Appendix C**.

## STANDARDS

- 1.6 We have performed our work in accordance with the principles of the Institute of Internal Auditors (IIA) International Professional Practice Framework (IPPF) 2013 and the Public Sector Internal Audit Standards (PSIAS) 2013 in so far as they are applicable to you our client. Our working papers are available for inspection.

## QUERIES

- 1.7 Should any recipient of this report have any queries over its interpretation or content they should contact the client engagement director either directly or through the client contact as appropriate and we shall be happy to discuss the assignments and provide any detail or explanations necessary.

## SCOPE & BACKGROUND

- 1.8 We have reviewed each area in accordance with the scope and objectives agreed with management prior to our visit. Appendix A provides detail of the scope of our work; our conclusions regarding the level of assurance that can be provided and where appropriate the agreed Action Plan to be implemented by management to remedy potential control weaknesses.
- 1.9 Our approach was to document and evaluate the adequacy of controls operating within each system. For each system the key controls operated by management were assessed against the controls 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.

- 1.10 We report by exception and only highlight those matters that we believe merit acknowledgement in terms of good practice or undermine a system's control environment and which require attention by management.

## AUDIT OBJECTIVE & OPINION

- 1.11 The objective of our audit was to evaluate the auditable areas with a view to delivering reasonable assurance as to the adequacy of the design of the internal control system and its application in practice. The control system is put in place to ensure that risks to the achievement of the organisation's objectives are managed effectively.
- 1.12 Our opinion is based upon the control framework (as currently laid down and operated) and its ability to adequately manage and control those risks material to the achievement of the organisation's objectives for this area. We provide our opinion taking account of the issues identified in the Executive Summary and Action Plan.

## Overall Opinion

- 1.13 Each Executive Summary provides an overall assessment of our findings for each system reviewed and provides an opinion on the extent to which management may rely on the adequacy and application of the internal control system to manage and mitigate against risks material to the achievement of the organisation's objectives for each area.

## Conclusion on the Adequacy of Control Framework

- 1.14 Based on the evidence obtained, we conclude for each area upon the design of the system of control, and whether it complied with, it is sufficiently robust to provide assurance that the activities and procedures in place will achieve the objectives for the system.

## Conclusion on the Application of Controls

- 1.15 Based on the evidence obtained from our testing, we conclude for each area upon the application of established controls.

## VALUE FOR MONEY

- 1.16 Where value for money issues are identified as a result of our work the corresponding recommendation will be annotated with **VFM** in the bottom right hand corner. This is used to identify recommendations which have potential value for money implications for the organisation or which indicated instances of over control.

## PREVIOUS AUDIT RECOMMENDATIONS (FOLLOW UP)

- 1.17 Where a previously accepted audit recommendation remains outstanding at the time of our review and the original implementation date has passed the corresponding recommendation within Appendix A will be annotated with **PAR** in the bottom right hand corner.

## EXECUTIVE SUMMARY

### FINDINGS & CONCLUSIONS

- 2.1 The results of our visit to Dorset & Wiltshire Fire and Rescue Service are summarised in this section of the report and are considered in relation to each area reviewed.
- 2.2 The extent of comment in relation to each audit area is restricted deliberately so as to highlight the key issues that we believe need to be drawn to the attention of the Finance, Governance and Audit Committee and management and are supported by a more detailed analysis of each review that is contained as Appendix A to this report.

### Communications

- 2.3 The Service has a comprehensive approach to communication that is overviewed by the Strategic Leadership Team on a quarterly basis. Communication within the Service has been established through the development and approval of a number of separate policies and procedures such as: the Employment Engagement Strategy, Website Management, Photographic and Video Guidance, Social Media procedures and Support Media procedures. These documents and processes are located on the Service information system but may benefit from a clear relational map and alignment to a revised policy. We have recommended that a new communication policy is prepared to include all aspects of the approach to communication.
- 2.4 Responsibility and control over the communication of matters regarding the Service is maintained centrally by the Media Communication Team (MCT). All corporate communication and intranet communications are controlled and administered by the MCT which will ensure consistency and appropriateness of the 'message'. There is a different control mechanism for local communication which is controlled by a designated named person at each local fire station. All communication from these locations is the responsibility of that local named individual, usually the lead fire officer, irrespective of who sends the communication out. This has led to the lead officer taking a greater care and responsibility for the content of their communication.
- 2.5 It was confirmed that Media training has been provided for all senior officers by an external provider to ensure they are prepared for dealing with all the external and internal pressures of communicating with staff members and external stakeholders. Refresher courses will be run next year which will support any Senior Officers who have not completed the training previously.
- 2.6 Communication within the Service may not need to be as regulated as with other industries, however, it is expected that all communication including the use of social media remains 'on message' in line with the expectations of the Service and its aims. Where practicable the communication is reviewed by the MCT prior to being released, and if a local communication by the designated lead fire officer. An overview of all social media content is maintained by MCT.
- 2.7 Although the Service operates a variety of internal communication mechanisms, general written communication is mainly confined to two regular mediums of communication; a weekly bulletin sent to all staff, which deals with operational aspects of the Service which need to be communicated and a monthly publication to cover the more social aspects of the Service. These have both been well received by staff and Members. In addition, the Service also subscribe to Fire Pro, the regulatory body communication tool and run a series of forums to get messages across to the stakeholders as they see fit.



- 2.8 At the time of combination, the Communication team had used “survey monkey” to understand the expectations of staff in respect of communication and how they wanted the information to be presented to them. The current position reflects the outcome of that survey with the weekly and monthly publications covering operational and social aspects of the Service.
- 2.9 Our audit fieldwork identified that if an important message needed to be communicated to the Service then staff emails would be a means to be employed. It was however highlighted that, due to differences in management practices across the two former Services, there is a section of on-call firefighters in the south of the new Service, who do not have a Service email account. We were informed that this is being addressed when the new Office 365 system is introduced across the whole of the Service which is to be rolled out in September 2017. Management had taken the decision that to update for this relatively small number of staff and then update again when the new application is introduced would be inefficient. Existing local arrangements continue to be in place during the period in question to post details on notice boards and weekly watch meetings.
- 2.10 Communication within the Service has established effective two way processes with feedback being received in a number of ways. In addition, to the contact details and links included on the staff website, the Service holds a number of forums for the staff to provide their feedback including an “Ask the Chief” teleconference. These are held 4 times a year and on each occasion 4 opportunities provided to ensure all staff groups and shift patterns are covered and can participate, where there is an “open forum” for questions on any topic can be asked. A change forum also operates to support staff engagement and communication.
- 2.11 The Service has a range of methods it uses when communicating externally these include Twitter, Facebook, YouTube, the Service website and other channels.
- 2.12 The Service has a range of procedures which can be used to assist staff in several different scenarios; the procedures include Social Media, Website Management and Supporting Media Relations. An events management procedure is not currently in place but is being developed.
- 2.13 Whilst the Service undertakes a great deal of external engagement and communication through the media; community engagement; partnership working and face to face stakeholder meetings, currently, the Service has no formalised external communication strategy in place, because of this we recommend that the Service considers implementing an external communication strategy in the near future, possibly aligned to the publication of performance data in the 2016/17 Annual Report.
- 2.14 The Service and staff are aware of the main contacts that are used within communication, however currently there is not a formalised contact database for key stakeholders that is regularly reviewed. We appreciate that this has been acknowledged by the Communications department, however, recommend that a formal target date is set for the completion of this task.
- 2.15 The Service does not have a specific marketing plan in place but is currently being considered as part of the delivery of its strategic priorities.
- 2.16 A de-brief of all major communication events is currently held; this ensures that the Service can learn from the successes and failings of the campaigns and ensure that continuous improvement is achieved. Individual departments can analyse the success of campaigns by using available statistics to view whether the campaigns are successful or not.

Taking account of the issues identified above and the recommendations contained within Appendix A, in our opinion the control framework for the area under review, as currently laid down and operated, provides **substantial assurance** that risks material to the achievement of the organisation’s objectives for this area are adequately managed and controlled.

## APPENDIX A1 – 01/18 COMMUNICATIONS

Management Objective:	To ensure that DWFRS communication with both internal and external stakeholders is undertaken in a planned manner which supports the achievement of corporate objectives.		
Responsible Officer:	Vikki Shearing – Head of Information and Communication		
<b>Risk areas for consideration:</b>			
1. Communication requirements have not been specified leading to a situation where internal and external stakeholders receive inadequate, inaccurate or irrelevant information.			
2. Internal Communication – staff do not have access to information which is required to undertake their role.			
3. External communication – the reputation of the Service is damaged due to a lack of/poor communication.			
<b>Limitations to scope:</b>			
No limitation of scope			
Overall opinion:	Substantial	Adequacy of control framework:	Good
		Application of control:	Good

Main Recommendations	Priority	Management Response	Implementation Plan
<b>1. Combined Communication Policy</b>  We recommend that an overarching Communication policy is introduced collating all the individual communication documents and procedures into a single location.	MA	The internal communications strategy and supporting procedures will be reviewed to ensure clear procedural alignment. This will be incorporated into a wider review of policies that will be undertaken during the coming year.	<b>Responsibility:</b> <b>V Shearing</b>  <b>Target date: 30/12/17</b>



<b>2. External Communication Policy</b>  The Service considers implementing a specific external communications strategy into the Combined Communication policy.	S	We will consider the requirements of an external engagement strategy as part of ongoing work associated with our performance management and partnership arrangements.	<b>Responsibility:</b> <b>V Shearing</b>  <b>Target date:</b> <b>1/4/18</b>
<b>3. Events Handling Procedure.</b>  The Service should establish a realistic target date for the completion of the 'Events Handling Procedure'.	MA	The delivery of this procedure has already been prioritised for 2017/18 and will be completed at the end of the summer events period.	<b>Responsibility:</b> <b>L Knox</b>  <b>Target date: 30/11/17</b>
<b>4. Contact Database</b>  The Service should establish a target date for the completion of the contact database.	MA	A media contacts database exists within the department and the intention is to extend this database to include key stakeholders during the coming year.	<b>Responsibility:</b> <b>L Knox</b>  <b>Target date: 30/10/17</b>

## APPENDIX A2 – GW 00/18 FOLLOW UP

Management Objective:	Management take timely and appropriate action to implement accepted recommendations and accurately report progress to Audit Committee.
Responsible Officer:	Jill McCrae – Head of Democratic Services and Corporate Assurance
<b>Areas for consideration:</b>  <p>Our Internal Audit Strategy includes provision for the follow up of previously accepted recommendations to assess the level of implementation and provide assurance over management's own recommendation tracking and subsequent reporting. The audit areas subject to follow up on this occasion were:</p> <ol style="list-style-type: none"> <li>1. Risk Management</li> <li>2. IT Migration</li> <li>3. Procurement</li> <li>4. HR Workforce Planning</li> <li>5. Information Governance</li> <li>6. Fixed Assets and Inventories</li> <li>7. Corporate Governance</li> <li>8. Information Management System Migration</li> <li>9. Health &amp; Safety Migration</li> <li>10. Complaints, Whistleblowing, Anti-fraud, Corruption and Bribery</li> <li>11. Key Financial Controls</li> <li>12. Cultural Alignment and Development</li> </ol> <p>Staff members responsible for the implementation of recommendations were interviewed to determine the current status of each point. Audit testing has been completed, where appropriate, to assess the level of compliance with this status and the controls in place.</p> <p>We report the detail of our follow up work by exception where previously agreed recommendations have not been fully implemented. The recommendations listed in the following table remained outstanding at the time of our review and require continued monitoring through to completion.</p> <p><b>Limitations to scope:</b> The review was limited to the follow up of internal audit recommendations.</p>	

<b>Audit Area:</b>		Risk Management		
<b>Audit Date:</b>		Block 1 2016/17		
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<b>Completion of response plans</b> The development of emergency response plans and department business continuity plans should be programmed on a risk basis to conclude within 2016/17 as planned.	S	This is planned for within the business continuity work programme. hand and will be programmed in line with the work programme	<b>Responsibility:</b> Head of Democratic Services & Corporate Assurance  <b>Target date:</b> 31 March 2017  <b>Management Update:</b> The Service agreed a business continuity programme of work for 2016/17, in which the delivery of incident response plans was prioritised based on risk. This programme of work continues on track, with the majority of incident response plans now in place. The remaining plans will be completed on a risk basis, aligned to the programme of work agreed by SLT.	The significant response plans have been approved by SLT in line with the agreed work programme. No significant issues or further actions required.
<b>Testing of Recovery Plans</b> Annual testing of emergency response and business continuity plans in accordance with an agreed programme should be coordinated by the Assurance and Business Continuity team throughout each calendar year in order to avoid peak workloads developing and provide continuous assurance.	S	This work is highlighted within the work programme and will be discussed with heads of departments	<b>Responsibility:</b> Head of Democratic Services & Corporate Assurance  <b>Target date:</b> 31 March 2017  <b>Management Update:</b>	An operational officer is currently ensuring that there is understanding by the stations and departments. A report has been tabled at the SLT. No significant issues or further actions required.

			The Service's business continuity procedure includes a review programme for all business continuity plans, including department business continuity plans, station business continuity plans and the high level incident response plans. A programme of exercises has been put together in line with the procedure for 2017/18 which will commence from April 2017.	
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Audit Area:		IT Migration		
Audit Date:		Block 1 2016/17		
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<b>Scheduling and Reporting ICT Activities</b> A number of activities remain to be undertaken from the combination, and additional scopes of work are emerging e.g. the penetration testing outcomes. Scheduling, tracking and reporting on these works are required to ensure priorities are assigned and deliveries are occurring to schedule.	S	All of this work will be within the ICT Roadmap and be managed and documented through the ICT Job Management System. Overall progress will be reported through Cycle against the relevant Roadmap Themes	<b>Responsibility:</b> ICT Management Team  <b>Target date:</b> Full development of the Roadmap by September. For other work on-going as work is requested and scheduled  <b>Management Update:</b> The penetration testing has been undertaken with mitigation in place.	This work has all been programmed in and the majority of it has been completed. Monthly reports to the director are occurring. No significant issues or actions required.

<b>ICT Infrastructure Configuration Control</b> To control and protect IT, service formal configuration controls are required along with supporting policies and procedures covering testing and approval for changes	S	This falls within the remit of the new BRM post, which commences on the 4 <sup>th</sup> July. This post will manage the ICT Service Catalogue and deliver the ICT Change Management Process	<b>Responsibility:</b> ICT BRM  <b>Target date:</b> <b>October 2016</b>  <b>Management Update:</b> The Business Relationship Manager is developing the supporting policies and procedures, which includes an enhancement to the change management system, this work will progress alongside other key development and migration work, which will be ready for go live in April 2017.	New target date: July 2017 There has been some delay in revising the consolidated change management procedure. It is now on consultation and will be live in July.
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Audit Area:	Procurement			
Audit Date:	Block 1 2016/17			
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<b>BLPD Exemption list</b>  We recommend that with the BLPD contracts list still requiring work to fix the issues within it, by Cheshire Police, staff fully understand the importance of populating the DWFRS spreadsheet as quickly and accurately as possible.	MA	The procurement team will continue to control and monitor the DWFRS spreadsheet while Cheshire Police address the issues.	<b>Responsibility:</b> Clare McCallum  <b>Target date:</b> Dependent on Cheshire Police administration. DWFRS review 31 August 2016.  <b>Management Update:</b> We have now got BLPD working and are currently working thorough updating all of the contracts on the system.	Updating the contracts database is now part of normal business. No significant issues or further action required.

		<p>It is hoped that additional notes on the “Sycle” system highlighting the need to use the spreadsheet will be introduced to inform and remind all staff of their responsibilities.</p>	<p>We have held contract review meetings with key managers over the last few weeks to ensure that we have all of their contracts and to make sure everything is novated over to the new service. This is now an ongoing project at the moment</p>	
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Audit Area:		Fixed Assets & Inventories		
Audit Date:		Block 2 2016/17		
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<p><b>Fixed Asset Policy</b></p> <p>We recommend that a detailed documented plan is introduced to ensure that the new PAS55.1 2008 Standard from the Institute of Management in respect of Fixed Assets is implemented within the 3 year timeline.</p>	S	<p>Equipment, Supplies and Water &amp; Foam)</p> <p>The tasks have already been prioritised into a three-year programme of work and have been allocated to appropriate management roles through Sycle.</p> <p>A more detailed project plan as described in the recommendation has been developed. This work was delayed due to the need to prioritise other risk critical work, in particular the need to maintain legal compliance.</p>	<p><b>Responsibility:</b> Head of Assets</p> <p><b>Target date:</b> March 2017</p> <p><b>Management Update:</b> The recruitment of staff continues in some technical areas. The impact of over 50% staff turnover has been very detrimental to making progress with the development of the Department and it has been a major task just to keep risk critical activity on target. A project plan is being developed.</p> <p><b>Auditor Update:</b> Due to sudden departure of the Head of Assets this task is currently overdue.</p> <p>The detail on Sycle, the performance management system, was reviewed and the task still appears to show 'On Track' where it is in fact overdue due to the report not being updated since the Head of Assets has retired.</p>	<p><b>New Target Date:</b> September 2017</p> <p>The department is still in a state of consolidation with the vacancy for the Head of Asset management being filled on 25th May 2017 (following a recent resignation) with the new post holder person not expected to take up post until July 2017. SLT agreed in January, to invest into the estates department, the addition of another building surveyor for the north and a Mechanical and Electrical surveyor for the service as a whole as well as an additional facilities manager.</p> <p>There is a delay in progressing this whilst the department undergoes a review of remuneration for its professionals.</p>



	<p>The Department has faced a significant challenge caused by the need to recruit and train staff to fill vacancies. The work required to recruit and train 18 new members of staff due to temporary and permanent opportunities has been significant, as has the disruption caused by 18 vacancies in a Department of 50 staff.</p> <p>The situation with regard to this recommendation is further complicated by the fact that two of the senior management roles required to develop the plan are currently, or will soon be, vacant. I hope the staff situation will be largely resolved by the end of the year and at this point a more detailed project plan will be developed.</p>		<p>This will allow the department to deliver both the capital and planned maintenance programme; save external technical fees and ensure legal compliance with health and safety obligations.</p> <p>The Equipment manager has decided to retire at the end of July 2017 so a process is underway to identify a replacement.</p> <p>There has been progress with the development of the PAS 55 systems approach to asset management with the asset management strategy approximately 50% complete with a target of the end of September.</p>
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<p><b>Capitalisation Limits</b></p> <p>We recommend that a minimum capitalisation limit is introduced to ensure all significant value items are included within the asset registers, and not just relying on the requirement of an inspection. It is acknowledged that a number of lesser valued items do require inclusion on the registers due to the inspection requirement and these should override the capitalisation requirement.</p>	<p>MA</p>	<p>There has been an informal capitalisation limit in place for a number of years. This will be firmed up in consultation with finance.</p>	<p><b>Responsibility:</b> Head of Assets</p> <p><b>Target date:</b> March 2017</p> <p><b>Management Update:</b> Most significant assets require a range of planned and reactive work to ensure they remain fit for purpose and the organisation remains legally compliant, these assets therefore have cradle to grave records. This requirement means virtually all assets of significant value are recorded, however there are a few significant assets that do not require planned maintenance and as such would not require records for this reason, but they are of such value that they should be recorded and for that reason a minimum capitalisation limit will be agreed before the end of the financial year.</p> <p><b>Auditor Update:</b> Due to sudden departure of the Head of Assets this task is currently overdue.</p> <p>The detail on Sytle, the performance management system, was reviewed and the task still appears to show 'On Track' where it is in fact overdue due to the report not being updated since the Head of Assets has retired.</p>	<p><b>New Target Date:</b> March 2018</p> <p>Most significant assets require a range of planned and reactive work to ensure they remain fit for purpose and the organisation remains legally compliant, these assets therefore have cradle to grave records. This requirement means virtually all assets of significant value are recorded, however there are a few significant assets that do not require planned maintenance and as such would not require records for this reason, but they are of such value that they should be recorded and for that reason a minimum capitalisation limit will be agreed before the end of the financial year. The department has developed a specification for an asset management system which will address this issue. It is due to go through the procurement phase early in July 2017 with the view to it being in service end of march 2018.</p>
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Audit Area:		Corporate Governance		
Audit Date:		Block 2 2016/17		
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<b>Committee self-assessment</b> The Authority should consider introducing annual self- assessment processes for each committee.	MA	This will be considered as part of the Governance Review to be commenced in September	<b>Responsibility:</b> Chair of Governance Working Group  <b>Target date:</b> December 2016  <b>Management Update:</b> The governance working group has had extensive discussion about the governance arrangement and prepared a wider paper for the Authority for consideration at its March meeting. The intention is to reduce the future size and composition of the Authority. This is subject to agreement, consultation and a modified combination order. It is proposed that given the governance working group having looked at the current workings and that a potential significant change may be on the horizon, that this issue is not progressed until these new arrangements are in place.	The Authority has considered a committee self-assessment however due to the potential restructuring of the committee this is being delayed until this has been resolved. A paper is to be tabled in September to secure a decision on the future size of the Authority following consultation with the constituent authorities. Task is complete for the purposes of this audit.
<b>Member skills audit</b> The Authority should complete the process of identifying member skills as a means of determining future training needs and board appointments.	S	In progress	<b>Responsibility:</b> Head of Democratic Services and Corporate Assurance  <b>Target date:</b> December 2016	

			<b>Management Update:</b> A training needs analysis for Members has been complete. A number of familiarization sessions have been identified for 2017 awaiting the agreement of the Chairman of the Authority. Subject to this approval the sessions will be arranged and Members invited where appropriate	A training needs analysis for Members has been completed and a register is in place. A new series of sessions have been provisional suggested for 2017 this is awaiting the agreement of the chairman of the Authority once they have been nominated in June 2017.
<b>Conflicts of Interest/Secondary working</b> The Authority should introduce a combined policy regarding the approval and recording of conflicts of interest and secondary working.	S	Agreed and to be actioned	<b>Responsibility:</b> Head of Democratic Services and Corporate Assurance  <b>Target date:</b> December 2016  <b>Management Update:</b> The Service does have an internal procedure for Secondary Employment and a single register is being developed in line with the procedure by Human Resources.	Arrangements were in place for both former Services and this issue is considered to be low risk, although a management review is being undertaken to secure full assurance and an up to date position. No significant issues or actions required.

<b>Audit Area:</b>		Complaints, Whistle-Blowing, Anti-Fraud, Corruption and Bribery		
<b>Audit Date:</b>		Block 2 2016/17		
Recommendation	Priority	Status	Latest Update	Required Action(s) / Recommendations
<b>Complaint Prioritisation</b>  We recommend that DWFRS consider introducing a prioritisation scale for the complaints received to allow more serious complaints to be addressed as a priority.	MA	All complaints are allocated to an officer to handle within 3 working days regardless of priority. It is rarely an issue for these timescales to be met. However, we will introduce this priority rating as a means of alerting the officer of the potential significance/impact of a complaint. Development work with ICT is programmed for May 2017	<b>Responsibility:</b> Lisa Smith  <b>Target date:</b> May 2017  <b>Management Update:</b> Since the 1 April 2016, we are continuing to use the interim process for handling complaints and compliments across the new Service. We are supporting officers using this process to ensure we meet the 14-day resolution standards. This improvement work for considering a categorisation of priority for complaints will form part of a wider review of the full complaints and compliments system and procedure. This is programmed for April and May 2017.	<b>New Target Date:</b> September 2017  The work is relatively low priority and risk. It is now being progressed through the software development plan. It is likely to overrun the target date of 'May 2017' and is likely to be completed by September 2017.
<b>Team Training</b>  We recommend that training in the processes, procedures and systems of the adopted Dorset FRS complaints approach is undertaken as soon as possible to establish a single, consistent and quality approach is established throughout the combined Authority	MA	One single system is used by the central Information Management team.	<b>Responsibility:</b> Lisa Smith  <b>Target date:</b> May 2017  <b>Management Update:</b> Complaints continue to be monitored in line with procedure with no concerns about the efficiency of these being handled.	Training has been provided and there is a central department overseeing the quality of this work. No significant issues or actions required.

		<p>Ex-Dorset officers receive automated alerts about complaints and can input their own investigation details directly. At this stage, ex-Wiltshire Officers who are allocated a complaint are notified manually and are being supported by the team for inputting their investigations/outcomes.</p> <p>Once the Service has migrated to a single domain this will no longer be necessary. Training for all Officers against the procedure, process and system will be provided at this stage, and once further development work is completed by ICT.</p>	<p>This work will form part of a wider review of the complaints and compliments system which is being programmed in for completion between April and May 2017</p>	
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Audit Area:		Absence Management			
Audit Date:					
Recommendation	Priority	Status	Latest Update	Required Recommendations	Action(s) /
<b>HR Training</b>  We recommend that the northern section of the Service is fully trained in the absence management area of HR to ensure both sections are applying a consistent message.	MA		<b>Management Update:</b> A procedure for short term attendance management has been drafted and released to the rep bodies for consultation, with a view to being published on 1 April 2017. Attendance management training material will be developed and this will be provided to the HR team and HR business partners, with the latter providing direct support to managers in this area. Additional training methods will also be considered for all staff, i.e. E-Learning packages	A new short-term attendance procedure has been approved and aligned to the consolidated HR management information system. A long-term attendance management policy is currently still under development and will be released to staff after it has been approved.  Attendance management training is forming part of the programme of procedure training for managers that is currently being delivered by HR.	



## APPENDIX B – SUMMARY OF OPINIONS & RECOMMENDATIONS

Reports being considered at this Finance and Audit Committee meeting are shown in italics. The definitions with regard to the levels of assurance given and the classification of recommendations can be found in the Notes section at the end of this report.

Audit	Progress	Opinion	Recommendations Made				
			F	S	MA	Total	Agreed
1. Communications	Draft Report	Substantial	0	1	3	4	4
2. IT Management Systems							
3. IT Health Check							
4. Business Case Management							
5. Strategic Workforce Planning							
6. Strategic Planning							
7. Key Financial Controls							
Total			0	1	3	4	4

At the moment there is nothing that impacts negatively upon our annual opinion.

## APPENDIX C – OPERATIONAL PLAN 2017/18

Quarter 1 Audits - Finance and Audit Committee – 7 July 2017	Plan Days	Actual Days	Progress
1. Communications	10	10	
Follow Up	3	2	
Management	3	3	
<b>Total</b>	<b>16</b>	<b>15</b>	
Quarter 2 Audits - 29 September 2017	Plan Days	Actual Days	Progress
2. ICT Management Systems	10		
3. IT Health Check	8		
Management	2		
<b>Total</b>	<b>20</b>		
Quarter 3 Audits - 15 December 2017	Plan Days	Actual Days	Progress
4. Business Case Management	8		
5. Strategic Workforce Planning	8		
Management	2		
<b>Total</b>	<b>18</b>		
Quarter 4 Audits – 28 March 2018	Plan Days	Actual Days	Progress
6. Strategic Planning	6		
7. Key Financial Controls	15		
Follow Up	2		
Management	3		
<b>Total</b>	<b>26</b>		
<b>TOTAL AUDIT DAYS 2017/18</b>	<b>80</b>	<b>15</b>	

## APPENDIX D – PERFORMANCE INDICATORS YTD

### Report Turnaround

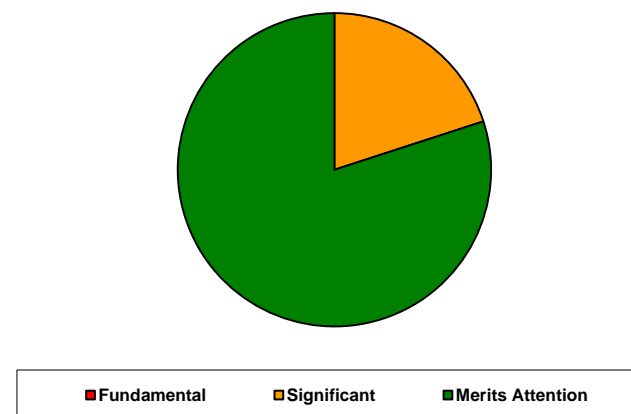
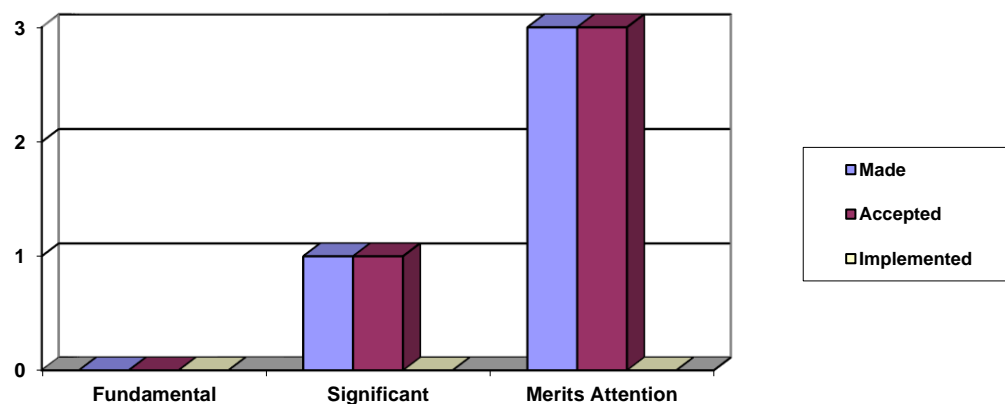
Performance Indicator	Target	Actual	Comments
Draft report turnaround (average working days)	10 days	8 days	
Final report turnaround (average working days)	5 days	1 day	

### Resources

Performance Indicator	Annual	Actual	Comments
Number of Audit Days	80	15	On track
Audit Fee	Budget	Within budget	
Director Input	10%	30%	
Manager Input	15%		
IT Auditor Input	10%		
Senior Auditor Input	35%	35%	
Auditor Input	30%	35%	

### Recommendations

Made, Accepted & Implemented	Analysis of Priority
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## APPENDIX E – NOTES

### KEY FOR RECOMMENDATIONS (IN RELATION TO THE SYSTEM REVIEWED)

<b>Fundamental (F)</b>	- The organisation is subject to levels of fundamental risk where immediate action should be taken to implement an agreed action plan.
<b>Significant (S)</b>	- Attention to be given to resolving the position as the organisation may be subject to significant risks.
<b>Merits Attention (MA)</b>	- Desirable improvements to be made to improve the control, risk management or governance framework or strengthen its effectiveness.

### ADEQUACY & APPLICATION OF CONTROL

OVERALL OPINION (ASSURANCE)	FRAMEWORK OF CONTROL	APPLICATION OF CONTROL	EXPLANATION	TYPICAL INDICATORS
Substantial (Positive opinion)	Good	Good	The control framework is robust, well documented and consistently applied therefore managing the business critical risks to which the system is subject.	There are no fundamental or significant recommendations attributable to either the Framework or Application of Control.
Adequate (Positive opinion)	Good	Adequate	As above however the audit identified areas of non-compliance which detract from the overall assurance which can be provided and expose areas of risk.	There are no fundamental recommendations surrounding the Framework of Control; coupled with no fundamental and no more than two significant recommendations attributable to the Application of those controls.
	Adequate	Good	The control framework was generally considered sound but with areas of improvement identified to further manage the significant risk exposure; controls were consistently applied.	There are no fundamental recommendations attributable to the Framework of Control.
	Adequate	Adequate	As above however the audit identified areas of non-compliance which expose the organisation to increased levels of risk.	There are no fundamental recommendations attributable to the Framework and Application of Control.
Limited (Negative opinion)	Good / Adequate	Weak	As above however the extent of non-compliance identified prevents the Framework of Control from achieving its objectives and suitably managing the risks to which the organisation is exposed.	There are more than two significant recommendations attributable to the Application of Controls.
	Weak	Good / Adequate	The control framework despite being suitably applied is insufficient to manage the risks identified.	There are more than two significant recommendations attributable to the Framework of Controls.
	Weak	Weak	Both the Framework of Control and its Application are poorly implemented and therefore fail to mitigate the business critical risks to which the organisation is exposed.	There are fundamental recommendation(s) attributable to either or both the Framework and Application of Controls which if not resolved are likely to have an impact on the organisations sustainability.

The above is for guidance only; professional judgement is exercised in all instances.