Item 26/49 Appendix A

Audit Improvement Plan Activities

DORSET & WILTSHIRE
FIRE AND RESCUE

Audit Improvement Plan Activities

KEY FOR RECOMMENDATION PRIORITY

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	- Findings that require attention.

Culture Plan – Assistant Chief Officer - Director of People Services

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
While new staff are introduced to the Core Code of Ethics during recruitment and onboarding, and assessed against these, existing employees are not consistently required to formally acknowledge these standards. However, there is no embedded process in place for existing staff to acknowledge the organisation's Code of Ethics and associated culture-related behavioural expectations. We are aware that various avenues to introduce a refresh of the standards expected staff is in a work in progress. However, the lack of this can create a gap in reinforcing ethical expectations across the full workforce. Without a consistent acknowledgement process, there is a risk that ethical standards may be unevenly understood or applied, weakening cultural alignment and accountability across the organisation.		This is acknowledged in our existing plans to update and re-issue DWFRS employee contracts. This will be further enhanced by the imminent introduction of a digital Code of Ethics resource which will include records of completion.	**Recommendation/Corrective Action:** Fully embed a formal process for all staff to periodically acknowledge the Code of Ethics and culture-related behavioural standards. For example, through digital signatures, to ensure consistent understanding and endorsement of organisational values. **Responsibility:** EDI Manager **Target Date:** End March 2027	Work has commenced and contracts are currently being reviewed to ensure legal compliance. Due to the extensive work involved in both the development and reissue of contracts, it is not anticipated that this work will conclude before 31 March 2027.	On Track

Overtime (and Secondary Contract) Management – Assistant Chief Fire Officer – Response

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Testing of 12 overtime claims submitted through the Gartan system found that in five cases (dated between December 2024 and May 2025) the approver's service number matched that of the claimant. Three of these claims were for Watch Managers. When we discussed the authorisation process with the Employee Relations Manager, they confirmed that Gartan has no built-in system controls to prevent employees from authorising their own overtime claims once submitted. When we explored whether any secondary or compensating controls exist to mitigate this weakness, we were informed that the Employee Relations Team "sense check" Gartan and e-Claims data and raise anything which looks obviously incorrect. However, they do not carry out any substantial checks prior to processing which would mitigate this weakness. The team work on the premise that all claims they are sent have already been properly reviewed prior to authorisation and they treat all claims as valid for payment. This issue is compounded by discussions with a Station Manager interviewed during the audit, who expressed that Watch Managers are able to submit and approve their own overtime within the Gartan system. Allowing staff to approve their own overtime claims removes a fundamental segregation-of-duties control, increasing the risk of:		Changes will be made to Gartan to remove the ability for members of staff to sign off their own overtime claims. We have been assured that this will be possible, but we will need to submit a change request to Gartan as this will be development work. Work undertaken by Gartan has a minimum turnaround of 90 days unless the importance is increased and then we will pay for development time. An internal monitoring process will be run until the changes to Gartan have been implemented. The ultimate fix will be dictated by Gartan development time, but this may take up to 6 months to be implemented. As an interim measure, the Compliance and Investigation Office will carry out a monthly dip test of wholetime Watch Managers' overtime	**Recommendation/Corrective Action:** Review Gartan user permissions and workflow rules to ensure that no individual can authorise their own overtime. **Responsibility:** Assistant Chief Fire Officer - Response **Revised Target Date:** September 2026	It has become evident that introducing a second level of authorisation within the existing Gartan system would require significant development and expenditure. An interim dip-sampling process has been implemented to provide targeted scrutiny of Watch Manager overtime claims, with oversight by Compliance and Investigation. The current Gartan contract runs until the end of 2028. A requirement for a second level of authorisation will be included in the technical specification in the future. The action has been marked as complete	Complete

- unauthorised or inaccurate payments being processed; - potential misuse of the overtime process; - reputational and financial exposure if irregularities occur. System configuration in Gartan appears to permit approval rights to be retained by claimants in certain circumstances (e.g. small teams, watch management level) without enforced segregation.		claims to ensure that they are a true reflection of the work undertaken.		following implementation of the interim control to mitigate the risk.	

Malpractice Management (Complaints) – ACO Director of Corporate Services

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Annual Report: The Annual Service Performance Review provides only a limited measure of complaints handling performance, focusing solely on responses issued within 20 working days. It does not include qualitative analysis such as complaint types, upheld complaints, lessons learned, or resulting service improvements. The Local Government & Social Care Ombudsman (LGSCO) Complaint Handling Code recommends that an annual complaints performance and service improvement report be drafted and presented to the relevant governance meeting.		We agree with this action. Detailed performance management information is reported to Fire Authority Members via the quarterly Finance & Audit Committee.	**Recommendation/Corrective Action:** Draft an annual complaints performance and service improvement report. The annual complaints performance and service improvement report should be reported through the service's governance arrangements and published on the complaints section of the DWFRS website. **Responsibility:** Senior Personal Assistant to Chief Executives **Target Date:** May 2027	We will ensure this is incorporated and look to create and review an annual assurance statement around compliance with the handling code. The first reporting will take place after the end of the 2026/27 year.	On Track

Business Continuity – ACO Director of Service Support

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Business Continuity Management Capacity: The headcount available to support the governance and maintenance of the business continuity planning system has been reduced since the last internal audit review in January 2024. The Business Continuity and Resilience Manager is potentially a single point of failure and, as noted at Finding 2, some of the day-to-day governance and management of the business continuity framework has fallen behind, e.g. Business Continuity plan review and exercising, potentially impacting the effectiveness of the business continuity framework. There is a risk that increased reliance on the Business Continuity and Resilience Manager to coordinate and oversee the business continuity framework reduces management capacity and may lead to plans being outdated or ineffective, reducing organisational resilience.		The Service annually reviews the structures of its corporate teams. Budgetary constraints mean that there are challenges where there are single points of failure; however, this is something that the Service is aware of and manages. With wider resources across the Resilience team this means that where there are absences, workloads will be adjusted aligned to priorities.	**Recommendation/Corrective Action:** We will review the capacity and resilience of arrangements supporting the governance and maintenance of the business continuity framework to ensure key activities, including implementation of the updated Business Continuity Management policy, the risk-based business continuity and incident response plan reviews and exercising. This will include consideration of reducing reliance on a single individual. . **Responsibility:** AM – Service Improvement & Resilience **Target Date:** End December 2026	The Resilience Team comprises three operational officers and two corporate members of staff, including the Business Continuity and Internal Resilience Manager. The wider team has the appropriate skills and experience in emergency planning and business continuity, providing resilience and reducing reliance on any one individual. In addition, the Service has two further members of staff with business continuity qualifications, providing additional capacity and reducing the risk of a single point of failure.	Complete

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Key Dates Schedule Spreadsheet: The key dates schedule spreadsheet summarises the review and exercising frequency for each Department Business Continuity Plan, Incident Response Plan and Station Business Continuity Plan. The spreadsheet does not consistently reflect the status of each plan and therefore whether they have been reviewed or exercised as planned. For example, some plans are marked as being due for review in 2025 or early 2026 (and the Business Continuity and Resilience Manager confirmed they had been) and the majority of Departmental Business Continuity Plans were recorded as being last exercised in March 2020 but with a biennial exercise frequency.		As noted, the reviews and exercises are being undertaken, and the Service will update the spreadsheet to bring it up to date.	**Recommendation/Corrective Action:** Review and update the key dates schedule spreadsheet to reflect the current review and exercise status of each Departmental Business Continuity Plan, Incident Response Plan and the new single Fire Station Plan (once implemented). **Responsibility:** AM – Service Improvement & Resilience **Target Date:** End December 2026	A full review has been undertaken and the spreadsheet is now accurate.	Complete

Accounts payable – Director of Financial Services and Treasurer to the Fire and Rescue Authority

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Three-Way Matching A review of the three-way matching process matching paid invoices to a Purchase Order (PO) and goods received note identified inconsistent application of the three-way matching process. Supplier-level analysis was completed to identify whether similar goods or services were being processed both with and without a PO. This identified eight suppliers where transactions had been processed inconsistently. Where the rationale for non-PO processing is not clearly documented, there is a risk that invoices may be processed outside the standard purchasing route without sufficient justification or oversight. This weakens the audit trail, reduces transparency over purchasing decisions, and means expenditure may not be captured as a formal budget commitment before goods or services are received. This may reduce the reliability of budget monitoring and decision-making and make it more difficult to demonstrate that purchases without a PO are appropriate and aligned with agreed purchasing requirements. There is also an increased risk that the organisation may pay for goods or services that were not ordered, pay duplicate invoices, or pay inflated prices, and may be more vulnerable to invoice fraud, resulting in financial loss.		a. We will review the invoices paid without a PO and determine the reasons for this. b. We will define (as far as possible) the circumstances in which invoices can be processed without a PO and document this and the reasoning for this in our procedures. c. We will implement periodic reviews of non-PO invoices to identify and challenge non-compliance or to enable updated procedures / definitions. d. Training will be provided to relevant staff to reiterate the need and purpose of POs.	**Recommendation/Corrective Action:** The Finance System Accountant has extracted the details of the relevant non-PO invoices and is in the process of categorising these. Once complete, this will be reviewed by the Head of Finance to ensure the legitimacy of non-use of POs. On completion of this work, we will document within the Ordering & Payment procedure examples of which invoices it is acceptable to process without a PO. The procedure will then be published via the Service's Policies & Procedures site. This will be subject to a six-monthly review by the Head of Finance and has been scheduled into their work programme. **Responsibility:** Head of Finance **Target Date:** End October 2026	All review work has been completed as recommended. No significant issues were identified with non-PO invoices. 6 monthly reviews by Head of Finance are now in place. Training is being provided to relevant staff during budget management meetings.	Complete

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Ordering and payment procedure A review of the Ordering and Payments procedures found that they do not fully reflect current working practice, and the following gaps were identified: • The procedure states that "*Once a decision is made to purchase, as part of the procurement route, an official order must be raised and authorised*". However, the procedure does not define the process when no PO is permitted and what evidence should be retained to support the decision not to use a PO. • The procedure does not define the expected segregation of duties between requisitioning, ordering, goods receipting and invoice approval, or set out when it is permissible for these duties not to be segregated. As a result, the procedures do not provide sufficient guidance to support consistent application of the purchasing process, including the use of POs, non-PO processing, and segregation of duties. Where procedural guidance does not reflect actual practice, there is a risk that staff may not have a clear or consistent understanding of the purchasing process, including when POs are required and how segregation of duties should be applied across requisitioning, ordering, goods receipting and invoice approval. This may result in inconsistent application of		a. Review and update the Ordering and Payments procedure to include: • clear guidance on when processing orders without a PO is permitted and what evidence should be retained. • defined arrangements for the expected segregation of duties between requisitioning, approval, goods receipting and invoice approval, and set out when it is permissible for these duties not to be segregated. b. The updated procedure will be communicated to relevant staff through the relevant policies & procedures channels.	**Recommendation/Corrective Action:** The Ordering and Payments procedure will be updated to provide examples of invoices that can be processed without a PO. The Finance System Accountant will research whether the current Finance System is able to add in an extra layer of segregation of duties where people are able to authorise from requisition through to invoice approval. In cases where this is not possible (because values are in line with a person's authorisation limit), this will be written into the Ordering and Payments Procedure. Once the revised Ordering and Payments Procedure has been published, this will be communicated to staff via the Weekly Update. **Responsibility:** Head of Finance **Target Date:** End October 2026	The Ordering and Payments procedure has been updated following completion of the review work.	Complete

controls, reduced transparency over purchasing decisions, and weaker assurance that purchasing activity is operating in line with delegated authority and management expectations.					

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Segregation of duties Sample testing of paid invoices identified that segregation of duties is not always operating in practice within the purchasing workflow. Where the purchasing workflow does not always enforce segregation of duties, there is a risk that orders may be raised, receipted and progressed to payment without independent review. This increases reliance on individual officers and may reduce assurance that purchasing activity is appropriate, authorised, and supported by effective oversight.		a) We will review the current segregation of duties set-up within the Finance System and reconfigure the system if possible. b) Where this is not possible, we will specify the circumstances in which exceptions are permitted and implement independent monitoring on a periodic basis.	**Recommendation/Corrective Action:** The Finance System Accountant will research whether the current Finance System is able to add in an extra layer of segregation of duties where people are able to authorise from requisition through to invoice approval. In cases where this is not possible (because values are in line with a person's authorisation limit), this will be written into the Ordering and Payments Procedure. **Responsibility:** Finance System Accountant **Target Date:** End October 2026	The current segregation of duties set-up within the Finance System has been reviewed and no significant issues were identified. This will continue to be reviewed periodically to verify these findings. The Ordering and Payments Procedure will be updated with examples of where segregation of duties is not required.	Complete

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Review of approval limits There is no formal periodic review of financial approval limits for requisitions and invoices assigned to staff within the finance system. Approval limits are instead maintained through ongoing user management and amended when staff movements or delegation changes are identified, such as when an employee starts, leaves, or changes role. While this provides a mechanism for updating known changes, it does not provide periodic assurance that all approval limits remain current, appropriate, and aligned to officers' delegated authority, budget responsibilities and current roles. Without a formal periodic review, there is a risk that outdated or inappropriate approval limits remain active in the finance system. This may result in staff retaining approval levels that no longer reflect their role or delegated authority, increasing the risk of unauthorised or inappropriate purchasing approvals and reducing assurance over the effectiveness of financial approval controls.		We will implement a periodic review of financial approval limits, in addition to the existing methods used.	**Recommendation/Corrective Action:** The Finance System Accountant has compiled a report containing the details of approval limits for all Finance System Users and has provided this to the Head of Finance and Finance Director for review. This will be performed on a six-monthly basis. **Responsibility:** Finance System Accountant **Target Date:** End September 2026	A formal periodic review is now in place. The existing limits have been reviewed as part of this and maintained.	Complete

Accounts receivable – Director of Financial Services and Treasurer to the Fire and Rescue Authority

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Procedures A review of the Income Debt Recovery Procedure and related team-level sales invoicing guidance notes found that they do not fully reflect current working practice. Where documented procedures do not reflect current operational practice, there is a risk that debt recovery and sales invoicing activities are applied inconsistently, with responsibilities, approval requirements and supporting evidence not clearly defined. This weakens accountability and limits the Service's ability to demonstrate that invoices and recovery actions are appropriately authorised, reviewed and controlled.		a) The Income & Debt Recovery Procedure will be reviewed and updated to include the weekly debt recovery arrangements and monthly aged debt reporting and review. b) The sales invoicing guidance will be updated to include the evidence required to support invoices being raised and the approval requirements for raising invoices. c) Updates to the procedure will be carried out in accordance with the relevant governance arrangements.	**Recommendation/Corrective Action:** All necessary changes have been made to the Income & Debt Recovery Procedure. All that remains is to publish the revised document on the Service's Policies & Procedures site. **Responsibility:** Head of Finance **Target Date:** End October 2026	The revised Income & Debt Recovery Procedure has been published on the Service's Policies & Procedures site.	Complete

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Raising and approving invoices The sales invoicing guidance outlines that all sales invoices are to be approved by the Senior Accounts Technician or Finance System Accountant before they can be issued. From a review of the process for raising and approving sales invoices, we confirmed that the invoice was supported by evidence, raised in the correct period, included on the invoice register, and correctly coded to the relevant cost centre and account code. However, for a sample of 10 invoices tested, we found that approval to issue the invoice was not consistently documented. Where approval is not consistently evidenced or independently reviewed, invoices may be issued without a clear audit trail to confirm they were appropriate, accurate and authorised before issue. This reduces accountability and limits the Service's ability to demonstrate effective control over the invoice-raising process.		a) We will investigate and implement a way in which all AR invoices are subject to approval before issue and that evidence of this approval is recorded and retained. b) We will document the situations in which invoices are permitted to be issued without prior approval and implement a periodic review of this.	**Recommendation/Corrective Action:** All necessary changes have been made to the Income & Debt Recovery Procedure to clarify the process for invoice approvals. This will be subject to a six-monthly review by the Head of Finance and has been scheduled into their work programme. All that remains is to publish the revised document on the Service's Policies & Procedures site. **Responsibility:** Head of Finance **Target Date:** End October 2026	The revised Income & Debt Recovery Procedure has been published on the Service's Policies & Procedures site.	Complete

Main Finding	Priority	Management Response	Implementation Plan	Management Update	Progress
Debt management and recovery A review of the debt management recovery process found inconsistencies and control weaknesses. The reminder letter process in the debt management recovery system Agresso is not aligned to the debt recovery timescales in the Debt Income Recovery procedure. A review of the aged debt reports in March, April and May 2026 found that, whilst they are produced by the Accounts Technician and regularly reviewed by the Head of Finance, they do not include sufficient detail to confirm whether final demand letters were issued 14 days after the initial reminder where payment remained outstanding. The misalignment between the procedure, system configuration and aged debt report timeframes increases the risk that recovery activity is applied inconsistently and that management decisions are based on incomplete or unclear information. This weakens accountability over debt recovery and limits the Service's ability to demonstrate compliance with the agreed process.		a) We will review the reminder letter configuration in the Finance System. Where this is not able to be reconfigured, we will update the procedure accordingly. b) Once confirmed, the Income & Debt Recovery procedure will be reissued to relevant staff. c) Aged debt reports will be updated to provide details of debt recovery actions undertaken.	**Recommendation/Corrective Action:** We have confirmed that reminder letters are produced at 7 and 30 days for first and final reminders respectively. The report for these is run weekly and has been added into the "AR Sales Reminders" procedure note. Once the revised Income & Debt Recovery Procedure has been published, this will be communicated to staff via the Weekly Update. The aged debt report has been updated with columns to record any debt recovery actions taken. **Responsibility:** Head of Finance **Target Date:** End October 2026	The revised Income & Debt Recovery Procedure has been published on the Service's Policies & Procedures site.	Complete