



DORSET & WILTSHIRE
FIRE AND RESCUE



Item 23/37 Appendix A

Dorset & Wiltshire Fire and Rescue Service

Report of Internal Audit Activity

Plan Progress 2023/24 Quarter 2

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

Unrestricted

Internal Audit Plan Progress 2023/24 Quarter 2

Contents

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➡	Introduction	Page 2
➡	Audit Summary	Page 3
➡	Assurance Definitions	Page 4
➡	Grievance Arrangements Quarter 2 Audit Detail	Page 5-8
➡	Secondary Contracts Quarter 2 Audit Detail	Page 9-12
➡	Appendix 1 – 2023/24 Audit Plan and Performance	Page 13-14

Internal Audit Plan Progress 2023/24 Quarter 2

Introduction

This report summarises the Internal Audit activity completed for Dorset & Wiltshire Fire and Rescue Service in Quarter 2 2023/24 in line with the Annual Audit Plan approved by the Finance & Audit (F&A) Committee and the Chief Fire Officer in March 2023.

The schedule provided in Appendix 1 contains a list of all audits agreed in the Annual Audit Plan 2023/24.

We have provided a summary of activity which outlines our assurance opinion and the number and priority of any actions that we made in relation to the audit work undertaken in Quarter 2. To assist the Committee in its monitoring and scrutiny role, a summary of each audit (objective, risk, controls tested, findings and actions) 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 Services 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 2023/24 Quarter 2

Audit Summary

In Quarter 2 2023/24, the following audits were completed in accordance with the Audit Plan:

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Actions	Priority of Actions		
						1	2	3
Grievance Arrangements	People & Asset Management Corporate Governance	HMICFRS People Pillar Priority 5	Final	Adequate	2	-	1	1
Secondary Contracts	People & Assets Management Corporate Governance	HMICFRS Efficiency Pillar Priority 4, 5 Strategic Risk 301	Final	Adequate	1	-	1	-

Assurance Definitions

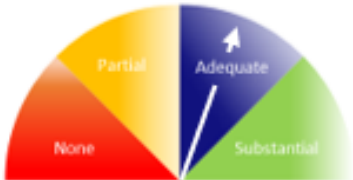
Each completed audit has been awarded an “Assurance opinion” rating. This opinion takes account of whether the risks material to the achievement of the Services objectives for this area are adequately managed and controlled. The Assurance opinion ratings have been determined in accordance with the Internal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

Assurance Definitions	
None	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Partial	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Adequate	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

From our work in Quarter 2, we have raised actions which seek to strengthen the Services 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 Actions	
In addition to the corporate risk assessment, it is important that management know how important the action is to their service. Each action has been given a priority rating at service level with the following definitions:	
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.

Grievance Arrangements

Assurance Opinion		Number of Actions	
	<p>There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.</p>	Priority	Number
		Priority 1	-
		Priority 2	1
		Priority 3	1
		Total	2

Audit Opinion:

Adequate Assurance

Objectives:

To provide assurance that the Services arrangements to monitor and manage grievances are effective.

Risk:

Grievance arrangements are not suitably communicated and understood across the Service, leading to employee welfare issues and reputational damage to the Service.

Grievance Arrangements

Controls Tested:

The following areas of control were covered under the scope of this audit programme:

- The Service has an agreed procedure in place, which defines the processes for grievance reporting.
- Grievance arrangements are understood by employees.
- Employees feel confident and supported with the processes for raising grievances.
- Grievances are effectively managed and monitored.

Areas of Good Practice:


- All staff sampled were aware of the EPR 1 procedure document.
- Within the procedure document, there is a detailed breakdown of each stage of a grievance.
- Staff sampled felt supported when raising grievances.
- Line managers were generally aware of their roles and responsibilities when it comes to grievances, however noted that further training and awareness would be of use.
- There is a strong support network for staff from HR Business Partners.

Summary of Actions:

Findings & Risk	Action	Management Response	Officer Responsible/ Timescale	Rec Priority
<p>During our audit we spoke with 12 employees (who are also line managers) and found that the majority of these felt confident with raising and managing a grievance. However, some did raise that there is a lack of formal training around grievance arrangements and raising a grievance. Staff are provided with initial induction training which briefly touches on the subject, however there is nothing in depth specifically around grievances.</p> <p>Line managers are not provided with additional training when moving into a role of seniority. There were also some minor inconsistencies with regards to the monitoring of grievances across line managers which could be as a result of a lack of training.</p> <p>We are aware of ongoing work from the Area Manager - Response to create guidelines for different roles. We would suggest that grievance awareness is incorporated into these.</p> <p>Additionally, only two of the sampled members of staff were aware of the poster to signpost the raising of</p>	<p>The Service should introduce further training and awareness over grievance processes, both for employees raising grievances and managers handling them.</p>	<p>The observations and associated recommendations of the audit are accepted. In response to the action highlighted:-</p> <ul style="list-style-type: none"> • We are in the process of reviewing our grievance procedure and will incorporate the Training and awareness recommendations of this audit along with any recommendations from our Independent Review. • We are already in the process of strengthening the arrangements for how the Service manages performance issues such as grievance and discipline and this includes the need to refresh our management training and awareness. This will be achieved through refreshing the HR modules of our Leadership Development Programme and ensuring our Role Induction process covers this area in more detail. HR Business Partners already provide support to line managers and assist with monitoring, but we will ensure Managers are clear of the grievance handling processes, particularly when a manager is new in role. • The workplace concerns poster is displayed at every workplace and is on CONNECT, we will however, publicise this further to ensure increased awareness. In 	<p>Assistant Chief Officer, Director of People Services - Jenny Long</p> <p>31 October 2023</p>	2

Findings & Risk	Action	Management Response	Officer Responsible/ Timescale	Rec Priority
grievances, therefore this may require a further rollout.		addition to this, we are developing a portal which will increase the accessibility so that staff can raise concerns without the need to read through a more detailed procedure. The portal will be launched in September.		
There is an awareness within management at the Service that improvements are required around the sharing of lessons learned following grievances. This supports the findings of our sampling. The Assistant Chief Officer – Director of People Services advised that they are currently producing a culture dashboard, which will include this shared learning, with the aim to implement this from September 2023. With plans already in place to address this gap, only a low-level action has been raised, to ensure that this is produced and implemented as proposed.	The Service should ensure that the culture dashboard is produced and implemented as planned, to assist with the oversight and reporting of lessons learned from grievances.	<p>This area was captured within the Terms of Reference of our Independent Review, which will be published on 20 September. In addition to this the HMICFRS Spotlight report into values and culture includes similar recommendations, particularly in relation to how staff are supported. The strengthening of managerial arrangements will include ensuring that organisational learning is captured and fed into procedure reviews and training and awareness modules.</p> <p>A culture dashboard is being developed which will provide transparent data in relation to performance management outcomes. The culture dashboard will be launched in September.</p>	<p>Assistant Chief Officer, Director of People Services - Jenny Long</p> <p>31 October 2023</p>	3

Secondary Contracts

Assurance Opinion		Number of Actions	
	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Priority	Number
		Priority 1	-
		Priority 2	1
		Priority 3	-
		Total	1

Audit Opinion:

Adequate Assurance

Objectives:

To provide assurance that the Services arrangements to monitor and manage those with secondary contracts are effective.

Risk:

Poor or ineffective arrangements for Secondary Contracts are in place, which could result in inappropriate contracts being in place and provide reputational damage to the Service.

Secondary Contracts

Controls Tested:

The following areas of control were covered under the scope of this audit programme:

- The Service has an agreed procedure in place, which defines the rules around secondary contracts.
- Regular and effective engagements are in place between line managers and employees with secondary contracts to ensure safe working.
- Secondary contracts are effectively managed and monitored.

Areas of Good Practice:

- The Service has an adequate secondary contract procedure in place.
- There is a process in place for applying for a secondary contract.
- The procedures, along with the contracts provided to employees, require the individual staff member to be responsible for monitoring their secondary contract hours and wellbeing. Employees are required to sign a declaration in regard to working hours, monitoring hours and adequate rest breaks when completing the application form for secondary contracts.
- All staff sampled were aware of their employee's secondary contract.

Summary of Actions:

Findings & Risk	Action	Management Response	Officer Responsible/ Timescale	Rec Priority
<p>Whilst speaking with our sampled line managers, none of them were aware of any formal reporting or monitoring requirements for secondary contracts. There were instances of line managers performing local monthly wellbeing check-ins with employees, however, also instances of no monitoring.</p> <p>There is an expectation that the individual with the secondary contract will manage their hours and ensure safe working, with employees required to sign a declaration when applying for a secondary contract, confirming they are aware of their responsibilities with monitoring their working hours and rest breaks. However, it would be beneficial for the Service to introduce more formal monitoring requirements, to provide assurance that working time regulations are being adhered to.</p> <p>Whilst determining the exact means of monitoring resides with the Service, some ideas which were discussed during the course of the review are provided below:</p> <ul style="list-style-type: none"> • Requiring those with secondary contracts to have monthly wellbeing calls with their line managers, rather than the current annual 1:1 requirement. • Requiring the substantive line manager to have a periodic discussion with the secondary 	<p>The Service should introduce a more formalised means of monitoring secondary contracts. Changes in process should be detailed within the ERP 29, which is currently due for review, and also formally rolled out to applicable employees and line managers.</p>	<p>The observations and associated recommendations of the audit are accepted and there is a recognition that monitoring arrangements would benefit from further strengthening, including the introduction of wellbeing support. In relation to the suggestions: -</p> <ul style="list-style-type: none"> • Monthly wellbeing calls with their line managers – the Area Leadership Team are planning to introduce quarterly on-call contract reviews. Whilst not monthly, this new arrangement will ensure that a structured meeting is set in place that will include a wellbeing check. • Line manager discussions – the Area Leadership Team can also ensure that line manager discussions take place following the quarterly meetings. • Introduction of central monitoring of secondary contracts – the procedure is owned by Response Support who will ensure that monitoring arrangements are strengthened, to include audits of working hours. 	<p>Director of Community Safety</p> <p>31 December 2023</p>	2

Findings & Risk	Action	Management Response	Officer Responsible/ Timescale	Rec Priority
<p>line manager, to enable considerations of hours worked.</p> <ul style="list-style-type: none"> • Introduction of central monitoring of secondary contracts, such as checks on timesheets and/or rotating systems. <p>Any changes to current arrangements should be reflected within the Service's procedure document, which is currently due for review, and also formally rolled out to applicable employees and line managers.</p>				

Appendix 1 – 2023/24 Audit Plan and Performance

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Actions	Actions		
						1	2	3
Industrial Relations	People & Asset Management Corporate Governance	HMICFRS People/Effectiveness Pillars Priority 3,4,5 Strategic Risk 530	Final	Substantial	1	-	-	1
Cyber Security (Data Backups)	Information Management Corporate Governance	HMICFRS Efficiency Pillar Priority 4 Strategic Risk 301	Final	Substantial	1	-	-	1
Secondary Contracts Monitoring	People & Assets Management Corporate Governance	HMICFRS Efficiency Pillar Priority 4, 5	Final	Adequate	1	-	1	-
Grievance Arrangements	People & Assets Management Corporate Governance	HMICFRS People Pillar Priority 5	Final	Adequate	2	-	1	1
Short Term Absence Management	People & Assets Management	HMICFRS People Pillar Priority 5	Not Started					
Payroll	Financial Management	HMICFRS Efficiency Pillar Priority 4 Strategic Risk 0006	Not Started					
P-cards and Fuel Cards	Financial Management Corporate Governance	HMICFRS Efficiency Pillar Priority 4 Strategic Risk 0006	Not Started					

Audit Name	Healthy Organisation Theme	Linked To	Status	Opinion	No of Actions	Actions		
						1	2	3
Business Continuity Arrangements	Performance Management Risk Management	HMICFRS Effectiveness/Efficiency Pillars Priority 1,2,3,4 Strategic risk 530	Not Started					
Follow Ups	All	All	-					

The performance results for progress against the internal audit plan for Quarter 2 of the 2023/24 Internal Audit Plan are as follows:

Performance Target	Average Performance	
	% of the Annual Plan	Number of Assignments
<u>Audit Plan – Percentage Progress</u>		
Final, Draft, Discussion, Removed	50%	4
In progress, Ongoing	0%	0
Not yet started	50%	4
	100%	8

The completion of the plan is currently on target.