Bedfordshire
Fire & Rescue Authority

23 February 2024

Members of Audit and Standards Committee.

Bedford Borough Councillors: G Coombes

Central Bedfordshire Councillors: K Gurney, S Owen, M Versallion and R Wenham

Luton Borough Councillors: A Ali and M Hussain

Your attendance is requested at a meeting of the **Audit and Standards Committee** to be held at **Conference Room, Fire and Rescue Service Headquarters, Kempston, Bedford MK42 7NR** on **Monday, 4 March 2024** starting at **10.00 am**, for the transaction of the following business:

Graham Britten
Monitoring Officer

A G E N D A

Item	Subject	Lead	Purpose of Discussion
1.	Apologies	Business Support Manager	

Item	Subject	Lead	Purpose of Discussion
2.	Declarations of Disclosable Pecuniary and Other Interests	Chair	Members are requested to disclose the existence and nature of any disclosable pecuniary interest and any other interests as required by the Fire Authority's Code of Conduct (see note below).
3.	Minutes	Chair	To confirm minutes of the meeting held on 4 January 2024 (Pages 5 - 14)
4.	Communications	Chair	(Pages 15 - 38)
5.	Public Participation		To receive any questions put to the Authority under the Public Participation Scheme
6.	Update on 2022/23 External Audit	Ernst & Young	Verbal update
7.	External Audit Plan and Strategy for the year ending 31 March 2024	KPMG	To consider a report (Pages 39 - 64)
8.	Internal Audit Strategy 2024/25	RSM	To consider a report (Pages 65 - 82)
9.	Internal Audit Progress Report	RSM	To consider a report (Pages 83 - 110)
10.	Internal Audit Actions Update	ACO	To consider a report (Pages 111 - 128)
11.	Fire Standards Board Update	GCSS	To consider a report (Pages 129 - 138)
12.	Corporate Risk Register	SIM	To consider a report (Pages 139 - 144)
13.	Work Programme	ACO	To consider a report (Pages 145 - 148)
	Next Meeting		10.00 am on 30 July 2024 at Conference Room, Fire and Rescue Service Headquarters, Kempston, Bedford MK42 7NR

Item	Subject	Lead	Purpose of Discussion

DECLARATIONS OF INTEREST

From 1 July 2012 new regulations were introduced on Disclosable Pecuniary Interests (DPIs). The interests are set out in the Schedule to the Code of Conduct adopted by the Fire Authority on 28 June 2012. Members are statutorily required to notify the Monitoring Officer (MO) of any such interest which they, or a spouse or civil partner or a person they live with as such, have where they know of the interest.

A Member must make a verbal declaration of the existence and nature of any Disclosable Pecuniary Interest and any other interest as defined in paragraph 7 of the Fire Authority's Code of Conduct at any meeting of the Fire Authority, a Committee (or Sub-Committee) at which the Member is present and, in the case of a DPI, withdraw from participating in the meeting where an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.

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**MINUTES OF AUDIT AND STANDARDS COMMITTEE
MEETING HELD ON 4 JANUARY 2024**

Present: Councillors A Ali (Chair), G Coombes, K Gurney, M Hussain and S Owen

CFO A Hopkinson, Mr G Britten, Mr J Pekszyc, Mr T Warner, Mrs N Upton and Ms S Rowlett

23-24/ASC/28 Apologies

Apologies for absence were received from Councillors Versallion and Wenham.

The Assistant Chief Officer and Debbie Hanson of EY were unable to attend the meeting.

Councillor Owen expressed the view that, given the low level of attendance at the previous two meetings of the Committee, Members should be reminded of the importance of fulfilling their duties by attending meetings of Committee they have been appointed.

The Chair advised that he would request the Chair of the Authority to provide such a reminder to all Members at the next meeting of the Authority.

23-24/ASC/29 Declarations of Disclosable Pecuniary and Other Interests

There were no declarations of interests.

23-24/ASC/30 Minutes

RESOLVED: That the Minutes of the meeting held on 17 October 2023 be confirmed as a true record.

23-24/ASC/31 Communications

Mrs S Rowlett presented RSM's analysis of emergency services risk registers 2023 for information. RSM had been collecting this information for the previous eight years. Many of the risks, including operational and workforce risks, remained the same, along with finance and ICT related risks.

It was important for Members, in noting these risks, to take a forward look at emerging risks and ensure that these were included in the Authority's Corporate Risk Register.

Councillor Owen requested that some analysis should be undertaken on communications submitted by RSM to the Committee by Officers so that how the communications related to local issues and the operation of Bedfordshire Fire and Rescue Service were highlighted for Members' consideration prior to the meeting.

In relation to a question from Councillor Coombes about the new public procurement legislation and the value of contracts held by the Service, the Chief Fire Officer reported that he would provide a written response confirming the anticipated timescales of the new Procurement Bill and detailing the value of the contracts held by the Service.

Councillor Hussain joined the meeting at 10:06am.

RESOLVED:
That the communications be received.

23-24/ASC/32 Public Participation

There were no members of the public present at the meeting.

Councillor Owen expressed concern about the lack of public engagement at meetings and suggested that consideration be given to how this could be improved.

Mr G Britten, the Authority's Monitoring Officer, advised that, following the governance review undertaken in March 2023, the section dealing with public participation in the Authority's Standing Orders had been expanded and, in his recollection, there had been a meeting within the previous year at which a member of the public submitted a question to the Authority.

The Chief Fire Officer added that one of the duties of the recently appointed Head of Communications and External Affairs was to increase engagement with the business community and other stakeholders and he would ask her to investigate how the Authority could improve its engagement with the general public.

Councillor M Hussain suggested that members of the public could be advised of their right to attend and ask questions at meetings of the Authority at the public events attended by the Service.

23-24/ASC/33 Internal Audit Progress Report

Mrs S Rowlett of RSM introduced a report on progress made against the internal audit plan for 2023/24.

Two audits were in their final stages and would be submitted to the next meeting of the Committee, these being strategic approach to partnership and collaboration and contaminants and staff health and safety.

In response to a question, Mrs Rowlett explained that the audits had been slightly delayed due to illness; however, she confirmed that the audit plan would be concluded as agreed by the end of the financial year.

RESOLVED:
That the report be noted.

Councillor Gurney joined the meeting at 10:19am.

23-24/ASC/34 Internal Audit Actions Update

Mr J Pekszyc, Head of Strategic Support and Asset Management, presented the Committee with a summary of actions arising from internal audit reports over the last three fiscal years together with any exception report on those actions currently in progress, progress to date on current action plans, proposals to extend the original timing for completion and those that have been completed since the last meeting.

It was noted that extension requests had been received in relation to actions arising from the data management (actions covering the questionnaire and training needs analysis to identify training requirements) to 31 March 2024 and key financial controls (action covering debt chasing activity) to 30 April 2024.

In response to questions, the Committee was advised that the Head of ICT was the Head of Service responsible for the data management actions and that the draft roll-out plan would be updated and implemented following the completion of those actions.

RESOLVED:
1. That the progress made to date against action plans be acknowledged.
2. That the extension requests relating to data management actions 2 and 3 to 31 March 2024 and Key Financial Controls action 3 to 30 April 2024 be approved.

23-24/ASC/35 Review of the Effectiveness of the Fire & Rescue Authority's Internal Auditors

The Committee considered a report on the effectiveness of the effectiveness of its Internal Audit arrangements.

In reference to issues highlighted in paragraphs 5.5 and 5.6 of the report, the Head of Strategic Support and Asset Management reported that the area in need of improvement was not the effectiveness of the internal audit arrangements but the processes in which the Service prioritised the various action plans it was responsible for implementing. He confirmed that the Service was satisfied with the current internal audit arrangements.

The Chair requested that the review of effectiveness take place bi-annually, i.e every 2 years.

RESOLVED:
That the report be noted and that the Committee's satisfaction with the level of internal audit provided by RSM be recorded.

23-24/ASC/36 Report on Registration of Interests and Gifts/Hospitality

Mr G Britten, the Monitoring Officer, presented the annual report on the registration of interests and gifts/hospitality by Members and Officers during the past year.

There had been no returns received from Members. The gifts/hospitality received by Officers were set out in an appendix to the report and a further narrative was circulated to Members at the meeting. Two of the items related to trips abroad. The reasons for these were set out in the report. No costs had been incurred by the Service.

In response to a question, the Chief Fire Officer reported that any request for participation in trips overseas had to be approved by him and that there was no requirement for this to be in writing.

RESOLVED:
That the contents of the report be noted.

23-24/ASC/37 Work Programme

The Committee received its work programme for 2023-24.

RESOLVED:
That the work programme for 2023-24 and the 'cyclical' Agenda Items for each meeting in 2023-24 be noted.

<u>23-24/ASC/38 Corporate Risk Register</u>

RESOLVED:

That, pursuant to Sections 100A(2) and 100A(4) of the Local Government Act 1972, the public be excluded from the discussion of the following item on the grounds that the matters to be discussed involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act (as amended):

<u>Item</u>

Corporate Risk Register

The meeting ended at 11.30 am

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

Clive Betts MP
Chair, Levelling Up, Housing and Communities Committee
House of Commons
London
SW1A 0AA

9 January 2024

Dear Clive

Thank you for your considered report on *Financial Reporting and Audit in Local Authorities,* published by the Levelling Up, Housing and Communities Committee on 24 November 2023.

The Government recognises the vital role played by our systems of local authority financial reporting and audit. Accurate and independently audited financial information, delivered on time, enables local bodies to effectively plan, make informed decisions and manage their services. This aids transparent and accountable local democracy which engenders public confidence and trust.

In July my predecessor, Lee Rowley MP, wrote to you providing a cross-system statement on proposals to clear the backlog of local audits. He set out that there exists a shared resolve and commitment amongst the organisations which comprise the local audit system to take action to tackle the exceptional circumstances of the current backlog and ensure a return to timely delivery of high-quality financial reporting and external audit in local bodies. This resolve remains strong and considerable. Detailed development of the proposals, alongside engagement with stakeholders across the sector, has taken place since the Summer. I am pleased that the Committee have acknowledged that *"a resetting of the system through a limited series of statutory deadlines… represents a necessary first step...".*

I can now confirm that the Department, supported by the FRC, alongside the National Audit Office, will launch consultations on these proposals soon. Our proposals will include an initial backstop date for local authorities and auditors of 30 September 2024 for all outstanding local audits in England up to and including the financial year 2022-23. Subject to the outcome of the consultations on necessary legislative changes as well as changes to the Code of Audit Practice, we intend to bring forward legislation to implement the backstop proposals. While these consultations take place, preparers and auditors should continue undertaking existing work to produce and audit local authority financial statements to ensure the system is in the best place possible to implement any final package of measures.

The Government is carefully considering the Committee's report, and its content is helping to inform our work with key system partners to develop solutions to the challenges in the local authority financial reporting and audit system. The Committee's report makes a wide range of recommendations for both the backlog and the future of local financial reporting and audit and I agree that important questions concerning systemic challenges must be addressed.

Yours ever,

SIMON HOARE MP
Minister for Local Government

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Emergency Services News Briefing

November 2023

RSM

Contents

In this edition of our news briefing, we draw attention to some of the key developments and publications in the sector, with particular focus on updated police guidelines for conducting effective investigations, new firearms guidance and guidelines for problem-oriented policing.

Police

Police force reports on the effectiveness of vetting and counter-corruption arrangements

In September 2021, His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) changed the way it reports on how effectively forces manage vetting and counter-corruption. The new arrangements mean HMICFRS will inspect each force separately as part of the police effectiveness, efficiency and legitimacy (PEEL) programme. Currently HMICFRS has published reports on the effectiveness of vetting arrangements in four police forces.

Guidelines on conducting effective investigations

The College of Policing has published new investigation guidelines, alongside updated authorised professional practice (APP), with the aim of supporting consistent and effective investigating. The new 'Conducting effective investigations' guidelines provide a comprehensive roadmap for how to execute an investigation efficiently and thoroughly.

The guidelines incorporate:

- practical guidance for investigators;

- guidance on how leaders and supervisors can support their investigators, enabling them to conduct effective investigations; and

- how 'chief constables can drive and embed a culture, structures and processes that support effective investigations within their force.'

Questions for committee's consideration

- How is your Force preparing for the new inspection?
- Has your Force reviewed the learning from the four forces?

Questions for committee's consideration

- Is the Force aware of the updated guidelines and how are they being implemented internally?

Race and policing

HMICFRS has published two reports regarding race and policing. In 2021, the Home Affairs Committee reviewed police progress on the Macpherson Report's recommendations and advised a series of inspections on race and policing, starting in 2022.

The first inspection, 'A review of the police service's leadership and governance arrangements for race-related matters' looks into the effectiveness of the 'national leadership and governance arrangements that relate to race and policing.' In a second report, 'An inspection of race disparity in police criminal justice decision-making', HMICFRS examines racial disparities with a specific focus on ways in which police forces 'understand, scrutinise and communicate their relevant work.' This inspection revealed systemic issues in ethnicity data collection, linked to leadership and governance shortcomings. Both reports were published together to present an integrated view.

HMICFRS has made a series of recommendations including:

• the National Police Chiefs' Council (NPCC), the Home Office and the Ministry of Justice should create an action plan to ensure information on police criminal justice race disparity is 'better gathered, analysed, scrutinised and published';

• chief constables should make sure that forces carry out comprehensive analysis of race disparity in police criminal justice decision-making. Where this analysis indicates that people from ethnic minority backgrounds are disproportionately affected, police forces should explain, or revise, their ways of working;

• the NPCC and the College of Policing should finalise and publish the Police Race Action Plan and forces should implement this plan without delay; and

• the NPCC and the College of Policing should publish the revised 2018–2025 diversity, equality and inclusion strategy.

Questions for committee's consideration

• Is your Force aware of these recommendations?

• Has an analysis of race disparity in police criminal justice decision-making been carried out?

• How will your Force implement the Police Race Action Plan when it is published?

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Letter to chief constables on the police dismissal review

Following the review of police dismissals, the Home Secretary and the Minister for Crime, Policing, and Fire has issued a letter to chief constables regarding the series of reforms to improve police disciplinary processes. The review concluded that 'major changes need to be made to the system.' The letter outlines several proposals, including:

- to address concerns of leniency, the processes in misconduct panels are to be strengthened, to ensure that officers found guilty of gross misconduct 'can expect to be dismissed', while a 'statutory requirement for officers to hold vetting' will be established;

- the duties of chief constables are being expanded, giving them the right to appeal against a finding, while senior officers will have responsibility of presiding over misconduct hearings; and

- streamlining the system to make it more efficient. This includes fast-tracking hearings to speed up the process, updating the unsatisfactory performance procedures, and implementing delegation powers to other senior officers as part of the disciplinary process.

Questions for committee's consideration

- Following the letter to Chief Constables, what actions have been taken to review the police disciplinary process?

Public perceptions of policing: a review of research and literature

The Home Office has released a review that delves into the public's perceptions of policing, with a particular focus on trust and confidence. The review also examines various factors and interventions that could potentially shape these perceptions. Key factors identified in the review that influence trust and confidence include, police visibility and community engagement, and socio-demographics. Interventions were identified that may improve public perceptions of policing, including communication, openness and transparency. Confidence and trust can also be lost if public perceptions are impacted by policing policy, procedures or actions.

Questions for committee's consideration

- Is your Force aware of this review and learning from any good practice identified?

Firearms licensing guidance updates

The College of Policing has updated its Firearms Licensing APP. The guidance is aimed at chief constables, firearms licensing teams, and frontline officers who as part of their routine duties engage with licence holders. Its purpose is to enhance public safety by standardising the assessment of firearms license applications. The updated APP aligns with Home Office guidance and outlines roles, responsibilities, and processes for granting or revoking licenses. Future initiatives include a mandatory national training programme for police firearms inquiry officers and a thematic inspection by HMICFRS in 2024/25.

Questions for committee's consideration

- How has this guidance been incorporated locally at your Force?
- How is your Force preparing to roll out the training programme?

Crime in England and Wales: year ending June 2023

The Office for National Statistics has released the latest edition of the Crime Survey for England and Wales (CSEW) for the year ending June 2023.

Key findings include:

- the total number of criminal offences was estimated to be 8.4 million, which is a 10% decrease on the year ending June 2022;

- 602 homicide offences and 77,337 robbery offences were recorded, marking a decrease of 10%, and an 11% increase, respectively;

- 50,833 offences involving knives and sharp instruments were recorded, marking an increase of 3%; and

- 6,645 offences involving firearms were recorded, marking an increase of 13%.

Police complaints 2022/23

The Independent Office for Police Conduct (IOPC) has published its 2022/23 annual report on police complaints in England and Wales. The report reflects changes to the complaint system, which broadened the definition of a complaint to encompass 'any dissatisfaction with the police service.' This change has led to an increase in logged complaints.

Some key findings from the report include:

- 81,142 complaints were recorded, marking an 8% increase from the previous year;

- 78,725 complaints were resolved, with 30,521 handled formally and 48,204 informally. This represents a 9% increase from the previous year;

- the majority of allegations (55%) related to the 'delivery of duties and service'. This was followed by 'police powers, policies and procedures' (20%) and 'individual behaviours' (13%). While making up only 1% of the total, 'discreditable conduct' allegations rose from 622 in 2021/22 to 743 in 2022/23, which is a 19% increase;

- among the 74,543 individuals who made a complaint against the police, 51% were men and 21% were from those aged 30 to 39 years; and

- forces took an average of five working days to contact a complainant after the complaint was made. This is a four-day improvement on last year.

Questions for committee's consideration

- How does your Force compare to the national figures set out in the annual report?
- What actions are being taken where your Force are performing below the benchmarking data?

Annual review of the 2022–25 policing inspection programme and framework

HMICFRS has published the first annual review of its three-year policing inspection programme and framework. In 2022, HMICFRS moved from an annual to a multi-year approach for its inspection programme. The result was the policing inspection programme and framework commencing in April 2022, which covered plans for inspections between 2022/23 and 2024/25.

This annual review of the programme summarises the inspections completed between April 2022 and August 2023, including the PEEL inspections, as well as spotlight reports and thematic investigations. The review also sets out those areas of planned work for the remainder of this inspection programme (to 2025), which includes a focus on recruitment and retention and leadership and culture.

The review anticipates that some elements of the programme would need to change due to new and emerging priorities for policing and government funding of the inspectorate affecting their capacity and capability to inspect. While funding for 2023/24 has been received, funding for 2024/25 is yet to be confirmed. The scope and number of inspections that will be carried out beyond 2023/24 will depend on the funding received.

Problem-oriented policing (POP) guidelines

The College of Policing has introduced new guidelines for Problem-oriented Policing (POP) with the objective of creating a uniform culture of problem-solving within police forces. POP is a proactive strategy focusing on early identification of issues to prevent them from escalating into criminal activities. POP forms an integral part of:

- the 2030 vision for policing;

- guidelines for neighbourhood policing;

- inspections by HMICFRS; and

- the 2018 Serious and Organised Crime Strategy.
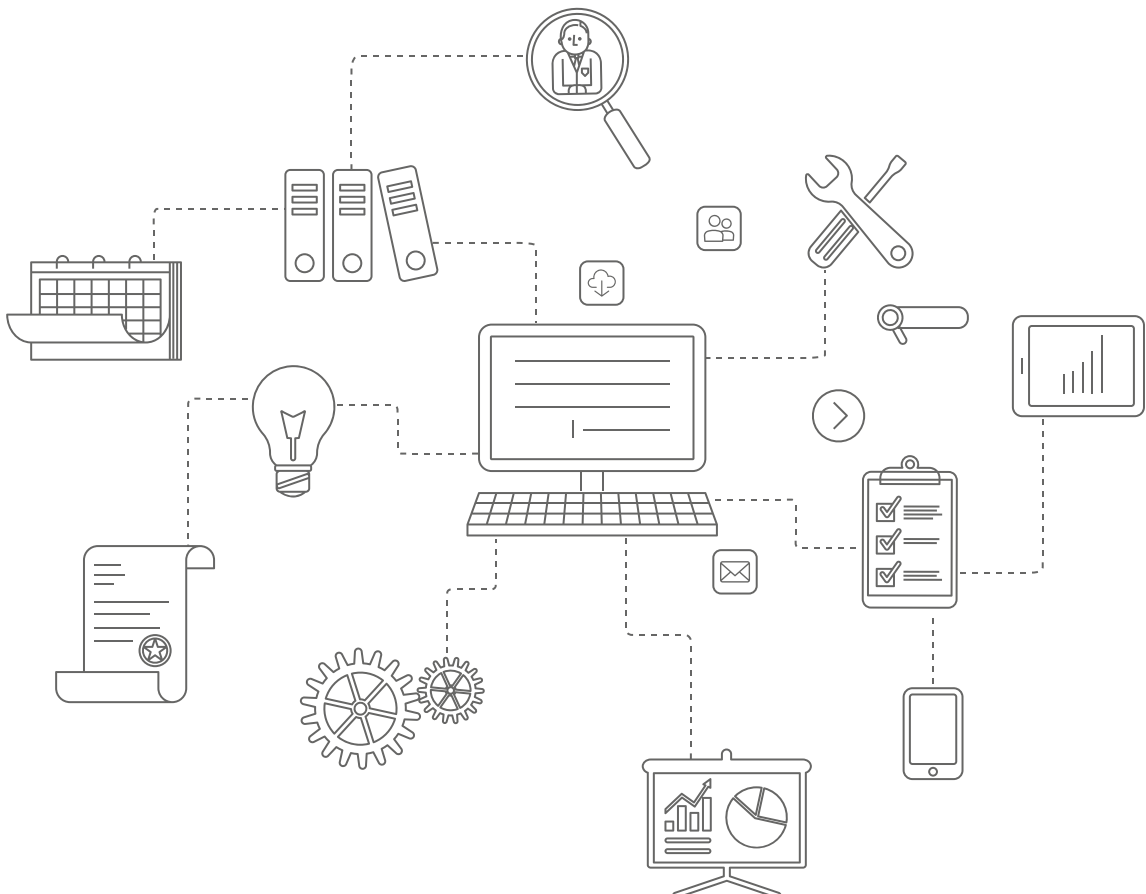
Fire

Questions for committee's consideration

- How does your fire service compare with the benchmarking data?

Fires attended by fire and rescue services

The Home Office has published a report detailing fire incidents that took place in England for the year ending June 2023. The report compiled for FRSs, revealed several key findings including:

- FRSs attended 621,552 incidents, representing a 6.2% increase from the previous year;

- there were 173,872 fire incidents attended by FRSs, marking the largest total number of fire incidents attended since the year ending June 2019;

- there were 284 fire-related fatalities, which is a 4.8% increase from the previous year; and

- the total number of non-fatal casualties stood at 6,240 of which 2,742 required hospital treatment, with the latter figure representing a 10% increase from the previous year.

Questions for committee's consideration

- Is the progress of the recommendations reported and escalated where necessary in your service?

Workforce and pensions statistics

The Home Office has released workforce and pensions statistics for the year ending March 2023 for fire and rescue services (FRSs). The release provides data on workforce numbers, diversity, firefighter's health and safety, attacks on firefighters and firefighter's pensions. Key findings include:

- as at 31 March 2023, 30,723 full time equivalent firefighters were employed, which represents a 1% decrease when compared with the previous year;

- 8.7% of firefighters were women, compared to 8.1% from the previous year;

- 2,424 firefighter personnel were injured on duty, 5.1% higher than the previous year (2,307) yet 6.3% lower than five years ago;

- 1,030 incidents involved an attack on firefighters (including verbal abuse), a 4.7% increase from the previous year; and

- the firefighters' pension scheme total expenditure stood at approximately £957m, similar to the previous year (£955m in 2021/22), but 18% higher than five years ago (in 2017/18).

Progress against recommendations made to fire and rescue services

For the first time, HMICFRS has published information on the progress made by FRS' against recommendations. The recommendations stem from the FRS assessments published from 2018 to the most recent, in 2023. The information is presented in tables to provide a summary of the services that were reported on in the inspection cycle, along with an overview of their performance. HMICFRS shows the progress each individual FRS has made in relation to the recommendations and whether these recommendations have been completed, remain open or are superseded. The information is to be updated by HMICFRS every March and September moving forwards, mirroring the approach in place for police forces.

The new procurement act training

Join us on 24 November for our training on the New Procurement Act 2023.

Our new training course supports public sector staff develop a detailed and practical understanding of the provisions of the New Procurement Act 2023, which is expected to come into effect from October 2024. The training will be delivered by experts who have a strong background in public sector procurement, contracting and whole life commercial contract management.

Course outline

The event will focus on key changes, updates, and working practices that will be required under the new Act and supporting Regulations. To make knowledge transfer simple and straight forward, the event will detail practical changes by comparing what is delivered now, and how it will be different or updated in the future.

Who should attend?

This training has been developed for all public sector procurement and commercial staff. It is particularly aimed at staff who undertake tendering, contract management, data analysis, manage framework agreements or dynamic markets as well as those who will be responsible for updating internal policies and procedures.
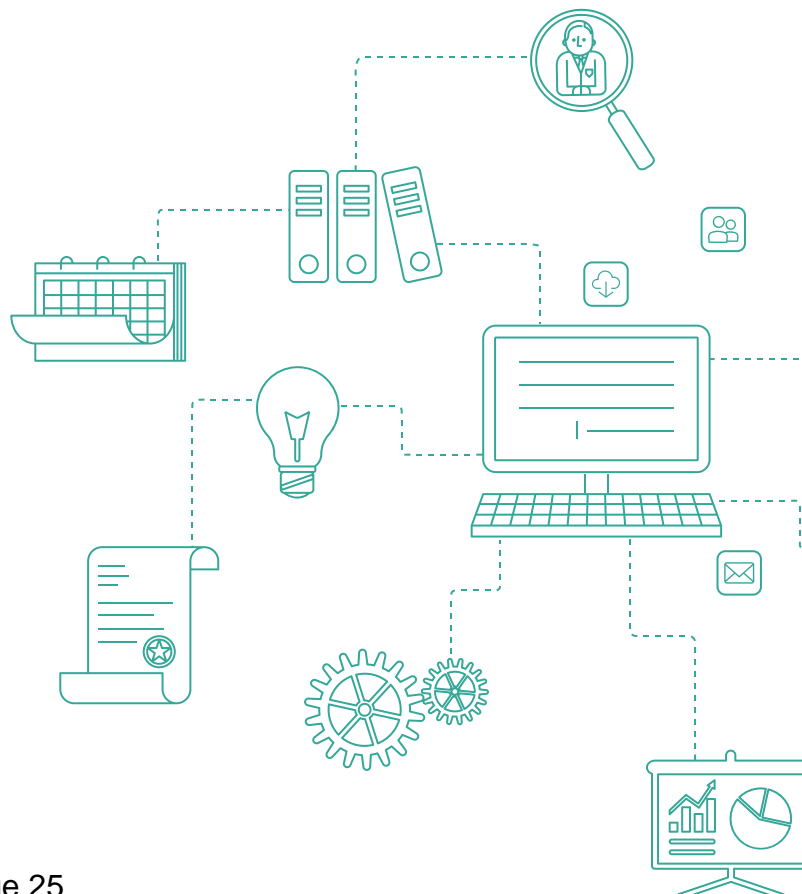
Date

24 November 2023

RSVP

To book your place or for further information, please email Walter Akers at walter.akers@rsmuk.com, or visit LinkedIn

Format

Virtual meeting (Teams)

References

Police force reports on the effectiveness of vetting and counter-corruption arrangements

Guidelines on conducting effective investigations

Race and policing: A review of the police service's leadership and governance arrangements for race-related matters

Race and policing: An inspection of race disparity in police criminal justice decision-making

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Public perceptions of policing: a review of research and literature

Firearms licensing guidance updates

Crime in England and Wales: year ending June 2023

Police complaints in 2022/23

Annual review of the 2022–25 policing inspection programme and framework

Problem-oriented policing (POP) guidelines

Fires attended by fire and rescue services

Workforce and pensions statistics

Progress against recommendations made to fire and rescue services

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Emerging Risk Radar

Emerging risk considerations

January 2024
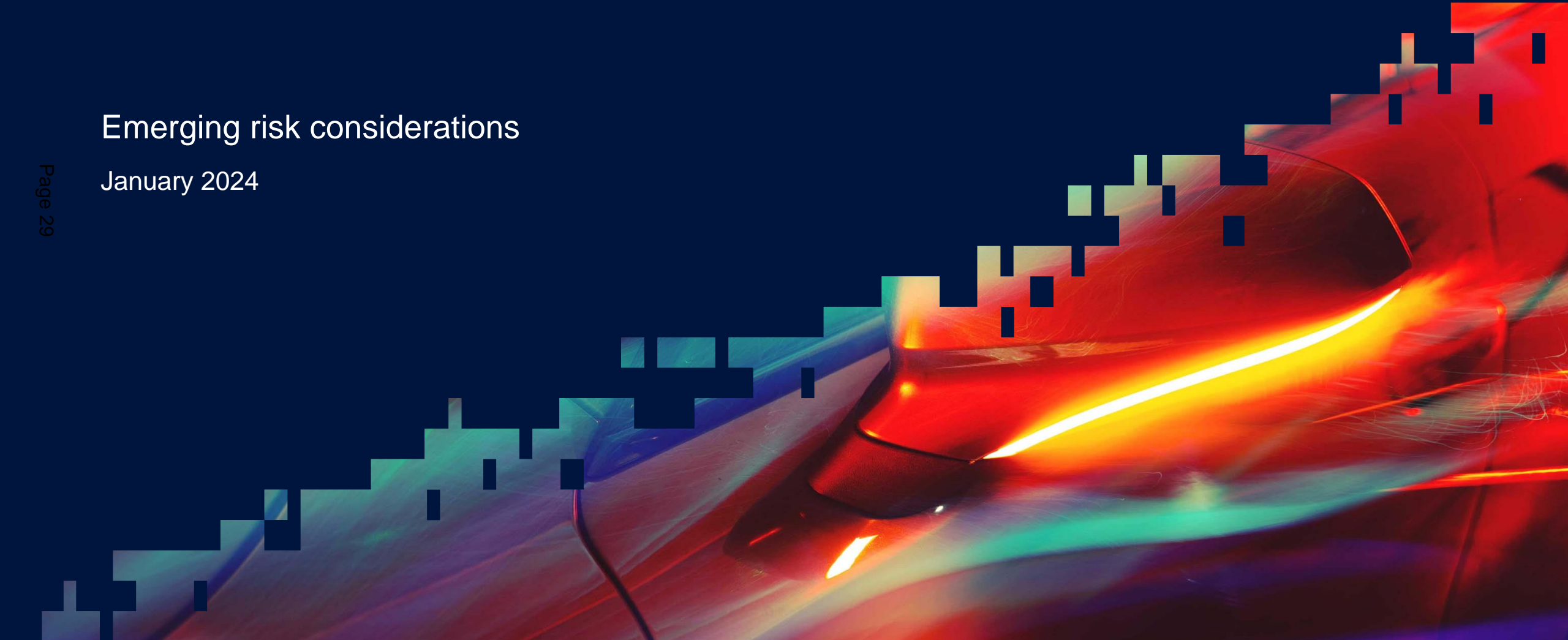
Emerging Risk Radar: January 2024

Given your strategic objectives what do you see as the emerging events or threats that could impact your business either negatively or positively and that you believe should be watched?

The emerging risk radar is based on 194 survey responses from board members and professional advisors from across all industries (over the last 6 months).

Key emerging risks in summary:

❑ New emerging risks in the form of reduced availability and access to public services due to demand and under-investment, increasing weather pattern shifts, and reduced business investment as a result of macro-economic conditions including geopolitical challenges.

❑ Many emerging risks are becoming more prevalent, such as shortages in people skills and experience, targeted cyber-attacks and the impacts of artificial intelligence (AI).

❑ The top 3 most prevalent emerging risks being:
i.   Change in government and political instability.
ii.   Shortages in people skills and experience available.
iii. Economic slow-down resulting from reduction in income through reduced spending.

Emerging risk considerations:

❑ What do you see as the emerging risks? How far will these emerging risks affect your business?

❑ How far will these emerging risks play through into your existing strategic risks? How far will they change the way you currently manage your strategic risks?

❑ How will you respond? How will you continue to keep under review the emerging risks?

Emerging Risk – Why? And What?

Why?
The board should establish and keep under review the risk and internal control framework and determine the nature and extent of the principal risks it is willing to take to achieve its strategic objectives.

What?
An emerging risk might be defined as:
a new or unforeseen level of uncertainty driven by external events – the risk may still be forming, and it may not be clear as to the implications for the business, be these negative or positive.

To be watchful of these emerging risks and how they might play through is an important element of preparedness and the business management of risk. We have framed the emerging risks as:

➢ **Most prevalent** being emerging risk themes that were more regularly being identified in responses;

➢ **Keep monitoring** to represent those emerging risk themes that occupied a deemed mid-range in prevalence in responses; and

➢ **Worth watching** being those emerging risk themes that were less prevalent.

However, all of these emerging risk themes are constantly evolving and shifting, and so are all worthy of consideration.

Emerging areas of risk – January 2024

Most prevalent

2.1 Change in government and political instability leading to changes in policies affecting all businesses, sectors and individuals – potential for increasing government interference in business (corporate and not for profit). **(Priority #1)**

7.1 Shortages in skills and experience - reduced investment in staff development, temporary contracts becoming more frequent, reduced pool of experienced / skilled staff available with constant movement between employers (who pays the most) versus increasing lack of commitment to longer term career. **(Priority #2)**

5.1 Economic slow-down resulting from reduction in income through reduced spending by consumers or reduced spending by government / public sector. **(Priority #3)**

5.2 Reduced investment in research and development as businesses take a short -term approach and focus on business as usual (reducing agility and innovation) due to macro-economic conditions including geo-political challenges. **(Priority #4)**

4.1 Cyber-attacks increasing in frequency and complexity. Unable to sufficiently invest in defence – attacks more disabling, coupled with loss of data in serious targeted attacks. **(Priority #4)**

4.2 Impact of artificial intelligence both positive and negative implications – still largely unknown what this may mean for business (all sectors) and employees. **(Priority #4)**

6.1 Shifts in inflation, interest rates, salaries and wages, energy costs etc creating financial forecasting and planning uncertainties. **(Priority #4)**

2.2 Geo-political instability, including fall-out from and expansion of conflicts eg the Middle East, the US Elections, Ukraine / Russia, relationships with China, North Korea aggression, terror organisations etc and the influence on society. **(Priority #5)**

8.1 Tick box governance – 'Don't walk the talk'. Lack of transparency in decision making, conflicts of interest justified, and loss of accountability. **(Priority #5)**

3.1 Engaging effectively with the Green Agenda including lack of finance and resources to commit to the environment and sustainability. Ability to meet green agenda targets (coupled with potential for Green Washing). **(Priority #6)**

Emerging areas of risk – January 2024

Keep monitoring

1.1 Availability and effectiveness of public services are reduced due to under investment, lack of resources and increased demand from the public. **(Priority #7)**

5.3 Reduced competition in the market – several dominant players creating less suppliers and less buyers, and overall reduced markets. **(Priority #7)**

6.2 Availability of supplies leading to increased costs across all ranges of materials. **(Priority #7)**

8.2 Maintaining board member capacity and capability - fitness for future, including availability of non-executives for appointment and hold modern world insights. **(Priority #8)**

Worth watching

2.3 Ability to effectively respond to new legislation - legislation and regulation being rushed, not thought through and used by government to create change (with out-of-date regulators). **(Priority #9)**

1.3 Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes. **(Priority #9)**

1.2 Increasing awareness of mental health and physical well-being issues stemming from post pandemic fall-out, increasing poverty, access to and quality of housing eg damp and mould hazards. Impacting on public services and employers. **(Priority #10)**

3.2 Increasing weather pattern shifts / extreme weather impacting the UK (and globally) – storms, floods, temperature changes impacting supplies and productivity . **(Priority #11)**

Emerging Risk Radar
January 2024

Societal and Community

1.1 Availability and effectiveness of public services are reduced. **(Priority #7)**
1.2 Increasing awareness of mental health and physical well-being issues. **(Priority #10)**
1.3 Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes. **(Priority #9)**

Governance

8.1 Tick box governance – 'Don't walk the talk'. Lack of transparency in decision making, conflicts of interest justified, and loss of accountability. **(Priority #5)**
8.2 Maintaining board member capacity and capability – fitness for future. **(Priority #8)**

Economic and Financial

6.1 Shifts in inflation, interest rates, salaries and wages, energy costs. **(Priority #4)**
6.2 Availability of supplies leading to increased costs across all ranges of materials. **(Priority #7)**

People Resources

7.1 Shortages in skills and experience - reduced investment in staff development, temporary contracts more frequent, reduced pool of skilled staff with movement between employers and increasing lack of commitment to longer term career. **(Priority #2)**

Political, Policy and Regulation

2.1 Change in government and political instability. **(Priority #1)**
2.2 Geo-political instability, including fall-out from and expansion of conflicts and the influence on society. **(Priority #5)**
2.3 Ability to effectively respond to new legislation. **(Priority #9)**

Environmental

3.1 Engaging effectively with the Green Agenda including lack of finance and resources to commit to the environment and sustainability. **(Priority #6)**
3.2 Increasing weather pattern shifts / extreme weather impacting the UK (and globally). **(Priority #11)**

Technological

4.1 Cyber-attacks increasing in frequency and complexity. **(Priority #4)**
4.2 Impact of artificial intelligence both positive and negative implications. **(Priority #4)**

Commercial

5.1 Economic slow-down resulting from reduction in income through reduced spending. **(Priority #3)**
5.2 Reduced investment in research and development due to macro-economic conditions. **(Priority #4)**
5.3 Reduced competition in the market. **(Priority #7)**

Worth watching
Keep monitoring
Most prevalent

RSM

Risk movement and direction of travel

We identify the emerging risk themes where there has been movement since summer 2023.

2.1	Change in government and political instability. (Priority #1)	Consistent
7.1	Shortages in skills and experience - reduced investment in staff development, temporary contracts more frequent, reduced pool of skilled staff with movement between employers and increasing lack of commitment to longer term career. (Priority #2)	Increasing
5.1	Economic slow-down resulting from reduction in income through reduced spending. (Priority #3)	Increasing
5.2	Reduced investment in research and development due to macro-economic conditions . (Priority #4)	New
4.1	Cyber-attacks increasing in frequency and complexity. (Priority #4)	Increasing
4.2	Impact of artificial intelligence both positive and negative implications. (Priority #4)	Increasing
6.1	Shifts in inflation, interest rates, salaries and wages, energy costs. (Priority #4)	Decreasing
2.2	Geo-political instability, including fall-out from and expansion of conflicts and the influence on society. (Priority #5)	Consistent
8.1	Tick box governance – lack of transparency in decision making, conflicts of interest justified, and loss of accountability. (Priority #5)	Increasing
3.1	Engaging effectively with the Green Agenda including lack of finance and resources to commit to the environment and sustainability. (Priority #6)	Increasing

1.1	Availability and effectiveness of public services are reduced. (Priority #7)	New
5.3	Reduced competition in the market. (Priority #7)	Consistent
6.2	Availability of supplies leading to increased costs across all ranges of materials. (Priority #7)	Decreasing
8.2	Maintaining board member capacity and capability – fitness for future. (Priority #8)	New
2.3	Ability to effectively respond to new legislation. (Priority #9)	Consistent
1.3	Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes. (Priority #9)	Decreasing
1.2	Increasing awareness of mental health and physical well-being issues. (Priority #10)	Consistent
3.2	Increasing weather pattern shifts / extreme weather impacting the UK (and globally). (Priority #11)	New

Direction of travel

- > Consistent
- ∧ Increasing
- ∨ Decreasing

Emerging Risk Radar
July 2023 Recap

RSM

Societal and Community

1.1 Societal changes – including increasing poverty, crime, influencers, extremes creating new stakeholder pressures. **(Priority #6)**
1.2 A further pandemic and implications there on, as well as knock on effects of Covid-19 pandemic. **(Priority #14)**
1.3 Resilience of individuals, ensuring on-going well- being, including mental and physical health. **(Priority 15)**

Governance

8.1 Governance status undermined by behaviours, actions, comments or decisions made which may not be appropriate / transparent associated with board members, business leaders, staff and individuals or by associated organisations. **(Priority #11)**

Economic and Financial

6.1 Inflation and effects of increasing costs of services on business and individuals. **(Priority #2)**
6.2 Reductions in funding and likely less spending by UK government impacting business. **(Priority #3)**
6.3 Fuel and energy crisis – access to and availability of energy and increasing costs **(Priority #12)**

People Resources

7.1 Labour availability (experienced and skilled) – being able to recruit, develop and retain the right staff. **(Priority #4)**

Political, Policy and Regulation

2.1 Political instability resulting in change in political priorities, policy changes and reform. **(Priority #1)**
2.2 Geo-political tensions, including fall-out from the war in Ukraine and splinter territory conflicts in the same region (central and eastern Europe), coupled with potential for escalation of conflicts involving China and North Korea. **(Priority #5)**
2.3 Increasing levels of legislation and regulation affecting businesses. **(Priority #13)**

Environmental

3.1 Climate change and sustainability implications both positive, eg opportunity to fully embrace green agenda and leverage off this and negative, eg greenwashing and costs of meeting targets. **(Priority #9)**

Technological

4.1 Cyber-attacks – increasingly more aggressive and more frequent. **(Priority #7)**
4.2 Keeping up and taking advantage of advances in technology (versus cost of investment) including use of artificial intelligence. **(Priority #8)**

Commercial

5.1 Deterioration in supply chains – challenges in ensuring continuity and quality in an extended supply chain. **(Priority #10)**

Worth watching
Keep monitoring
Most prevalent

1.3 · 1.2 · 1.1 · 2.3 · 2.2 · 2.1 · 3.1 · 8.1 · 6.1 · 6.2 · 6.3 · 7.1 · 4.1 · 4.2 · 5.1

Further information

Insight4GRC™
RSM's Governance, Risk Management and Compliance Digital Solution.

4risk: https://youtu.be/12NyJhSNK3o

4action: https://youtu.be/xEuFSwzbzvw

4policies: https://youtu.be/ufXYt1juwhA

4questionnaires: https://youtu.be/NW17EoRJsjs

www.insight4grc.com

Boredom in the Boardroom: The RSM NED Network | RSM UK

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Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
4 March 2024

| SUBJECT: | **External Audit Plan and Strategy for the year ending 31 March 2024** |

| Author and contact: | Nicky Upton, Business Support Manager |
| | Democratic.Services@bedsfire.gov.uk |

Background Papers:

Appendix	Title	Protective Marking
1	External Audit Plan & Strategy for the year ending 31 March 2024	

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	**Impact / Reference**
Financial Implications	No	
Risk Management	No	
Legal Implications	No	
Privacy and Security Implications	No	

Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	No	

PURPOSE:

To receive and consider a report on the External Audit Plan for the year ending 31 March 2024.

RECOMMENDATION:

It is recommended that the submitted report be noted.

1. <u>Executive Summary</u>

1.1 The External Audit Plan for the year ending 31 March 2024 is appended by Members' consideration.

GAVIN CHAMBERS
ASSISTANT CHIEF OFFICER

KPMG

Bedfordshire Fire & Rescue Authority

DRAFT - Report to the Audit & Standards Committee

External Audit Plan & Strategy for the year ending 31 March 2024

March 2024

Introduction

To the Audit & Standards Committee of Bedfordshire Fire & Rescue Authority

We are pleased to have the opportunity to meet with you on 4 March 2024 to discuss our audit of the financial statements of Bedfordshire Fire & Rescue Authority for the year ending 31 March 2024.

We have been appointed as your auditors by Public Sector Audit Appointments Ltd. The audit is governed by the provisions of the Local Audit and Accountability Act 2014 and in compliance with the NAO Code of Audit Practice.

The NAO is consulting on a new Code of Audit Practice for 2023/24, therefore this plan will remain draft until the finalisation of that Code.

Our planning activities are still ongoing however this report outlines a proposed timetable for our audit.

We note that an audit opinion has not been expressed on the prior period, once the prior period audit opinion has been expressed we will communicate any significant changes to the planned approach.

We provide this report to you in advance of the meeting to allow you sufficient time to consider the key matters and formulate your questions.

The engagement team

Katie Henry is the engagement partner or key audit partner on the audit. She has 11 years of experience and previously worked within the Local Government audit sector.

Nicole shall lead the engagement and is responsible for the work supporting our audit opinion.

Other key members of the engagement team include Bilal Ahsan who will lead our fieldwork.

Yours sincerely,

C Henry

Katie Henry

Director - KPMG LLP

19 February 2024

How we deliver audit quality

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion. We consider risks to the quality of our audit in our engagement risk assessment and planning discussions.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and

- All of our related activities are undertaken in an environment of the utmost level of objectivity, independence, ethics and integrity.

We depend on well planned timing of our audit work to avoid compromising the quality of the audit. This is also heavily dependent on receiving information from management and those charged with governance in a timely manner. The audit undertaken in the current year is dependent on the finalisation of the previous auditor's work over historical financial statements. We aim to complete all audit work no later than 2 days before audit signing. As you are aware, we will not issue our audit opinion until we have completed all relevant procedures, including audit documentation.'

Restrictions on distribution

This report is intended solely for the information of those charged with governance of Bedfordshire Fire & Rescue Authority and the report is provided on the basis that it should not be distributed to other parties; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.

Overview of planned scope

Timing of our audit and communications

- We will maintain communication led by the engagement partner and manager throughout the audit. We set out below the form, timing and general content of our planned communications:

- Kick-off meeting with management where we present our draft audit plan outlining our audit approach and discuss management's progress in key areas;

- Due to the work of previous auditors still on-going, we will be communicating dates for audit completion at a future Committee;

- Audit & Standards Committee meeting in July 2024 where we present our final audit plan;

- Status meetings with management where we communicate progress on the audit plan, any misstatements, control deficiencies and significant issues;

- Closing meeting with management where we discuss the auditor's report and any outstanding deliverables;

- Audit & Standards Committee meeting where we communicate audit misstatements and significant control deficiencies; and

- Biannual private meetings can also be arranged with the Committee chair if there is interest.

Using the work of others and areas requiring specialised skill

We outline below where, in our planned audit response to audit risks, we expect to use the work of others such as Internal Audit or require specialised skill/knowledge to perform planned audit procedures and evaluate results.

Others	Extent of planned involvement or use of work
Internal Audit	We will review the work of internal audit as part of our risk assessment procedures but will not place reliance on their work.
IT audit team members	Our IT audit colleagues will perform our documentation of understanding the IT environment and any associated testing of general IT controls and/or automated controls where identified.
KPMG Pensions Centre of Excellence	Whilst not yet confirmed at the date of this report, it is likely we will involve our pensions colleagues to review the pension liability valuation on the balance sheet during our audit. This will involve assessing the work of the pension fund actuaries including the relevant assumptions used.

Significant risks and Other audit risks

Our risk assessment draws upon our understanding of the applicable financial reporting framework, knowledge of the business, the sector and the wider economic environment in which the Authority operates.

We also use our regular meetings with senior management to update our understanding and take input from sector audit teams and internal audit reports.

Due to the current levels of uncertainty there is an increased likelihood of significant risks emerging throughout the audit cycle that are not identified (or in existence) at the time we planned our audit. Where such items are identified we will amend our audit approach accordingly and communicate this to the Audit & Standards Committee.

At the date of this report we have one significant risk of management override detailed overleaf.

Value for money

We are required to provide commentary on the arrangements in place for ensuring Value for Money is achieved at the Authority and report on this via our Auditor's Annual Report. This will be published on the Authority's website and include a commentary on our view of the appropriateness of the Authority's arrangements against each of the three specified domains of Value for Money: financial sustainability; governance; and improving economy, efficiency and effectiveness.

We have outlined the result of our risk assessment procedures on page 9.

Audit risks and our audit approach (cont.)

1 **Management override of controls(a)**

Fraud risk related to unpredictable way management override of controls may occur

Significant audit risk

- Professional standards require us to communicate the fraud risk from management override of controls as significant.
- Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.
- We have not identified any specific additional risks of management override relating to this audit at this stage.

Note: (a) Significant risk that professional standards require us to assess in all cases.

Planned response

Our audit methodology incorporates the risk of management override as a default significant risk.

- Assess accounting estimates for biases by evaluating whether judgements and decisions in making accounting estimates, even if individually reasonable, indicate a possible bias.
- Evaluate the selection and application of accounting policies.
- In line with our methodology, evaluate the design and implementation of controls over journal entries and post closing adjustments.
- Assess the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.
- Assess the business rationale and the appropriateness of the accounting for significant transactions that are outside the normal course of business, or are otherwise unusual.
- Search for fraudulent journal entries using KPMG Automated Audit Procedures.
- We will analyse all journals through the year using data and analytics and focus our testing on those with a higher risk.

Mandatory communications - additional reporting

Going concern

Under NAO guidance, including Practice Note 10 - A local authority's financial statements shall be prepared on a going concern basis; this is, the accounts should be prepared on the assumption that the functions of the authority will continue in operational existence for the foreseeable future. Transfers of services under combinations of public sector bodies (such as local government reorganization) do not negate the presumption of going concern.

However, financial sustainability is a core area of focus for our Value for Money opinion.

Additional reporting

Your audit is undertaken to comply with the Local Audit and Accountability Act 2014 which gives the NAO the responsibility to prepare an Audit Code (the Code), which places responsibilities in addition to those derived from audit standards on us. We also have responsibilities which come specifically from acting as a component auditor to the NAO. In considering these matters at the planning stage we indicate whether:

Work is completed throughout our audit and we can confirm the matters are progressing satisfactorily	We have identified issues that we may need to report	Work is completed at a later stage of our audit so we have nothing to report

We have summarised the status of all these various requirements at the time of planning our audit below and will update you as our work progresses:

Type	Status	Response
Our declaration of independence	OK	No matters to report. The engagement team and others in the firm, as appropriate, have complied with relevant ethical requirements regarding independence.
Issue a report in the public interest		We are required to consider if we should issue a public interest report on any matters which come to our attention during the audit. We have not identified any such matters to date.
Provide a statement to the NAO on your consolidation schedule		This "Whole of Government Accounts" requirement is fulfilled when we complete any work required of us by the NAO to assist their audit of the consolidated accounts of DLUHC.
Provide a summary of risks of significant weakness in arrangements to provide value for money		We are required to report significant weaknesses in arrangements. Work to be completed at a later stage.
Certify the audit as complete		We are required to certify the audit as complete when we have fulfilled all of our responsibilities relating to the accounts and use of resources as well as those other matters highlighted above.

Mandatory communications

Type	Statements
Management's responsibilities (and, where appropriate, those charged with governance)	Prepare financial statements in accordance with the applicable financial reporting framework that are free from material misstatement, whether due to fraud or error. Provide the auditor with access to all information relevant to the preparation of the financial statements, additional information requested and unrestricted access to persons within the entity.
Auditor's responsibilities	Our responsibilities set out through the NAO Code (communicated to you by the PSAA) and can be also found on their website, which include our responsibilities to form and express an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.
Auditor's responsibilities – Fraud	This report communicates how we plan to identify, assess and obtain sufficient appropriate evidence regarding the risks of material misstatement of the financial statements due to fraud and to implement appropriate responses to fraud or suspected fraud identified during the audit.
Auditor's responsibilities – Other information	Our responsibilities are communicated to you by the PSAA and can be also found on their website, which communicates our responsibilities with respect to other information in documents containing audited financial statements. We will report to you on material inconsistencies and misstatements in other information.
Independence	Our independence confirmation at page 15 discloses matters relating to our independence and objectivity including any relationships that may bear on the firm's independence and the integrity and objectivity of the audit engagement partner and audit staff.

Value for money risk assessment

Our approach

Value for money

For 2023/24 our value for money reporting requirements have been designed to follow the guidance in the Audit Code of Practice.

Our responsibility to conclude on significant weaknesses in value for money arrangements is unchanged.

The main output remains a narrative on each of the three domains, summarising the work performed, any significant weaknesses and any recommendations for improvement.

We have set out the key methodology and reporting requirements on this slide and provided an overview of the process and reporting on the following page.

Risk assessment processes

Our responsibility remains to assess whether there are any significant weaknesses in the Authority's arrangements to secure value for money. Our risk assessment will continue to consider whether there are any significant risks that the Authority does not have appropriate arrangements in place.

In undertaking our risk assessment we will be required to obtain an understanding of the key processes the Authority has in place to ensure this, including financial management, risk management and partnership working arrangements. We will complete this through review of the Authority's documentation in these areas and performing inquiries of management as well as reviewing reports, such as internal audit assessments.

Reporting

As with the prior year our approach to value for money reporting aligns to the NAO guidance and includes:

- A summary of our commentary on the arrangements in place against each of the three value for money criteria, setting out our view of the arrangements in place compared to industry standards;

- A summary of any further work undertaken against identified significant risks and the findings from this work; and

- Recommendations raised as a result of any significant weaknesses identified and follow up of previous recommendations.

The Authority will be required to publish the commentary on its website at the same time as publishing its annual report

Financial sustainability	Governance	Improving economy, efficiency and effectiveness
How the body manages its resources to ensure it can continue to deliver its services.	*How the body ensures that it makes informed decisions and property manages its risks.*	*How the body uses information about its costs and performance to improve the way it manages and delivers its services.*

Value for money

Approach we take to completing our work to form and report our conclusion:

Process

Understanding the entity's arrangements	→	Evaluation of entity's value for money arrangements	→	Value for money conclusion and reporting

- Financial statements planning
- Internal reports, e.g. IA
- Management Inquiries

- External reports, e.g. regulators
- Assessment of key processes
- Annual report

- Targeted follow up of identified value for money significant risks

- Continual update of risk assessment

- Conclusion whether significant weaknesses exist

Outputs

Risk assessment to Audit & Standards Committee

Our risk assessment will provide a summary of the procedures undertaken and our findings against each of the three value for money domains. This will conclude on whether we have identified any significant risks that the entity does not have appropriate arrangements in place to achieve VFM.

Value for money assessment

We will report by exception as to whether we have identified any significant weaknesses in arrangements.

Public commentary

Our draft public commentary will be prepared for the Audit Committee alongside our annual report on the accounts.

Public commentary

The commentary is required to be published alongside the annual report.

Appendix

Audit team and rotation

Your audit team has been drawn from our specialist local government audit department and is led by key members of staff who will be supported by auditors and specialists as necessary to complete our work. We also ensure that we consider rotation of your audit partner and firm.

Katie is the director responsible for our audit. They will lead our audit work, attend the Audit & Standards Committee and be responsible for the opinions that we issue.

Nicole is the manager responsible for our audit. They will co-ordinate our audit work, attend the Audit & Standards Committee and ensure we are co-ordinated across our accounts and use of funds work.

Bilal is the in-charge responsible for our audit for the second year. They will be responsible for our on-site fieldwork. He will complete work on more complex section of the audit.

To comply with professional standard we need to ensure that you appropriately rotate your external audit partner. There are no other members of your team which we will need to consider this requirement for:

9

years to transition

This will be Katie's first year as your engagement lead. They are required to rotate every five years, extendable to seven with PSAA approval.

Audit cycle & timetable

Our schedule 2023 – 2024

We have worked with management to generate our understanding of the processes and controls in place at the Authority in it's preparation of the Statement of Accounts.

We have agreed with management an audit cycle and timetable that reflects our aim to sign our audit report by 31 December 2023.

This being the first year of KPMG as auditor we have undertaken greater activities to understand the Authority at the planning stage. This level of input may not be required in future years and may change our audit timings.

Given the large amount of consultation happening in regard to the scope and timing of local government this audit **schedule may be subject to change**.

Planning meeting with management for key audit issues

Audit plan discussion and approval

April 24

Commence year end planning including tax, IT and other specialists

Planning

Interim fieldwork

Strategy

On-going communication with:
- Audit committee
- Senior management

January 24

July 24

Audit strategy discussions based on debrief of audit

Debrief

Final fieldwork & reporting

Finalisation of accounts

Statutory reporting

Final fieldwork

Approval of accounts by Committee

October 24

Key:
- Timing of AC communications
- Key events

Fees

Audit fee

Our fees for the year ending 31 March 2024 are set out in the PSAA Scale Fees communication and are shown below.

Entity	2023/24 (£'000)	2022/23 (£'000)
Statutory audit	93	TBC*
ISA315r	TBC	-
ISA240	TBC	-
TOTAL	93	TBC

fee charged by EY - your predecessor auditor.

As per PSAA's Scale Fees Consultation, the fees do not include new requirements of ISA315 revised (risk of material misstatement); or ISA 240 (auditor's responsibilities relating to fraud. The fees also assume no significant risks are identified as part of the Value for Money risk assessment. Additional fees in relation to these areas will be subject to the fees variation process as outlined by the PSAA.

Billing arrangements

Fees will be billed in accordance with the milestone completion phasing that has been communicated by the PSAA.

Basis of fee information

Our fees are subject to the following assumptions:

- The Authority's audit evidence files are completed to an appropriate standard (we will liaise with you separately on this);
- Draft statutory accounts are presented to us for audit subject to audit and tax adjustments;
- Supporting schedules to figures in the accounts are supplied;
- The Authority's audit evidence files are completed to an appropriate standard (we will liaise with management separately on this);
- A trial balance together with reconciled control accounts are presented to us;
- All deadlines agreed with us are met;
- We find no weaknesses in controls that cause us to significantly extend procedures beyond those planned;
- Management will be available to us as necessary throughout the audit process; and
- There will be no changes in deadlines or reporting requirements.

We will provide a list of schedules to be prepared by management stating the due dates together with pro-formas as necessary.

Our ability to deliver the services outlined to the agreed timetable and fee will depend on these schedules being available on the due dates in the agreed form and content.

Any variations to the above plan will be subject to the PSAA fee variation process.

Page 54

Confirmation of Independence

We confirm that, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and that the objectivity of the Partner and audit staff is not impaired.

To the Audit and Risk Committee members

Assessment of our objectivity and independence as auditor of [entity name]

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;

- Independence and objectivity considerations relating to the provision of non-audit services; and

- Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP partners/directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values.

- Communications.

- Internal accountability.

- Risk management.

- Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to the provision of non-audit services

Summary of non-audit services

There are no non-audit services provided.

Confirmation of Independence (cont.)

Summary of fees

We have considered the fees charged by us to the Group and its affiliates for professional services provided by us during the reporting period.

Fee ratio

The ratio of non-audit fees to audit fees for the year is anticipated to be 0: 1. We do not consider that the total non-audit fees create a self-interest threat since the absolute level of fees is not significant to our firm as a whole.

	2023/24
	£'000
Statutory audit	93
Other Assurance Services	0
Total Fees	**93**

Application of the FRC Ethical Standard 2019

We communicated to you previously the effect of the application of the FRC Ethical Standard 2019. That standard became effective for the first period commencing on or after 15 March 2020, except for the restrictions on non-audit and additional services that became effective immediately at that date, subject to grandfathering provisions.

AGN 01 states that when the auditor provides non-audit services, the total fees for such services to the audited entity and its controlled entities in any one year should not exceed 70% of the total fee for all audit work carried out in respect of the audited entity and its controlled entities for that year.

We confirm that as at 15 March 2020 we were not providing any non-audit or additional services that required to be grandfathered.

Independence and objectivity considerations relating to other matters

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the Audit and Risk Committee.

Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the Audit and Risk Committee of the Group and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

Katie Henry

KPMG LLP

KPMG's Audit quality framework

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework.

Responsibility for quality starts at the top through our governance structures as the UK Board is supported by the Audit Oversight Committee, and accountability is reinforced through the complete chain of command in all our teams.

■ Commitment to continuous improvement
- Comprehensive effective monitoring processes
- Significant investment in technology to achieve consistency and enhance audits
- Obtain feedback from key stakeholders
- Evaluate and appropriately respond to feedback and findings

■ Performance of effective & efficient audits
- Professional judgement and scepticism
- Direction, supervision and review
- Ongoing mentoring and on the job coaching, including the second line of defence model
- Critical assessment of audit evidence
- Appropriately supported and documented conclusions
- Insightful, open and honest two way communications

■ Commitment to technical excellence & quality service delivery
- Technical training and support
- Accreditation and licensing
- Access to specialist networks
- Consultation processes
- Business understanding and industry knowledge
- Capacity to deliver valued insights

■ Association with the right entities
- Select entities within risk tolerance
- Manage audit responses to risk
- Robust client and engagement acceptance and continuance processes
- Client portfolio management

■ Clear standards & robust audit tools
- KPMG Audit and Risk Management Manuals
- Audit technology tools, templates and guidance
- KPMG Clara incorporating monitoring capabilities at engagement level
- Independence policies

■ Recruitment, development & assignment of appropriately qualified personnel
- Recruitment, promotion, retention
- Development of core competencies, skills and personal qualities
- Recognition and reward for quality work
- Capacity and resource management
- Assignment of team members and specialists

Audit approach

- Association with the right entities
- Clear standards & robust audit tools
- Recruitment, development & assignment
- Commitment to technical excellence & quality service delivery
- Performance of effective & efficient audits
- Commitment to continuous improvement

ISA (UK) 315 Revised: Overview

Summary

In the prior period, ISA (UK) 315 Revised "Identifying and assessing the risks of material misstatement" was introduced and incorporated significant changes from the previous version of the ISA.

These were introduced to achieve a more rigorous risk identification and assessment process and thereby promote more specificity in the response to the identified risks. The revised ISA was effective for periods commencing on or after **15 December 2021**.

The revised standard expanded on concepts in the existing standards but also introduced new risk assessment process requirements – the changes had a significant impact on our audit methodology and therefore audit approach.

What impact did the revision have on audited entities?

With the changes in the environment, including financial reporting frameworks becoming more complex, technology being used to a greater extent and entities (and their governance structures) becoming more complicated, standard setters recognised that audits need to have a more robust and comprehensive risk identification and assessment mechanism.

The changes result in additional audit awareness and therefore clear and impactful communication to those charged with governance in relation to (i) promoting consistency in effective risk identification and assessment, (ii) modernising the standard by increasing the focus on IT, (iii) enhancing the standard's scalability through a principle based approach, and (iv) focusing auditor attention on exercising professional scepticism throughout risk assessment procedures.

Implementing year 1 findings into the subsequent audit plan

Entering the second year of the standard, the auditors will have demonstrated, and communicated their enhanced insight into their understanding of your wider control environment, notably within the area of IT.

In year 2 the audit team will apply their enhanced learning and insight into providing a targeted audit approach reflective of the specific scenarios of each entity's audit.

A key area of focus for the auditor will be understanding how the entity responded to the observations communicated to those charged with governance in the prior period.

Where an entity has responded to those observations a re-evaluation of the control environment will establish if the responses by entity management have been proportionate and successful in their implementation.

Where no response to the observations has been applied by entity, or the auditor deems the remediation has not been effective, the audit team will understand the context and respond with proportionate application of professional scepticism in planning and performance of the subsequent audit procedures.

What will this mean for our on-going audits?

To meet the on-going requirements of the standard, auditors will each year continue to focus on risk assessment process, including the detailed consideration of the IT environment.

Subsequent year auditor observations on whether entity actions to address any control observations are proportionate and have been successfully implemented will represent an on-going audit deliverable.

Each year the impact of the on-going standard on your audit will be dependent on a combination of prior period observations, changes in the entity control environment and developments during the period. This on-going focus is likely to result in the continuation of enhanced risk assessment procedures and appropriate involvement of technical specialists (particularly IT Audit professionals) in our audits which will, in turn, influence auditor remuneration.

ISA (UK) 240 Revised: changes embedded in our practices

Ongoing impact of the revisions to ISA (UK) 240

ISA (UK) 240 (revised May 2021, effective for periods commencing on or after 15 December 2021) The auditor's responsibilities relating to fraud in an audit of financial statements included revisions introduced to clarify the auditor's obligations with respect to fraud and enhance the quality of audit work performed in this area. These changes are embedded into our practices and we will continue to maintain an increased focus on applying professional scepticism in our audit approach and to plan and perform the audit in a manner that is not biased towards obtaining evidence that may be corroborative, or towards excluding evidence that may be contradictory.

We will communicate, unless prohibited by law or regulation, with those charged with governance any matters related to fraud that are, in our judgment, relevant to their responsibilities. In doing so, we will consider the matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud.

Area	Our approach following the revisions
Risk assessment procedures and related activities	1) Increased focus on applying professional scepticism – the key areas affected are: • the need for auditors not to bias their approach towards obtaining evidence that is corroborative in nature or excluding contradictory evidence; • remaining alert for indications of inauthenticity in documents and records, and • investigating inconsistent or implausible responses to inquiries performed. 2) Requirements to perform inquiries with individuals at the entity are expanded to include, amongst others, those who deal with allegations of fraud. 3) We will determine whether to involve technical specialists (including forensics) to aid in identifying and responding to risks of material misstatement due to fraud.
Internal discussions and challenge	We will have internal discussions among the audit team to identify and assess the risk of fraud in the audit, including determining the need for additional meetings to consider the findings from earlier stages of the audit and their impact on our assessment of the risk of fraud.

FRC's areas of focus

The FRC released their [Annual Review of Corporate Reporting 2021/22](#) in October 2022, along with a [summary of key matters](#) for the coming year, primarily targeted at CEOs, CFOs and Audit Committee chairs. In addition, they released six thematic reviews during the year which should be considered when preparing financial reports.

The reports identify where the FRC believes companies should be improving their reporting. Below is a high level summary of the key topics. We encourage management and those charged with governance to read further on those areas which are significant to the Authority.

Reporting in uncertain times

Last year's Annual Review of Corporate Reporting from the FRC was prepared in the context of the current heightened economic and geopolitical uncertainty. The challenges of the Covid-19 pandemic, Russia's invasion of Ukraine and slowing of global economies has led to inflationary pressure worldwide and rising interest rates.

This makes meaningful disclosure more important than ever, and the FRC has stressed the need for companies to move beyond simply complying with the minimum requirements of the relevant accounting and reporting frameworks. They expect companies to provide high-quality, decision-useful information for investors, with companies continually assessing evolving risks and ensuring these are clearly explained in annual reports.

The potential effects of uncertainty on recognition, measurement and disclosure are numerous, and companies will need to think carefully about the impacts of uncertainty, in particular inflation, on their reporting. The Annual Review gives a number of examples including:

Strategic report: the impact of inflation on the business model, changes to principal risks and uncertainties, and the impact of inflation on stakeholders.

Discount rates: inputs need to follow a consistent approach in incorporating the effects of inflation.

Material assumptions: where inflation assumptions represent a source of significant estimation uncertainty, the FRC expects companies to provide explanation of how these have been calculated and sensitivity disclosures if appropriate.

Pension schemes: explain the effect of uncertainty on investment strategy and associated risks.

Climate-related reporting

Climate-related reporting has advanced significantly this year as premium listed entities are required by the Listing Rules to provide disclosures consistent with the Taskforce on Climate-Related Disclosures (TCFD) recommendations. This follows the expansion of the Streamlined Energy and Carbon Reporting (SECR) rules last year, which require quoted companies and large unquoted companies and LLPs to provide emissions reporting.

Climate has therefore been an area of ongoing focus for the FRC, with a thematic reviews in both 2021 and 2022 on aspects of climate reporting. From reviews of TCFD disclosures in the year, the FRC has highlighted five areas of improvement for companies to consider going forwards:

Granularity and specificity: disclosures should be granular and specific both to the company and the individual disclosure requirement, including a clear link to financial planning.

Balance: discussion of climate-related risks and opportunities should be balanced, and companies should consider any technological dependencies.

Interlinkage with other narrative disclosures: companies should ensure clear links between TCFD disclosures with other narrative disclosures in the annual report.

Materiality: companies should clearly articulate how they have considered materiality in the context of their TCFD disclosures.

Connectivity between TCFD and financial statements disclosures: the FRC may challenge those that disclose significant climate risks or net zero transition plans in narrative reporting, but do not explain how this is taken into account in the financial statements.

FRC's areas of focus (cont.)

Cash flow statements

This continues to be a particular area of concern as it is a recurring source of errors identified by the FRC, with 15 companies restating their cash flow statements in the review period as a result of the FRC's enquiries.

Companies are encouraged to consider the guidance in the 2020 thematic review on this topic, and to ensure that robust pre-issuance reviews of the financial statements have been undertaken.

Cash flows must be classified as operating, investing or reporting in line with the requirements of the standard, and amounts reported should be consistent with disclosures elsewhere in the report and accounts including the elimination of non-cash transactions.

Several errors identified by the FRC related to the parent company cash flow statement, and it should ensured that this statement also complies with the requirements of the standard.

Financial Instruments

Companies should ensure that disclosure is sufficient to enable users to evaluate the nature and extent of risks arising from financial instruments and the approach taken to risk management.

These disclosures should include the approach and assumptions used in the measurement of expected credit losses, and details of concentrations of risk. In times of economic uncertainty, disclosure of methods used to measure exposure to risks, and details of hedging arrangements put in place for interest rates or inflation are all the more important.

In addition, accounting policies should be provided for all material financing and hedging arrangements and any changes in these arrangements. Where companies have banking covenants, information about these should be provided (unless the likelihood of a breach is considered remote).

Income taxes

Where material deferred tax assets are recognised by historically loss-making entities, disclosures should explain the nature of the evidence supporting their recognition. In addition, any connected significant accounting judgements or sources of estimation uncertainty will also need to be disclosed.

On tax more generally, the FRC expects companies to ensure that tax-related disclosures are consistent throughout the annual report and accounts, and material reconciling items in the effective tax rate reconciliation are adequately explained.

For groups operating in several jurisdictions, effective tax reconciliations may be more meaningful if they aggregate reconciliations prepared using the domestic rate in each individual jurisdiction, with a weighted average tax rate applied to accounting profit.

Strategic report and other Companies Act 2006 matters

The strategic report needs to articulate the effects of economic and other risks facing companies, including inflation, rising interest rates, supply chain issues and labour relations. Mitigation strategies should be explained, with links, where relevant, to information disclosed elsewhere in the annual report.

Business reviews should discuss significant movements in the balance sheet and cash flow statement, and should not be limited to just an explanation of financial performance in the period.

The FRC has also identified instances of companies not complying with legal requirements around distributions, and companies are reminded of the need to file interim accounts to support distributions in excess of the distributable profits shown in the relevant accounts.

Revenue

Accounting policies should be provided for all significant performance obligations and should address the timing of revenue recognition, the basis for over-time recognition, and the methodology applied.

Inflationary features in contracts with customers and suppliers and the accounting for such clauses are under increased focus this year.

Alternative performance measures ('APMs')

APMs should not be presented with more prominence, emphasis or authority than measures stemming directly from the financial statements, and should be reconciled to the relevant financial statements line item.

FRC's areas of focus (cont.)

Provisions and contingencies

Companies should give clear and specific descriptions of the nature and uncertainties for material provisions or contingent liabilities, the expected timeframe and the basis for estimating the probable or possible outflow.

Inputs used in measuring provisions should be consistent in the approach to incorporating the effects of inflation, and details of related assumptions should be provided if material.

Presentation of financial statements and related disclosures

Material accounting policy information should be clearly disclosed, and additional company-specific disclosures should be provided when compliance with IFRS requirements is insufficient to adequately explain transactions.

Judgements and estimates

Economic uncertainty increases the likelihood of companies needing to make significant judgements when preparing financial statements. The FRC highlights two specific examples – going concern assessments and accounting for inflationary features in contracts – where disclosure is key.

More generally, the FRC highlights the need for disclosures to clearly distinguish between estimates with a significant risk of a material adjustment to the carrying amounts of assets/liabilities within the next year, and other sources of estimation uncertainty.

Significant estimates, and the associated disclosures should be updated at the balance sheet date. Sensitivity disclosures should be meaningful for readers, for example by sensitising the most relevant assumptions, and explaining any changes in assumption since the previous year.

Impairment of assets

Economic uncertainty may have a significant impact on impairment assessments, and this is an area where queries raised from the FRC could have been avoided by clearer disclosure.

Companies need to explain the sensitivity of recoverable amounts to changes in assumptions, especially where the range of possible outcomes has widened. This should include explanation of the effect of economic assumptions, such as reduction in customer demand and increased cost.

Inflation should be treated consistently in value in use calculations. Nominal cash flows are discounted at a nominal rate, and real cash flows are discounted at a real rate.

Lastly, the FRC stresses the importance of consistency between impairment reviews/disclosures and other disclosures in the annual report.

Thematic reviews

The FRC released six thematic reviews on corporate reporting last year, and companies are encouraged to consider the guidance in those reviews, where relevant, to enhance their financial reporting. The topics covered are:

- TCFD disclosures and climate in the financial statements
- Judgements and estimates
- IFRS 3 Business Combinations
- Discount rates
- Deferred Tax Assets (IAS 12)
- Earnings per Share (IAS 33)

2022/23 review priorities

The FRC has indicated that its 2022/23 reviews will focus on the extent to which companies' disclosures address risks and uncertainty in the challenging economic environment, including those relating to climate change. Companies need to clearly articulate the impact of these risks on their strategy, business model and viability. In particular, the FRC intends to prioritise reviews of companies operating in the following sectors:

- Travel, hospitality and leisure
- Construction materials
- Retail
- Gas, water and multi-utilities

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For Publication

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
4 March 2024

SUBJECT: **INTERNAL AUDIT STRATEGY 2024/25 TO 2026/27**

For further information
on this report contact: Nicky Upton, Business Support Manager
Democratic.Services@bedsfire.gov.uk

Background Papers:

Appendix	Title	Protective Marking
1	Internal Audit Strategy 2024/25	

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	Yes	We have worked with RSM to agree the key areas to focus on in upcoming audits to most effectively manage risk within the Service.
Legal Implications	No	
Privacy and Security Implications	No	

Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	No	There has been collaboration with CMT to decide on the upcoming Internal Audit plan.

PURPOSE:

To receive and consider a report on Internal Audit Strategy for 2024/25

RECOMMENDATION:

It is recommended that the submitted report be noted.

1.   Executive Summary

1.1   A report by RSM on the approach to developing the Fire and Rescue Authority's internal audit strategy for 2024/25 is appended for Members' consideration.

**GAVIN CHAMBERS
ASSISTANT CHIEF OFFICER/FRA TREASURER**

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Internal Audit Strategy 2024/25

Presented at the Audit and Standards Committee meeting of: 4 March 2024

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

EXECUTIVE SUMMARY

Our Internal Audit Plan for 2024/25 is presented for consideration by the Audit and Standards Committee. During the year, we will continue to work with management and hold regular meetings to deliver an internal audit programme which remains flexible and 'agile' to ensure it meets your needs.

The key points to note from our plan are:

2024/25 Internal Audit priorities: Internal audit activity for 2024/25 is based on analysing your corporate objectives and risk profile as well as other factors affecting you in the year ahead, including changes within the sector. Our detailed plan for 2024/25 is included at Section 1.

Level of Resource: The level of resource required to deliver the plan is consistent with last year and our day rates are in line with the tender submission. We will continue with our approach of introducing the use of technology when undertaking our operational audits. We continue to embraced more ways of using technology to undertake our audit work including; the use of 4questionnaires, MS Teams meetings, secure web portals for audit data sharing (Huddle) and data analytics technology. This strengthens our sampling and focus our audit testing. Refer to Appendix A.

Core Assurance: In addition to our core audit areas, we have focused our coverage on key risks to the organisation such **as IT Asset Management, Succession Planning and Governance – Fire Authority**

'Agile' approach: Our approach to working with you has always been one where we will respond to your changing assurance needs. By employing 'agile' or a 'flexible' approach to our service delivery, we are able to change the focus of audits / audit delivery; keeping you informed of these changes in our progress papers to the Audit and Standards Committee during the year.

CONTENTS

1. YOUR INTERNAL AUDIT PLAN 2024/25

Our approach to developing your internal audit plan is based on analysing your corporate objectives and risk profile as well as other, factors affecting Bedfordshire Fire and Rescue Authority in the year ahead, including changes within the sector.

Risk management processes

We have evaluated your risk management processes and consider that we can place reliance on your risk registers to inform the internal audit strategy. We have used various sources of information (see Figure A below) and discussed priorities for internal audit coverage with senior management.

Figure A: Audit considerations – sources considered when developing the Internal Audit Strategy.
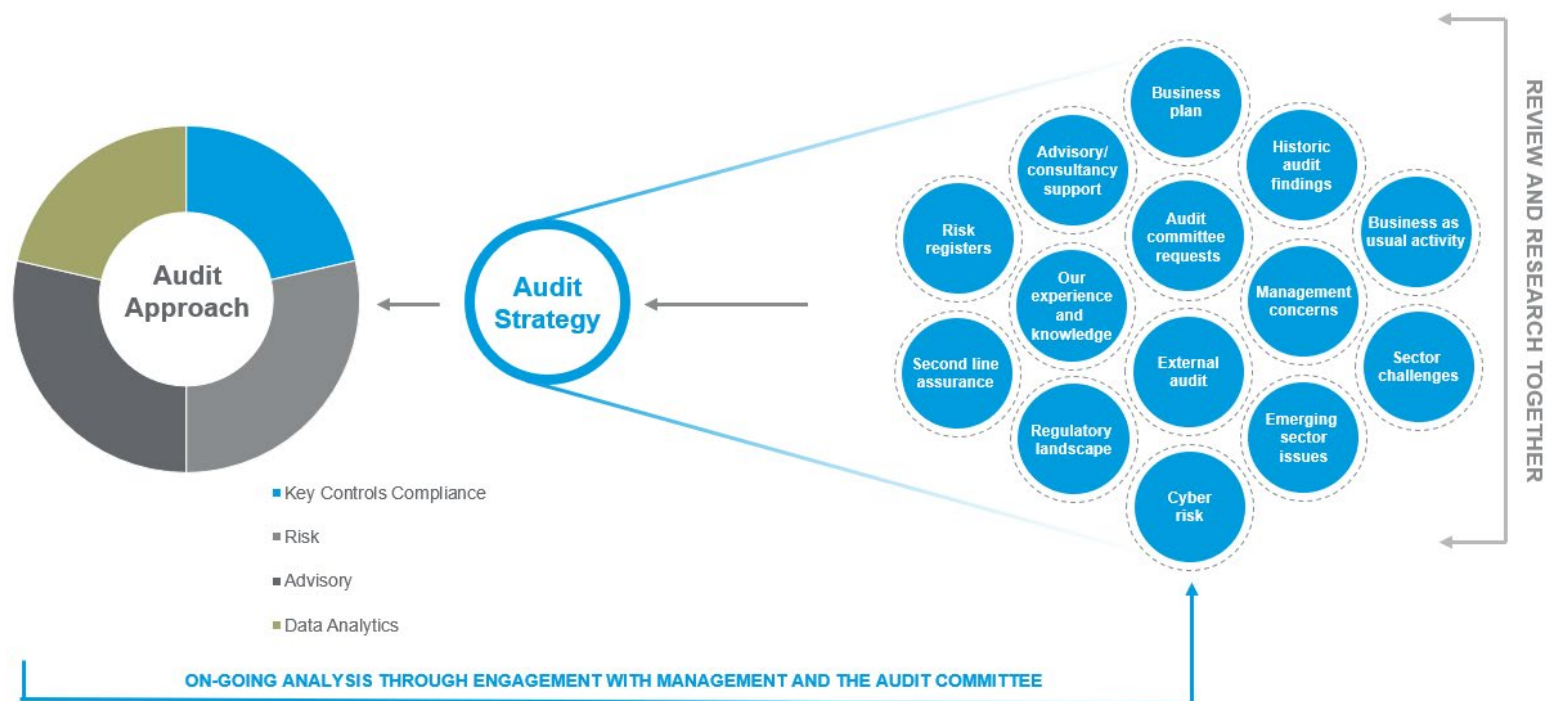
Based on our understanding of the organisation, the information provided to us by stakeholders, and the regulatory requirements, we have developed an annual internal plan for the coming year and a high level strategic plan (see Section 2 and Appendix B for full details).

2. INTERNAL AUDIT PLAN 2024/25

The table below shows each of the reviews that we propose to undertake as part of the internal audit plan for 2024/25. The table details the strategic risks / strategic commitments which may warrant internal audit coverage. This review of your risks allows us to ensure that the proposed plan will meet the organisation's assurance needs for the forthcoming and future years. As well as assignments designed to provide assurance or advisory input around specific risks, the strategy also includes time for following up the implementation of actions and an audit management allocation.

	Audit approach	Fee	Proposed timing
Strategic commitment: Making every penny count and exploiting technology			
Management of IT assets	Risk based	£2,900	Q1
From the receipt of IT asset goods and the associated recording on the asset register, through to return upon leaving. This will include the processes in place to establish: • Whether a complete and accurate list of purchased assets exists • Whether these are sufficient to ensure assets are effectively tracked and returned when employment ceases, particularly how they systematically identify assets that have been allocated to a leaver as part of the leavers process and the processes for ensuring these have been returned by the last day of employment. • There is a periodic spot check of assets held to ensure the asset register remains up to date and to identify any missing assets This review will be undertaken in conjunction with Cambridgeshire and Peterborough Fire Authority.			
Key Financial Controls – Payroll	System based	£3,500	Q3
To provide assurance that the payroll system is appropriately managed including starters, leavers, changes to contract details, overtime and authorisation of payment runs.			
Risk Management	Risk based	£4,700	Q1
Review of the risk management arrangements including review of the risk management strategy, risk register, reporting and monitoring of risks through the governance structure.			
Strategic commitment: Investing in our people to be the best they can be			
Succession Planning	Risk based	£5,400	Q2
To ensure that workforce requirements are identified and met by having established succession planning mechanisms in place which are operating effectively. This will also consider how issues raised by the HMIC have been addressed.			
Strategic commitment: Engaging with our communities, businesses and partners			

	Audit approach	Fee	Proposed timing
Governance - Fire Authority	Risk based	£4,700	Q3
Review of the governance arrangements in place within the Fire Authority. This will include whether groups within the governance structure are effectively discharging their duties.			
Other Internal Audit Activity			
Management		£6,005	Throughout the year
This will include: • Preparation for, and attendance at, audit & standards committee • Regular liaison and progress updates • Liaison with external audit and other assurance providers			
Follow Up		£2,000	Q4
To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.			
Audit Strategy/Annual Report		£2,200	N/A
This will include: • Internal Audit Needs Assessment • Preparation of the annual internal audit opinion			

A detailed planning process will be completed for each review, and the final scope will be documented in an Assignment Planning Sheet. This will be issued to the key stakeholders for each review.

2.1 Working with other assurance providers

The Audit and Standards Committee is reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not, seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers, such as external audit to ensure that duplication is minimised, and a suitable breadth of assurance obtained.

APPENDIX A)   YOUR INTERNAL AUDIT SERVICE

Your internal audit service is provided by RSM UK Risk Assurance Services LLP. The team will be led by Suzanne Rowlett as your Head of Internal Audit, supported by Louise Davies as your client manager.

Fees

Our fee to deliver the plan is £31,405.00 (excluding VAT).

Core team

The delivery of the 2024/25 audit plan will be based around a core team. However, we will complement the team with additional specialist skills where required.

Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Public Sector Internal Audit Standards (PSIAS).

Under PSIAS, internal audit services are required to have an external quality assessment every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2021 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF), and the Internal Audit Code of Practice, as published by the Global Institute of Internal Auditors (IIA) and the Chartered IIA, on which PSIAS is based.

The external review concluded that RSM 'generally conforms* to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

*The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

Conflicts of interest

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

Corporate responsibility

At RSM we believe it is our responsibility to positively impact on our society and the environment. We have three pillars of corporate responsibility: environment, charity and community. For more details on RSM's commitment visit our website: Corporate responsibility | RSM UK.

APPENDIX B) INTERNAL AUDIT STRATEGY 2024/25

The table below shows an overview of the audit coverage to be provided through RSM's delivery of the internal audit strategy. This has been derived from the process outlined in Section 1 above, as well as our own view of the risks facing the sector as a whole.

Assurance Provided

🟥	Red - Minimal Assurance / Poor Progress
🟧	Amber/red - Partial Assurance / Little Progress
🟨	Amber/green - Reasonable Assurance / Reasonable Progress
🟩	Green - Substantial Assurance / Good Progress
⬜	Advisory / AUP
🟦	IDEA

Audit Area	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Risk Based						
ICT	Advisory	Advisory		🟨		
Data Quality			🟧	🟨		
Management of Assets	🟧		🟨			✔ (IT)
Contaminants and Staff Health and Safety					✔	
Strategic approach to partnerships and collaborations					🟧 Draft	
Governance of the Project Management Office					🟩	
Core Assurance						

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Assurance Provided

🟥	Red - Minimal Assurance / Poor Progress
🟧	Amber/red - Partial Assurance / Little Progress
🟨	Amber/green - Reasonable Assurance / Reasonable Progress
🟩	Green - Substantial Assurance / Good Progress
⬛	Advisory / AUP
🟦	IDEA

Audit Area	2019/20	2020/21	2021/22	2022/23	2023/24	202425
Governance		🟨		⬛		✔
Risk Management	Advisory	🟨	🟧			✔
Key Financial Controls	🟩	🟩	🟨 Accounts Payable and General Ledger	🟩 Accounts Receivable	✔	✔ Payroll
Follow Up		🟨	⬛	⬛	✔	✔

Other Potential areas of Internal Audit Activity

Audit Area	2019/20	2020/21	2021/22	2022/23	2023/24	202425
Human Resources — Potential area - Succession Planning & Retained Recruitment		🟨 Support Recruitment / Wellbeing Advisory	🟨 Grey Book Recruitment			✔
Collection / Use of Risk Information		🟨				
Community Risk Management Plan	🟩					

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Assurance Provided		2019/20	2020/21	2021/22	2022/23	2023/24	202425
🟥	Red - Minimal Assurance / Poor Progress						
🟧	Amber/red - Partial Assurance / Little Progress						
🟨	Amber/green - Reasonable Assurance / Reasonable Progress						
🟩	Green - Substantial Assurance / Good Progress						
⬜	Advisory / AUP						
🟦	IDEA						

Audit Area	2019/20	2020/21	2021/22	2022/23	2023/24	202425
General Data Protection Regulation (GDPR)						
Procurement		🟧				
Risk Protection Pool						
Stock Control					✔	
Mobilising System Project	🟨					
Operational Business Continuity	🟧					
Property - Statutory Compliance	🟧					
Environmental Review	🟨					
Debrief and Organisational Learning			🟨			

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APPENDIX C)   INTERNAL AUDIT CHARTER

Need for the charter

This charter establishes the purpose, authority and responsibilities for the internal audit service for Bedfordshire Fire and Rescue Authority. The establishment of a charter is a requirement of the Public Sector Internal Audit Standards (PSIAS)and approval of the charter is the responsibility of the audit committee.

The internal audit service is provided by RSM UK Risk Assurance Services LLP ("RSM").

We plan and perform our internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place, focusing in particular on how these arrangements help you to achieve its objectives. The internal audit function is required to comply with the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) as follows:

- Core principles for the professional practice of internal auditing;

- Definition of internal auditing;

- Code of ethics; and

- The Standards.

Mission of internal audit

As set out in the PSIAS, the mission articulates what internal audit aspires to accomplish within an organisation. Its place in the IPPF is deliberate, demonstrating how practitioners should leverage the entire framework to facilitate their ability to achieve the mission.

"To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight".

Independence and ethics

To provide for the independence of internal audit, its personnel report directly to Director, Suzanne Rowlett (acting as your head of internal audit). The independence of RSM is assured by the internal audit service reporting to the Chief Fire Officer, with further reporting lines to the Assistant Chief Officer – Finance and Corporate Services.

The head of internal audit has unrestricted access to the chair of audit and standards committee to whom all significant concerns relating to the adequacy and effectiveness of risk management activities, internal control and governance are reported.

Conflicts of interest may arise where RSM provides services other than internal audit to Bedfordshire Fire and Rescue Authority. Steps will be taken to avoid or manage transparently and openly such conflicts of interest so that there is no real or perceived threat or impairment to independence in providing the internal audit service. If a potential conflict arises through the provision of other services, disclosure will be reported to the audit committee. The nature of the disclosure will depend upon the potential impairment and it is important that our role does not appear to be compromised in reporting the matter to the audit committee. Equally we do not want the organisation to be deprived of wider RSM expertise and will therefore raise awareness without compromising our independence.

Responsibilities

In providing your outsourced internal audit service, RSM has a responsibility to:

- Develop a flexible and risk based internal audit strategy with more detailed annual audit plans. The plan will be submitted to the audit committee for review and approval each year before work commences on delivery of that plan.

- Implement the internal audit plan as approved, including any additional tasks requested by management and the audit committee.

- Ensure the internal audit team consists of professional audit staff with sufficient knowledge, skills, and experience.

- Establish a quality assurance and improvement program to ensure the quality and effective operation of internal audit activities.

- Perform advisory activities where appropriate, beyond internal audit's assurance services, to assist management in meeting its objectives.

- Bring a systematic disciplined approach to evaluate and report on the effectiveness of risk management, internal control and governance processes.

- Highlight control weaknesses and required associated improvements together with corrective action recommended to management based on an acceptable and practicable timeframe.

- Undertake follow up reviews to ensure management has implemented agreed internal control improvements within specified and agreed timeframes.

- Report regularly to the audit committee to demonstrate the performance of the internal audit service.

For clarity, we have included the definition of 'internal audit', 'senior management' and 'board'.

- Internal audit – a department, division, team of consultant, or other practitioner (s) that provides independent, objective assurance and consulting services designed to add value and improve an organisation's operations. The internal audit activity helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

- Senior management who are the team of individuals at the highest level of organisational management who have the day-to-day responsibilities for managing the organisation.

- The Authority - The highest level governing body charged with the responsibility to direct and/or oversee the organisation's activities and hold organisational management accountable. Furthermore, "board" may refer to a committee or another body to which the governing body has delegated certain functions (eg an audit committee).

Client care standards

In delivering our services we require full cooperation from key stakeholders and relevant business areas to ensure a smooth delivery of the plan. We proposed the following KPIs for monitoring the delivery of the internal audit service:

- Discussions with senior staff at the client take place to confirm the scope six weeks before the agreed audit start date.

- Key information such as: the draft assignment planning sheet are issued by RSM to the key auditee six weeks before the agreed start date.

- The lead auditor to contact the client to confirm logistical arrangements at least 15 working days before the commencement of the audit fieldwork to confirm practical arrangements, appointments, debrief date etc.

- Fieldwork takes place on agreed dates with key issues flagged up immediately.

- A debrief meeting will be held with audit sponsor at the end of fieldwork or within a reasonable time frame.

- Draft reports will be issued within 10 working days of the debrief meeting and will be issued by RSM to the agreed distribution list / Huddle.

- Management responses to the draft report should be submitted to RSM.

- Within three working days of receipt of client responses the final report will be issued by RSM to the assignment sponsor and any other agreed recipients of the report.

Authority

The internal audit team is authorised to:

- Have unrestricted access to all functions, records, property and personnel which it considers necessary to fulfil its function.

- Have full and free access to the audit committee.

- Allocate resources, set timeframes, define review areas, develop scopes of work and apply techniques to accomplish the overall internal audit objectives.

- Obtain the required assistance from personnel within the organisation where audits will be performed, including other specialised services from within or outside the organisation.

The head of internal audit and internal audit staff are not authorised to:

- Perform any operational duties associated with the organisation.

- Initiate or approve accounting transactions on behalf of the organisation.

- Direct the activities of any employee not employed by RSM unless specifically seconded to internal audit.

Reporting

An assignment report will be issued following each internal audit assignment. The report will be issued in draft for comment by management, and then issued as a final report to management, with the executive summary being provided to the audit committee. The final report will contain an action plan agreed with management to address any weaknesses identified by internal audit.

The internal audit service will issue progress reports to the audit committee and management summarising outcomes of audit activities, including follow up reviews.

As your internal audit provider, the assignment opinions that RSM provides the organisation during the year are part of the framework of assurances that assist the board in taking decisions and managing its risks.

As the provider of the internal audit service we are required to provide an annual opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the board is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes. The annual opinion will be provided to the organisation by RSM UK Risk Assurance Services LLP at the financial year end. The results of internal audit reviews, and the annual opinion, should be used by management and the Board to inform the organisation's annual governance statement.

Data protection

Internal audit files need to include sufficient, reliable, relevant and useful evidence in order to support our findings and conclusions. Personal data is not shared with unauthorised persons unless there is a valid and lawful requirement to do so. We are authorised as providers of internal audit services to our clients (through the firm's terms of business and our engagement letter) to have access to all necessary documentation from our clients needed to carry out our duties.

Quality Assurance and Improvement

As your external service provider of internal audit services, we have the responsibility for maintaining an effective internal audit activity. Under the standards, internal audit services are required to have an external quality assessment every five years. In addition to this, we also have in place an internal quality assurance and improvement programme, led by a dedicated team who undertake these reviews. This ensures continuous improvement of our internal audit services.

Any areas which we believe warrant bringing to your attention, which may have the potential to have an impact on the quality of the service we provide to you, will be raised in our progress reports to the audit committee.

Fraud

The audit committee recognises that management is responsible for controls to reasonably prevent and detect fraud. Furthermore, the audit committee recognises that internal audit is not responsible for identifying fraud; however internal audit will be aware of the risk of fraud when planning and undertaking any assignments.

Approval of the internal audit charter

By approving this document, the internal audit strategy, the audit and standards committee is also approving the internal audit charter.

FOR FURTHER INFORMATION CONTACT

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SUBJECT: **INTERNAL AUDIT PROGRESS REPORT**

Author and contact: Gavin Chambers, Assistant Chief Officer / FRA Treasurer

Background Papers:

Appendix	Title	Protective Marking
1	Internal Audit Progress Report	

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	Yes	Progress reports from RSM on our internal audit position helps to strengthen our risk management by reconciling the status of agreed actions with management.
Legal Implications	No	
Privacy and Security Implications	No	

Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	No	CMT are consulted on audit findings as individual audits are concluded.

PURPOSE:

To receive and consider a report on progress made against the internal audit plan for 2023/24.

RECOMMENDATION:

It is recommended that the submitted report be noted.

1.   Executive Summary

1.1   An internal audit plan for 2023/24 was agreed by this Committee at its meeting on 2 March 2023.

1.2   A report by RSM on progress made against the internal audit plan for 2023/24 is appended for Members' consideration.

GAVIN CHAMBERS
ASSISTANT CHIEF OFFICER/FRA TREASURER

Bedfordshire Fire and Rescue Authority

Internal Audit Progress Report

4 March 2024

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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Progress against the internal audit plan

The Internal Audit Plan for 2023/24 was approved by the Audit & Standards Committee March 2023. Two audits have been finalised since the last meeting, highlighted in bold below. One review is at the fieldwork stage.

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Planned Timing (as per ANA)
		L	M	H	
2023/24					
Governance of the Project Management Office	Final – Substantial Assurance	2	0	0	Q2
Strategic approach to partnerships and collaborations	**Final – Partial Assurance**	**1**	**7**	**0**	**Q2**
Contaminants and staff health and safety	**Final – Partial Assurance**	**1**	**2**	**1**	**Q1**
Stock control in stores and technical bay	Fieldwork in Progress				Q4
Follow Up	To commence 4 March 2024				Q4
Key Financial controls	To commence 18 March 2024				Q3

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Appendix A – Other matters

Head of Internal Audit Opinion

The Audit and Standards Committee should note that the assurances given in our audit assignments are included within our Annual Assurance report. The Committee should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion.

Changes to the audit plan

Change reported previously - The completion of the contaminants and staff health and safety review has been delayed due to staff sickness and is now in draft.

Information and briefings

Since the last Audit and Standards Committee, we have issued our:

- Emergency Services News Briefing – November 2023.
- RSM Emerging Risk Radar 3rd Edition January 2024.

Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department.

This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

For more information contact

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EXECUTIVE SUMMARY – CONTAMINATES AND STAFF HEALTH AND SAFETY

Why we completed this audit

We have undertaken a Health and Safety audit focusing on the control of contaminants, in line with the organisations approved internal audit plan for 2023/24. The purpose of the audit was to review the arrangements in place in respect of managing contaminants and associated staff health and safety in the workplace. Contaminants are any biological, chemical or physical impurities that officers are exposed to and potentially harmed by. This review focuses on fire contaminants, which are the products of combustion from fires including soot and other carbonaceous materials, although arrangements for general contaminants were considered where relevant.

Officers can be exposed to fire contaminants through inhalation, ingestion and absorption, either directly at incidents, or through cross contamination when exposed in the appliance, station or at home. Exposure to fire contaminants, which are carcinogenic, has been linked to a range of health issues, including respiratory diseases and cancer. The Service has established a Contaminants Working Group, which promotes the control and reduction of exposure to contaminants and is taking action to limit the risk of contaminants to its officers.

Conclusion

We found that controls were adequately designed and effective in the areas of operational monitoring activities, governance structure and training. However we found a lack of evidence of how actions resulting from monitoring and review activities had been converted into actions plans and monitored through to completion which resulted in agreeing a high and a medium action with management. We also agreed a medium action due to the absence of a strategy as although the Service objectives were expressed in various locations, these were not specifically stated in a document in respect of the Service's vision and goals in protecting personnel from contaminants. Additionally we were not able to independently review a sample of accidents, incidents and near misses as we were only supplied with anonymised information on the last five reports, therefore we have not been able to provide assurance in this area.

Internal audit opinion:

Taking account of the issues identified, the Authority can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).
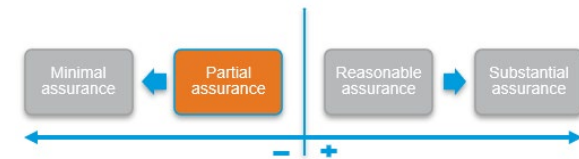
Key findings

We identified the following weaknesses resulting in the agreement of one high and two medium priority actions.

Contaminants Checklist

We noted that a summary report, covering all inspections, was issued to the Contaminants Working Group (CWG) in November 2021 to review and agree an action plan that included a list of actions for each Station where improvement was required. We were directed to the current CWG action log, from October 2023, to demonstrate how these actions were being monitored and reviewed the action plan. However, we did not find actions referenced back to the Inspection Checklists, there were some similar actions dated later but no evidence of an action plan specific to these inspections from the original work.

We noted that some actions related to issues with premises and equipment impacted on the effectiveness of decontamination and therefore may be assessed as high risk, although risk assessments had not been included. There was an action from February 2023 with work on-going to implement a Contaminants Overall Action Plan. In the absence of an action to clear the issues identified from the Contaminants Inspection Checklists there is a risk that issues will not be resolved. **(High)**

Strategy

We were informed by the Head of Training and Assurance that there was no strategy, however there were Health and Safety objectives for 2023/24 to reduce the risk from contaminants. We were also directed to the Contaminants Working Group with its role to continue to identify opportunities and workstreams to reduce Service employee's exposure to contaminates.

The terms of reference of the Contaminants Working Group also states that the group had been established with an objective to identify suitable measures to reduce the risk of exposure to contamination and prevent the cross-contamination of employees work and home environments.

In the absence of a strategy there is a risk that the Service objectives to reduce the risk of contaminants may be misaligned or poorly prioritised, without focus on a clear end goal. **(Medium)**

Focus Groups

We were advised that Health and Safety Focus Group meetings were carried out between November 2019 and March 2020 and were delivered to 28 of the 32 Operational Watches with an aim of discussing high profile health and safety topics and to gather feedback to allow for improved service delivery.

Further review of a report confirmed that actions following the focus group meetings were put in place and that these were forwarded to relevant committees and working groups for investigation, these groups included the Contaminants Working Group, the Management of Occupational Road Risk Working Group, and the Workwear and Clothing Committee. Specifically, we noted that actions feeding into the Contaminants Working Group included the provision of washing machines for the laundering of undergarments and oversight of the contaminants inspection of Service premises.

However there was no single action plan that we could follow through these groups to ensure actions were monitored through to completion, as such there is a risk that outputs from these groups were not converted into completed actions. **(Medium)**

We noted the following controls to be adequately designed and operating effectively

Active Monitoring Policy
Review of the Health and Safety Active Monitoring Policy confirmed that it outlined essential elements of the health and safety management system and the implementation of effective systems of pro-active monitoring. The policy adequately set out the roles and responsibilities of staff against key areas, including but not limited to day to day monitoring, safety tours, workplace inspections, station audits, active monitoring systems, developing and agreeing performance measures, and intervention, feedback and corrective action.

Review of a screenshot of the intranet confirmed the policy had been made available to staff and further review of the intranet noted the version control history was captured and the policy was in date, with a next review date of December 2025.

Active Monitoring
We confirmed that in support of the Health and Safety Active Monitoring Policy there is a Health and Safety Active Monitoring Programme document. Review of the document confirmed that it provides greater detail on the roles and responsibilities of staff for non-operational and exercise monitoring and arrangements, operational active monitoring mobilisations criteria and arrangements, incident command and safety, conduct monitoring and intervention, feedback, and review and corrective action.

Review of a screenshot of the intranet confirmed that the document had been made available to staff. Review of a screenshot of the health and safety section of the intranet confirmed that the three year active monitoring programme dated 2022 to 2025 had been shared with staff. From review of the minutes of the Health and Safety Consultation Group from February, April and June 2023 we confirmed Active Monitoring was a standing agenda item. We also confirmed from our review of the minutes of the Contaminants Working Group for June, August and September 2023 that review of Active Monitoring took place.

Active Monitoring Check List

Review of a template of the Fire Contamination Health and Safety Active Monitoring Record confirmed that it set out 16 performance measures questions to be voted yes, no, or N/A against the incident and there were also further open ended questions of intervention action taken and feedback on performance given at incident. Further review of the corresponding spreadsheet confirmed that the content from the monitoring sheets had been populated electronically.

We confirmed in discussion and by review of the information held electronically that officers recorded a response to each of the questions via an ipad with the data being automatically transferred to a spreadsheet. We also confirmed that the monitoring programme was in place in the form of a spreadsheet calendar of what area would be reviewed at what dates.

Review of the previous three months meeting minutes from May, July and September 2023 for the Health and Safety Steering Committee confirmed that there had been no active monitoring recommendations made, although this was part of the standard agenda. We also reviewed the meetings of the Safety Consultation Group for April, June and September 2023 where active monitoring was a standing agenda item with discussions on the process and actions agreed.

Risk Assessments

Review of the risk assessment dated October 2022 confirmed that a number of hazards/risks had been identified and from this people at risk and existing control measures had been recorded. Hazards/risks had also been ranked based on risk likelihood and severity. Further review confirmed a risk assessment had been completed for contamination from carbonaceous exposure and had been risk rated high. We also confirmed from a review of the minutes of the Health and Safety Steering Committee for May, July and September 2023 that the review of the programme of risk assessments, completed and allocated, formed part of each meeting.

Breathing Apparatus (BA) Training

We confirmed from a screen short from the Service intranet that there is a BA cleaning procedure. We were also informed by the Head of Training and Assurance that to establish who is in or out of cover as a BA wearer they would go to PDR Pro and run a report to show all those who have attended. We were also provided a snapshot of the PDR Pro screen where the report would be generated.

Reporting is completed bi-monthly to the Operational Delivery Team (attended by all Station Commanders) and quarterly in performance reports covering key performance indicators. Review of an extract taken from the quarter two Performance Report confirmed that the Service were at 100% of a 98% target for station-based operational BA wearers who attended a tactical firefighting assessment within the last two years. We were advised that as BA training affects appliance availability and candidates are identified in advance of due dates as such, it has not been an issue of the target rate not being met. We were also advised that a manual cross check of data between PDR Pro and those who require training is undertaken to ensure all relevant individuals have training in place and this is reported bi-monthly to the Operational Delivery Team.

We also confirmed performance data is reported to the Fire Authority meetings, with the last report presented in October 2023 for quarter 1 when BA training was reported as above target compliance.

Training Tactical Firefighter Course
We observed the first session of a tactical fire-fighting course that took place on 12 September 2023. We noted that students received a Live Fire Safety Briefing at the start of the course, noting that it included a contaminants briefing. We confirmed that traffic light zones were in place:

- Green zone - fully decontaminated (showered personnel only) - office spaces etc.
- Amber Zone - personnel who have had initial decon (decontamination wipes, removal of PPE. Appliance BA's, appliance crew cab, BA Servicing Rooms).
- Red Zone - BA Training Complex, outdoor areas (Firefighters and equipment that has not had initial decon/fire ground service).

We noted by observation that none of the trainees returned to the amber zone after contamination from the exercise, and no one entered the green zone. We observed the use nitrile gloves under PPE, and the use of decon wipes immediately after exposure.

We obtained a copy of the presentation that was given and confirmed it contained the contaminant reduction debrief slide which detailed instructions to follow in the exercise. We were escorted around the Training Centre and Kempston and Luton Fire Stations and confirmed that areas were marked as Green, Amber and Red zones, with areas for the separate storage of contaminated and clean kit.

Containment Working Group (CWG)
Review of the CWG Terms of Reference (ToR) confirmed that it defined the group's responsibility to identify suitable measures to reduce the risk of exposure to carcinogenic contamination and prevent the cross-contamination of BFRS employees work and home environments. Review further noted the ToR set out the group's membership, meeting frequency, and reporting arrangements.

Review of the last three sets of meeting minutes from June, August and October 2023 confirmed that the group had been discharging their responsibilities in line with the ToR, specifically through regular national contamination updates and how BFRS are addressing contamination risks across the service. We also confirmed standing agenda items included contaminants updates, research projects, workstreams, property and transport of contaminated equipment from incidents.

We also reviewed the latest action log for the group and confirmed each action was given an action owner and due date and regular updates had been given against the status of each. Ongoing actions included station refurbishment, washing machine installations and required cleaning equipment at stations. Further review of the last three sets of meeting minutes confirmed the actions were discussed at every meeting and progress updates had been given.

Health and Safety Steering Committee (HSSC)

Review of the HSSC Terms of Reference (ToR) confirmed that these defined the committee's responsibility to act as the senior management group to oversee and coordinate key health and safety management processes. Review further noted the ToR set out the group's membership, meeting frequency, and reporting arrangements.

Review of the meeting minutes for May, July and September 2023 confirmed that the committee had been discharging their responsibilities in line with its ToR, specifically through the discussion of organisational issues relating to competence, control, co-operation, consultation, and communication and the planning and implementation of risk assessments. Highlights from the Containments Working Group are also presented. We confirmed that where actions were agreed these were followed up at the start of each meeting.

Health and Safety Consultation Group

Review of the Health and Safety Consultation Group Terms of Reference (ToR) confirmed that they defined the group's responsibility to achieve cooperation on all initiatives aimed at improving health and safety, agreeing common interests, objectives and approaches, to achieve genuine consultation in good time on all health, safety and welfare matters through honest and open two-way communications, and to achieve a partnership approach to health and safety. Review further noted the ToR set out the group's membership, meeting frequency, and reporting arrangements.

Review of the meeting minutes from April, June and September 2023 confirmed that the group had been discharging their responsibilities in line with its ToR, specifically through the discussion of health and safety performance indicators and significant safety events. We also confirmed reference had been made to contaminants across all meetings. We confirmed that where actions were previously agreed these were followed up at the start of each meeting.

Procurement

We noted from the September 2023 minutes of the Health and Safety Steering Group, there was discussion covering the new Health and Safety objectives and an action plan to support them. One of the objectives was supporting the procurement of new Rescue Pumps. This had been included under Health and Safety as the purchase and design of new engines included improved storage of dirty kit. We reviewed the draft statement of requirements and noted it covered a total of up to 8 appliances are being sought – 5 to be delivered over a 4 year period, and an option for an additional 3 over 2 years. The design included:

- Breathing Apparatus sets x 4 to be stowed in body.
- The position must be able to be sealed to prevent water/debris contamination.
- The solution can be in the form of a separate locker or a cupboard within a suitable locker.
- The solution will allow for two of the sets to be accessed from each side of the vehicle on a slide or tilt mechanism.
- BRS would welcome information on any previous solutions you have provided to accomplish this.

Health Surveillance

We confirmed that the Service has an Occupational Health scope and structure document which set out the structure, role and responsibilities of the Occupational Health function. This included amongst other:

- Monitoring employees following the exposure and/or potential exposure to harmful substances and carrying out appropriate health surveillance.
- Fitness assessments in accordance with the Physical Fitness Policy.
- Regular review during significant illness, injury or long term absence.

We also confirmed the Service had in place procedures covering injury or exposure to toxic hazards which adequately explained the processes to be followed.

We intended to select a sample of incidents to ensure the correct procedures had been followed, however due to concerns relating to confidentiality this was denied. However we were informed by the Health and Safety Advisor that 5 events had been recorded on the SpheraCloud system since 1 April 2019. These five cases were passed to the Occupational Health Manager who supplied anonymised information for each to demonstrate the correct process had been followed for each.

2. DETAILED FINDINGS AND ACTIONS

Strategy and Policy		
Control	There is no strategy defining the Service's long term vision and priorities for reducing the risk of contaminants to firefighters. There is a Health and Safety Active Monitoring Policy that is described as an essential element of it's health and safety management system, and is committed to implementing effective systems of pro-active monitoring which identifies problems before accidents or ill-health occur. This is supported by a procedure that explains the active monitoring programme	**Assessment:** **Design** × **Compliance** N/A
Findings / Implications	**Strategy** We were informed by the Head of Training and Assurance that there was no strategy, however there were Health and Safety objectives for 2023/24 to reducing the risk from contaminants. We were also directed to the Contaminants Working Group with its role to continue to identify opportunities and workstreams to reduce Service employee's exposure to contaminates. The terms of reference of the Contaminants Working Group also states that the group had been established with an objective to identify suitable measures to reduce the risk of exposure to contamination and prevent the cross-contamination of employees work and home environments. In the absence of a strategy there is a risk that the Service objectives to reduce the risk of contaminants may be misaligned or poorly prioritised, without focus on a clear end goal. **Decontamination Procedures** We confirmed that there is a Decontamination Procedures Policy which covers incidents involving chemical, biological, radiological or nuclear hazards (CBRN) which may require the decontamination of personnel and / or equipment. This states that there will be procedures and guidance which will refer to the appropriate decontamination of Fire and Rescue Service (FRS) personnel, for the risk involved, with the following objectives: • To ensure that personnel who are involved can be removed from contaminated clothing or equipment without spreading contaminants onto themselves or others. • To minimise the risk of contamination by inhalation, ingestion or absorption. • To minimise the danger of contaminants spreading beyond the decontamination zone. Review of the procedure statement confirmed it defined decontamination and detailed the objectives of the Service with regards to appropriate decontamination. We did however note that the statement was signed by the Chief Finance Officer in March 2016 and therefore, there is a risk of this being out of date with appropriate guidance not given.	

Strategy and Policy				
Management Action 1	We will develop a Contaminants Policy setting the Services long term goals referenced to individual procedures and action plans.	**Responsible Owner:** Head of Training and Assurance	**Date:** 31 March 2024	**Priority:** Medium

Focus Groups		
Control	Health and Safety Focus Groups were suspended due to COVID lock down	**Assessment:** **Design** × **Compliance** N/A
Findings / Implications	**Focus Groups** We were advised that Health and Safety Focus Group meetings were carried out between November 2019 and March 2020 and were delivered to 28 of the 32 Operational Watches with an aim of discussing high profile health and safety topics and to gather feedback to allow for improved service delivery. Review of a presentation and report that were produced confirmed health and safety content was covered. This included introductions to the Health and Safety Support Team, workplace injuries and associated time list, trends from the health and safety climate tool survey, contaminants, and vehicle collisions and vehicle mounted CCTV. The contaminants section of the presentation and report highlighted how firefighters are at a greater risk of exposure to carcinogens and other contaminants and how the Authority is taking steps to reduce this risk as well as 10 principles to follow to stop contaminants. Further review of the report confirmed that actions following the focus group meetings were put in place and that these were forwarded to relevant committees and working groups for investigation, these groups included the Contaminants Working Group, the Management of Occupational Road Risk Working Group, and the Workwear and Clothing Committee. Specifically, we noted that actions feeding into the Contaminants Working Group included the provision of washing machines for the laundering of undergarments and oversight of the contaminants inspection of Service premises. We were provided with an extract from the Health and Safety Working Group which detailed the proactive steps taken by the Service to reduce contaminants and a number of concerns that had been raised. For each concern raised, an update had been provided on it's solution. For example, an issue raised included the need for washing machines at a number of stations and an update was given on how the installation of washing machines was now underway with information and communication on their intended use. However there was no single action plan that we could follow through these groups to ensure actions were monitored through to completion, there is a risk that outputs from these groups were not converted into completed actions.	

Focus Groups				
Management Action 3	For future, or similar, exercises or reviews within the Service resulting in the agreement of actions, an action plan will be created against which the monitoring of those actions to completion can be performed	**Responsible Owner:** Head of Training and Assurance	**Date:** 30 April 2024	**Priority:** Medium

Contaminants Check List		
Control	There is a Contaminants Inspection Checklist – Premises, BA, Fire-kit, Appliances and Personnel. These were completed for all BFRS site and was a one off exercise to benchmark BFRS against others and produce a gap analysis for action	**Assessment:** **Design** ✓ **Compliance** ✗
Findings / Implications	**Contaminants Checklist** From our review of a Contaminants Inspection Checklist template we noted it covered premises, breathing apparatus, fire-kit, appliances, and personnel. In total it included 19 performance measure with questions to be answered yes, no or N/A against. We selected one site where an inspection was carried out and reviewed the summary report which confirmed that the site had been marked against each of the 19 performance measures and descriptive remarks had been made. Further review confirmed the inspection had been summarised and recommendations had been put in place, these included to carry out a contaminants inspection of vans and to obtain and provide facemask bags. We noted that a summary report was issued to the Contaminants Working Group (CWG) in November 2021, covering all inspections and to review and agree an action plan that included a list of actions for each Station where improvement was required. We were directed to the CWG action log to demonstrate how these actions were being monitored and reviewed the action plan from October 2023. However, we did not find actions referenced back to the Inspection Checklists, there were some similar actions dated later but no evidence of an action plan specific to these inspections. We noted that some actions related to issues with premises and equipment impacted on the effectiveness of decontamination and therefore may be assessed as high risk, although risk assessments had not been included. There was an action from February 2023 with work on-going to implement a Contaminants Overall Action Plan. In the absence of an action to clear the issues identified from the Contaminants Inspection Checklists there is a risk that issues will not be resolved.	
Management Action 4	The Service will ensure that a contaminates action plan is created with actions referenced to their source, for example Contaminates Inspection Checklist, safety tours, workplace inspections, station audits. The action plan will include the owner, target completion date and regular progress updates.	**Responsible Owner:** Head of Training and Assurance **Date:** 29 February 2024 **Priority:** High

EXECUTIVE SUMMARY – STRATEGIC APPROACH TO PARTNERSHIPS AND COLLABORATIONS

Why we completed this audit

We have undertaken an audit of the strategic approach to partnerships and collaborations in line with the organisations approved internal audit plan for 2023/24. The purpose of the audit was to review the organisations overall approach to collaboration and partnerships including a review of the overall controls and mechanisms in place in respect of the partnership/collaboration arrangements including quality of partnership/collaboration delivery, understanding of benefits of the partnership / collaboration and benefits realisation.

Bedfordshire Fire and Rescue Service (BFRS) work in partnership/collaboration with other organisations in statutory and non-statutory arrangements. There is a legal duty on blue light services to collaborate efficiently and effectively working closely with blue light colleagues in Bedfordshire including Police, NHS Trusts and the local authorities. For example, BFRS collaborates with other agencies to achieve certain goals, such as Community Safety Partnerships which includes Police, NHS Trusts and the local authorities.

BFRS also work with other organisations to create, or achieve, something of mutual benefit which enhances what either party could have achieved on their own. BFRS continue to explore opportunities to work with other organisations to improve services, support BFRS's mission and organisational objectives. Partnerships and collaborations are monitored through the use of a Partnership Register which is controlled by the Partnership and Engagement Manager who monitors the register to ensure records are up to date and completed in line with policy. It is the responsibility of the Lead for each Partnership/collaboration to ensure completion of all documentation and approvals for uploading to the register, this includes an approved PC1 establishing the partnership/collaboration and PC2 reviewing the performance of the partnership/collaboration at intervals set at the PC1 stage.

The organisation acknowledges that partnership and collaboration are interchangeable terms and can be interpreted in different ways by different organisations with the definition of partnerships and collaboration used in the policy to be valid.

Conclusion

We found that although there was a well designed process for the establishment and forward review of partnerships and collaborations this was poorly applied. We noted that although requirements are designed to be proportionate to the complexity, resources required and risks involved with an individual partnership or collaboration, we found poor compliance with the policy and gaps in the process resulting in a lack of information being held on or linked to the Partnership Register. This included agreements with partners, evidence of data sharing agreements or governance arrangements, absence of approval, failure to perform reviews and unidentified leads. We also noted that where issues relating to the information on the Partnership Register were identified there was no reporting route in the BFRS governance structure for these to be escalated and addressed.

Internal audit opinion:

Taking account of the issues identified, the Authority can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).

[Assurance scale graphic: Minimal assurance ← Partial assurance | Reasonable assurance → Substantial assurance, with − and + markers]
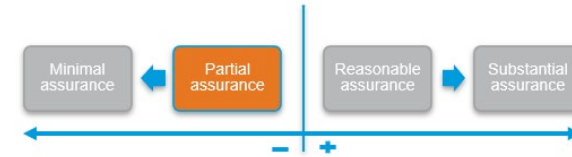
Key findings

We identified the following weaknesses resulting in the agreement of 7 medium priority actions:

Partnership / Collaboration Agreements

Testing on a sample of 12 Partnership/collaborations/collaborations identified that five did not have an agreement held on the register, although the policy does not require a copy to be held. Furthermore we found that:

- Two make reference to the PC01 as the agreement although this is only an internal document to assess the partnership/collaboration approval to go forward.

Where an agreement is not in place or with an organisation the Service will not be aware of its responsibilities under the partnership/collaboration which could result in financial loss and reputational damage. **(Medium)**

Data Sharing Agreements

We confirmed that for 10 of our sample of 12 partnership/collaborations, it had been recorded that there was no requirement for a data sharing agreement. For the remaining two it was recorded that it was required and was in place. However, these were not included in the documents linked to the Partnership Register so we were not able to confirm they were in place. Additionally, the policy gives no instruction on how these are to be filed.

Where an agreement is not in place BFRS may not be aware of its responsibilities within the partnership/collaboration relating to data protection, which could result in financial loss and reputational damage. **(Medium)**

Approval

We reviewed each of the PC1's in our sample of 12 partnership/collaborations to confirm authorisation and based on the description of resources required from BFRS if the authorisation was appropriate. We confirmed that approval was appropriate in ten of the sample and in line with delegated authorities, although there was no authorisation on two. In addition, when personnel move post there is no formal handover process to a new lead.

There is the potential of reputational damage to the Service where partnership/collaborations are entered into without approval. Where no lead is in place there is the additional risk that activity with the partnership/collaboration will cease and agreed objectives of that partnership/collaboration will not be met. **(Medium)**

Review

From our sample of 12 partnership/collaborations nine had a completed PC2 demonstrating that a review had taken place. Of these:

- Three were within the review period.
- Two had the review period changed, but were within the new review period.
- Three were overdue for review.
- One had the same a date of authorisation on the PC1 and PC2.

Of the three without a PC2 form:

- Two were not due for review.
- One was overdue for review.

Where a PC2 has not been completed at the appropriate interval there is a financial and reputation risk to the Service where the partnership/collaborations performance is not known. **(Medium)**

Governance

From our sample of 12 partnership/collaborations we confirmed that there was adequate explanation of the governance arrangements in nine instances. These arrangements were not explained for one, and for two these involved an organisation that no longer exists (Bedfordshire Clinical Commissioning Group).

Where governance arrangements are absent there is a risk to the Service that the responsibilities of partners will not be clear and objectives will not be met. **(Medium)**

Partnership / Collaboration Meetings & Reporting

For none of our sample was there any information covering meetings between partners. From the Partnership/collaboration Register it is not possible to confirm if there are any agreed actions assigned to BFRS from any meetings between partners or if actions have been completed.

If actions relating to the partnership/collaboration in the form of meeting minutes, action plans or other records where meetings are informal are not maintained, there is reputational risk to the Service that actions are not completed.

We reviewed the reports produced in November 2022, March, May and June 2023 by the Partnership and Engagement Manager. We confirmed that issues across these reports remained without resolution.

There is a risk that any actions required to ensure the records on the Partnership Register are complete, accurate and up to date will not be undertaken as issues are not escalated to and monitored by senior staff. **(Medium)**

New Partnership / Collaborations

There is no internal process for Fire Service staff to flag up partnership/collaboration needs, this is often instigated by the Partnership and Engagement Manager who asks the question conversationally when he think there is scope for exploration. **(Medium)**

We noted the following controls to be adequately designed and operating effectively:

Objectives

From our sample of 12 partnership/collaborations taken from the register we noted that all had been referenced to BFRS objectives within the CRMP, this was either at the high level objectives of Prevent, Protect or Respond or to one of the supporting priorities such as Reduce the number of people killed or seriously injured on our roads or Support community health and wellbeing when delivering our home fire safety visits.

Policy (Service Order)

From our review of the Partnership and Collaboration service order we noted that it gave an overview of its purpose and the process for managing partnerships and collaborations from the initial propose and approval through to the review process. It also included copies of the key documents PC01 and PC02 with instructions on the completion of each section within them, together with tables to assist in the assessment of risks and benefits. Whilst the policy does not make a distinction between a partnership and a collaboration, we were advised that the organisation acknowledges that partnership and collaboration are interchangeable terms and can be interpreted in different ways by different organisations with the definition of partnerships and collaboration used in the policy to be both valid and expedient to adopt it for their Service Order.

Strategic Significance

From our review of form PC1 we noted it requires a Strategic Significance Rating of either Low, Medium or High to be assigned. This is determined by adding scores for the Resource, Risk and Benefit Ratings together (where Low = 1, Medium = 2, High = 3). The resultant score determines the Strategic Significance Rating (where 3-4 = Low, 5-7 = Medium, 8-9 = High).

We confirmed from our sample of 12 from the Partnership Register that in each case there was a score entered for resources, risk and benefits based on the matrices included as appendices to the policy with a significance score based on those scores.

We identified one low priority finding which is included in the detailed findings section below.

2. DETAILED FINDINGS AND ACTIONS

This report has been prepared by exception Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Partnership/collaboration Agreements		
Control	A written partnership/collaboration agreement is drawn up for every partnership/collaboration. The level of detail and content of the agreement will be appropriate to the nature of the partnership/collaboration and may vary from an agreement which is not legally binding such as a Memorandum of Understanding to legally binding contractual arrangements between parties.	**Assessment:** **Design** ✓ **Compliance** ✗
Findings / Implications	From our review of the Partnerships and Collaborations Service Order (Policy) we noted the Leads are expected to ensure an agreement is in place between the partner organisations following approval of the PC1. The policy explains that the level of detail and content of the collaboration agreement should be appropriate to the nature of the collaboration and accordingly may vary from an agreement, it does not prescribe the format and content of the agreement but gives a list of areas to be considered. From our sample of 12 partnership/collaborations from the Partnership Register we confirmed all the PC1's had the section covering collaboration agreements completed and referred to a variety of documents. In one case there appears to be a cut and paste from elsewhere and it was unclear as to the source and did not explain what kind of agreement, if any, was in place. Across our sample we found that the PC1 described various forms of agreement covering: • Terms of reference. • Constitution. • Memorandum of understanding. From our sample of 12 partnerships, five did not have a copy the agreement linked to their record on the register, although the policy does not require a copy to be held. Furthermore: • Two make reference to the PC01 as the agreement although this is only an internal document to assess the partnership/collaboration approval to go forward. Where an agreement is not in place the Service will not be aware of its responsibilities under the partnership/collaboration which could result in financial loss and reputational damage.	

Management Action 1	All authorising managers will ensure Service Order compliance and that all new schemes have associated paperwork in place before collaboration activity commences.	**Responsible Owner:** Ian Evans	**Date:** 31 July 2024	**Priority:** Medium

Data Sharing Agreements

Control	If the collaboration involves sharing of personal data, then in accordance with statutory requirements and Service policy a Data Protection Impact Assessment (DPIA) will be required and a Data Sharing Agreement will be put in place prior to the implementation of data sharing.	**Assessment:** **Design** ✓ **Compliance** ✗

Findings / Implications	We confirmed from our review of the PC1 forms for our sample of 12 partnership/collaborations from the Partnership Register that there was a section on data sharing to be completed by the Lead. If there will be sharing of personal data they are instructed that a Data Protection Impact Assessment (DPIA) will be required. We confirmed that for 10 forms the Lead recorded that there was no need of a data sharing agreement. For the remaining two it was recorded that it was required and was in place. However these were not included in the documents linked to the Partnership Register so we were unable to confirm they were in place. Additionally the policy gives no instruction on how these are to be filed. Where an agreement is not in place the Service will not be aware of its responsibilities under the partnership/collaboration which could result in financial loss and reputational damage.

Management Action 2	The Service will ensure a data sharing agreement is in place for each applicable partnership/collaboration and a copy is linked to the register entry. **Organisation Update:** Following the internal Audit, those Partnership entries requiring a Data Sharing Agreement have them in place and they are lodged in the Partnership documents repository on SharePoint	**Responsible Owner:** Ian Evans	**Date:** Implemented	**Priority:** Medium

Partnership/Collaboration Approval

Control	The designated BFRS lead will make a recommendation whether or not BFRS should proceed with the collaboration. This should be based upon their assessment of its potential benefits compared to the risks and resources that will be consumed and the actions and resources required to deliver it. The authorising manager must hold the necessary authority to obtain/commit the BFRS resources required to implement and deliver the collaboration including staff, budget, etc.	**Assessment:** **Design** ✓ **Compliance** ✗

Partnership/Collaboration Approval

Findings / Implications	From our sample of 12 partnership/collaborations from the Partnership Register we found that a lead had been identified for each. We noted that the Lead and authoriser was recorded on both the PC1 and PC2 were in place. However we were informed by the Partnership and Engagement Manager that when personnel move post there is no formal handover process to a new lead, we also confirmed from the report raised by the Partnership and Engagement Manager covering issues with the register there were cases where actions were outstanding due to the lead having moved post and no new lead appointed.
	We reviewed each of the PC1's to confirm authorisation and based on the description of resources required from BFRS if the authorisation was appropriate. We confirmed that to be the case in ten of the sample and in line with delegated authorities, however, there was no authorisation on two.
	There is the potential of reputational damage to the Service where partnership/collaborations are entered into without approval. Where no lead is in place there is the additional risk that activity with the partnership/collaboration will cease and agreed objectives of that partnership/collaboration will not be met.

		Responsible Owner:	Date:	Priority:
Management Action 3	The Service will ensure that unauthorised PC1's will be considered incomplete with no further action until authorised. **Organisation Comment:** Authorising Managers will follow policy and sign off PC1 and PC2 when received. The PC1/PC2 process will be converted into a Sharepoint form with process flow so that the requirement for approval is routed directly to the authorising manager by the system. This could make completing the process easier and more efficient and increase accountability.	Ian Evans	31 July 2024	Medium
Management Action 4	There will be a formal process by which partnership/ collaboration leads will handover to a successor, this will include using role title in the place of name on the register. **Organisation Comment:** Role title will be added to the register as well as the name of the individual. Sharepoint process flow will include the facility for transfer of lead or authorising manager including notification of the individual who is being made responsible as lead/authorising manager.	Ian Evans	31 July 2024	Medium

Review		
Control	The designated BFRS Collaboration Lead will be responsible for reviewing the performance of the collaboration at the interval set by the authorising manager. The review will be recorded using form PC2, the Partnership and Collaboration Review Form.	**Assessment:** **Design** ✓ **Compliance** ×

Findings / Implications	From our sample of 12 partnership/collaborations we confirmed that a PC2 was in place for nine. Within these forms there was an evaluation of:

- Performance against expected outcomes.
- Any changes to resources and risk.
- Delivery of benefits.
- Effectiveness of governance arrangements.

Of those nine:

- Three were within the review period.
- Two had the review period changed, but were within the new review period.
- Three were overdue for review.
- One had the same date of authorisation on the PC1 and PC2.

For all nine there was a recommendation that each should continue.

Of the three without a PC2 form:

- Two were not due for review.
- One was overdue for review.

Where a PC2 has not been completed at the appropriate interval there is a financial and reputational risk to the Service where the partnership/collaborations performance is not known.

Management Action 5	The Service will ensure internal governance arrangements enable the monitoring of compliance against the policy for partnership/collaborations performance.	**Responsible Owner:** Ian Evans	**Date:** 30 April 2024	**Priority:** Medium
	Organisation Comment: Sharepoint process flow will be designed which notifies collaboration lead and authorising managers of review requirements. For the next 12 months a quarterly report will be made to CMT on the partnership register, highlighting outstanding tasks, then moving to six months.			

Governance				
Control	In order to achieve their objectives, governance arrangements are in place for each collaboration and partnership. This includes processes and structures for decision making e.g. for the expenditure of funds or use of resources and changes to activities. Meetings include representatives that hold sufficient authority to make commitments on behalf of their organisation. Governance should also include arrangements for oversight e.g. measuring progress, achievement of outcomes and appropriate public accountability.	**Assessment:** **Design** **Compliance**	✓ ✕	
Findings / Implications	We confirmed that the policy requires that the governance management arrangements need to be explained for each partnership/collaboration, although it does not explain what if any evidence for those arrangements need to be held. From our sample from the Partnership Register we confirmed that there was a section where this should be recorded and this had been completed for each within the PC1, however the quality of that information and the evidence supporting it varied. We noted that the PC1 included a section to describe the governance arrangements and the PC2 included an assessment of the effectiveness of the governance arrangements. From our sample of 12 partnership/collaborations we confirmed that there was adequate explanation of the governance arrangements for nine. These arrangements were not explained for one, and for two these involved an organisation that no longer exists. Where governance arrangements are absent there is a risk to the Service that the responsibilities of partners will not be clear and objectives will not be met.			
Management Action 6	The Service will ensure that governance arrangements have been set as part of the PC1 and remain up to date. **Organisation Comment:** A review of existing partnership PC1/PC2 will be undertaken to ensure that governance arrangements are in place and adequately recorded.	**Responsible Owner:** Ian Evans	**Date:** 31 July 2024	**Priority:** Medium

Partnership/Collaboration Meetings		
Control	Although the PC1 explains the governance arrangements, there is no link within the Partnership Register to the output from meetings whether formal or informal.	**Assessment:**
		Design ✕
		Compliance N/A
Findings / Implications	We noted from our review of the Partnership Register and our sample of 12 partnership/collaborations that the amount of supporting information varied between partnership/collaborations.	
	Information covering meetings between partners was not recorded for any of the sample tested and from the Partnership Register it is not possible to confirm if there are any agreed actions assigned to the Service.	
	If actions relating to the partnership/collaboration in the form of meeting minutes, action plans or other records where meetings are informal are not maintained, there is reputational risk to the Service that actions are not completed.	

Management Action 7	The entry of each partnership/collaboration on the Partnership Register will be linked to the record of meetings and outputs in the form of actions assigned to the Service.	**Responsible Owner:** Ian Evans	**Date:** 31 July 2024	**Priority:** Medium
	Organisation comment:			
	Amend policy to highlight that minutes of meetings or other documents may be added to the document repository where they provide evidence of partnership performance. Amend the policy to provide guidance that where appropriate partner organisations will be invited to provide written feedback on partnership performance.			

Reporting		
Control	Reports based on the content of the Partnership Register together with any issues are completed by the Partnership and Engagement Manager.	**Assessment:**
	These are not prepared at set intervals but are sent to Senior Service Management. They are not reviewed at any group or board.	**Design** ✕
		Compliance N/A

11

Reporting	
Findings / Implications	We reviewed the reports produced in November 2022, March, May and June 2023 by the Partnership and Engagement Manager. In November 2022 there were 19 partnership/collaborations reported with an issue with missing information, the majority being overdue for the completion of a PC2 as evidence that a review had taken place. By March 2023 the number of partnership/collaborations with queries had grown to 22. Within those 22 there were six waiting on a PC1 and16 awaiting a PC2 including eight awaiting an agreement.
	In March 2023 there were 16 issues requiring action that had also been reported in November 2022. Of those 16, 14 remained outstanding in June 2023. We were informed by the Partnership and Engagement Manager that these reports go to no group or board within the Service's governance structure.
	There is a risk that any actions required to ensure the records on the Partnership Register are complete, accurate and up to date, will not be completed if issues are not escalated to and monitored by senior staff.
	Please refer to action 5

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FOR PUBLICATION

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
4 March 2024

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SUBJECT: **INTERNAL AUDIT ACTIONS UPDATE**

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Author and contact: Nicky Upton, Business Support Manager
Democratic.Services@bedsfire.gov.uk

_____

Background Papers: Action Plans contained in Internal Audit Reports
Action Plans contained in the current Annual Governance Statement

Appendix	Title	Protective Marking
A	Summary of Internal Audit (IA) and Annual Governance Statement (AGS) Actions	
B	Exception Report IA and AGS	

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	

Risk Management	Yes	Progress reports from RSM on our internal audit position helps to strengthen our risk management by reconciling the status of agreed actions with management.
Legal Implications	No	
Privacy and Security Implications	No	
Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	No	CMT are consulted on audit findings as individual audits are concluded.

PURPOSE:

To present Members with a summary of actions arising from internal audit reports over the last three fiscal years together with any exception report on those actions currently in progress, progress to date on current action plans, proposals to extend the original timing for completion and those that have been completed since the last meeting.

RECOMMENDATION:

It is recommended that Members acknowledge progress made to date against action plans.

1. <u>Introduction</u>

1.1 A combined report providing a summary of actions arising from internal audit reports together with a full exception report of all actions currently in progress, any proposals for an extension to the original completion date and actions that have been completed since the last meeting, is presented to the Audit and Standards Committee.

1.2   This is the fourth summary report to the Audit and Standards Committee for the year 2023/24 and it incorporates information from all monitoring reports in the reporting period to date.

2.   <u>Summary of Internal Audit and Annual Governance Statement (AGS) Actions</u>

2.1   The summary (attached at Appendix A) is split into two parts with actions arising from internal audits and actions arising from the Annual Governance Statement.

2.2   Firstly, it provides the status of all actions arising from audit reports received over the last three fiscal years (ie, 2021/22 to date), which have been agreed by the Audit and Standards Committee.

2.3   The report provides the following details for each audit:

- Audit report title and date;
- Total number of actions arising and their prioritisation;
- Number of actions completed (by priority) subject to follow-up audit;
- Number of actions completed (by priority) for which no further follow-up is required;
- Number of actions (by priority) currently in progress; and
- Number of extensions to original completion dates that have been required in respect of all actions.

2.4   The table below explains the key to the priority grades:

RSM	High	Recommendations are prioritised to reflect RSMs assessment of risk associated with the control weaknesses.
	Medium	
	Low	

2.5   Completed actions include:

- High and medium actions where a follow up audit is required or has been successfully completed
- Low actions where a follow up audit is not required

- Superseded actions, as designated by the Auditors on follow up audit, where a new action will be included against the relevant follow up audit.

2.6 The report shows that a total of 1 High Priority, 18 Medium Priority and 22 Low Priority actions have been agreed over the reporting period by the Audit and Standards Committee, of which, 3 Medium and 1 Low are still in progress. These do not include any recommendations made in new audit reports that may be included elsewhere on this meeting's agenda, progress on those actions will be reported at subsequent Audit and Standards Committee meetings.

3. <u>Monitoring Report for Internal Audit and AGS Actions</u>

3.1 The monitoring report (Appendix B) covers:

- Outstanding, in progress, actions from previous years where there has been an approval to extend the original completion date
- Actions, in progress, from internal audit reports received during 2022/23
- Actions that have been completed since the last meeting
- Actions superseded by new, in progress, actions if not completed by the time of the follow up audit

3.2 Any actions that have been reported as completed which are subject to a follow up audit, which states the action is still outstanding will be reported to the Committee.

3.3 Completed actions that are Low risk and do not require a follow-up audit will be removed from the subsequent report.

4. <u>Exception Reporting</u>

4.1 Any internal audit and AGS actions not meeting their target completion date will be reported to the Committee to consider and approve an extension to the original completion dates. There are no extension requests on current actions.

5. <u>Organisational Risk Implications</u>

5.1 Ensuring effective internal audit arrangements and the publication of an AGS are legal requirements for the Authority. Effective processes of implementation, monitoring and reporting of actions constitutes an essential element of the Authority's governance arrangements with the overall management of organisation risk being enhanced.

GAVIN CHAMBERS
ASSISTANT CHIEF OFFICER/FRA TREASURER

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SUMMARY OF INTERNAL AUDIT AND ANNUAL GOVERNANCE STATEMENT ACTIONS

Audit Report & Date	Total Actions			Actions Completed/Superseded			Actions Currently in Progress			No of Completion Extensions Required to Date (All Actions)		
	H	M	L	H	M	L	H	M	L	H	M	L
Internal Audit Plan 2021/22												
Data Quality to support the CRMP (Feb 2022)	1	3	2	1	3	2					1	
Debrief and Organisational Learning (June 2022)		2	2		2	2						
Key Financial Controls (June 2022)		2	6		2	6						
Management of Assets (Airwave Radios) (June 2022)		1	2		1	2						
Human Resources - Grey Book Recruitment (May 2022)			1			1						1
Risk Management (June 2022)		5			5							
TOTAL	**1**	**13**	**13**	**1**	**13**	**13**	**0**	**0**	**0**	**0**	**1**	**1**

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SUMMARY OF INTERNAL AUDIT AND ANNUAL GOVERNANCE STATEMENT ACTIONS

Audit Report & Date	Total Actions			Actions Completed/Superseded			Actions Currently in Progress			No of Completion Extensions Required to Date (All Actions)		
	H	M	L	H	M	L	H	M	L	H	M	L
Internal Audit Plan 2022/23												
ICT Digitalised Systems User Proficiency (2.22/23)	0	2	2		2	2						
Key Financial Controls - Accounts Receivable (4.22/23)	0	0	3			2			1			1
Data Management (5.22/23)	0	3	2			2		3			4	
Implementation of actions from HMICRFS engagement with local community (6.22/23)	0	0	0									
Governance												
Risk Management												
TOTAL	**0**	**5**	**7**	**0**	**2**	**6**	**0**	**3**	**1**	**0**	**4**	**1**

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SUMMARY OF INTERNAL AUDIT AND ANNUAL GOVERNANCE STATEMENT ACTIONS

Audit Report & Date	Total Actions			Actions Completed/Superseded			Actions Currently in Progress			No of Completion Extensions Required to Date (All Actions)		
	H	M	L	H	M	L	H	M	L	H	M	L
Internal Audit Plan 2023/24												
Governance of the Project Management Office (1.23/24)	0	0	2	0	0	2						
TOTAL	**0**	**0**	**2**	**0**	**0**	**2**	**0**	**0**	**0**	**0**	**0**	**0**

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Summary of Annual Governance Statement Actions from 2022/23 to be completed in 2023/24			
Year	Total Actions	Actions Completed	Actions in Progress	No of completion Extensions Required to Date (All Actions)
2022/23	2	1	1	

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Action Title	Management Ac	Required Action	Current Position	Responsible owner	RAG	Due Date	Status
Data Management	(5.22/23) 2	We will review the results of the questionnaire (Data Quality Culture Survey) and identify action to be taken as a result.	The priority areas identified are around GDPR training and data handling training. GDPR Training is a mandatory e-learning module which all staff are required to complete on a regular basis. Data handling training is being covered as part of the digital literacy course being piloted and rolled out across the service as detailed in the following action (no 3). Requesting extension of delivery date to 31/03/2024.	Head of IT	Amber - Medium	30/09/2023, extension 31/12/23 , further extension agreed to 31/03/24	In Progress
Data Management	(5.22/23) 3	A data quality training needs analysis will be undertaken to identify the training requirements of each staffing group employed by the organisation. Following this the organisation will develop and implement e-learning modules on data quality to increase staff awareness and skills on how to effectively use and handle data to drive decisions and future service delivery requirements. In addition, the organisation will monitor the completion of the training and staff logged as having incomplete training will be chased and followed up by line managers.	The draft Digital and Data Literacy training guide has been produced and is now ready for critique. It incorporates the data literacy and data quality requirements needed. Two pilot training sessions in Digital Literacy have been held for operational staff in Leighton Buzzard and Kempston, to guage the effectiveness of the planned training and to assess the best methods of delivery. It is clear that one size will not fit all, and that different models of inperson/remote training will be needed, as will differentiated learning with such a wide range of digital proficiency within our teams. a draft roll-out plan has been produced and this will be refined and adopted early in the New Year. Requesting extension of delivery date to 31.03.24.	Head of IT	Amber - Medium	31/12/2023, extension agreed to 31/03/24	In Progress
Data Management	(5.22/23) 4	The Authority will develop and implement a process or system of data checks to ensure data presented is accurate, reliable, complete, and appropriately maintained in line with GDPR regulations. This will include the maintenance of a central folder to provide a clear audit trail of the source data used to populate each report where applicable	Good progress being made for the delivery by 31/03/24, with an automated approach to producing quarterly KPI metrics producing efficiency savings and increased accuracy, as well as the audit trail of data giving confidence that the reports are an accurate snapshot at the time they are generated. To clarify the requirement was to have an audited approach to the quarterly KPI metics. The Service's Data Management and Data Protection Impact Assessment policies continue to govern how data is stored and checked, with many data quality reports across the Serivce giving additional assurance for data held on individual systems.	Head of IT	Amber - Medium	31/12/2023 17.10.23 extension agreed to: 31/03/24	In Progress
Key Financial Controls - Accounts Receivable	(4.22/23)	The organisation will ensure debt chasing activities are carried out in line with documented procedures	Due to the ongoing staffing resources/changes within the Finance Department an extension is being requested.	Chief Accountant	Green - Low	31/12/2023, Extension agreed to 30/04/24	In Progress

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Summary of Actions Arising from 2022/23 Annual Governance Statement

No	Issue	Source	Planned Action	Progress to date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
1	Medium Term Budget/CRMP	Assurance Statements	An updated medium-term budget position will be presented to the FRA during 2023/24 and in February 2024 the budget for 2023/25 will be presented for approval.	Budget approved at the FRA meeting on 13.02.24.	Feb 2024	Completed
2	New Members will be joining the FRA at the AGM in June 2023.	FRA effectiveness reviews	To carry out a comprehensive induction programme for new Members.	Training programme has been ongoing through the year. The last training event is scheduled for March 2024.	March 2024	In progress

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For Publication

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
4 March 2024

SUBJECT: **FIRE STANDARDS BOARD UPDATE**

For further information   Peter Knight
on this report contact: Group Commander – Strategic Support
                               Peter.knight@bedsfire.gov.uk

Background Papers: None

Appendix	Title	Protective Marking
1	Active fire Standards implementation Data	

Implications

This table provides a short statement of the impact of the recommendations in this report or a reference to the relevant paragraphs in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	Yes	The Fire Standards tool to be added as a corporate risk register control measure
Legal Implications	No	

Privacy and Security Implications	No	
Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity, and Inclusion	Yes	People Impact Assessment completed. No negative impacts identified
Environmental Sustainability	No	
Consultation and Communication	Yes	A communication and engagement standard were released in April 23. This is currently at the service initial gap analysis stage.

PURPOSE

The purpose of this report is to present the Committee with progress with the gap analysis and integration of Fire Standards into Business as Usual (BAU)

RECOMMENDATION

 That the Committee supports the project and notes the progress made to date.

1.   **Summary**

1.1   Clear progress is being made in understanding what action we need to take to adopt fire standards. A governance framework is in place together with a clear approach for gap analysis and their sign off, with dedicated resources in the team to oversee its implementation.

1.2   Corporate Management Team (CMT) oversees the adoption of Fire Standards. The Fire and Rescue Authority's Audit and Standards Committee is the Authority's ultimate governance overseer.

1.3 The service has now completed the works required to complete the actions for the Fire Standard Emergency Response Driver Training, This has been signed off as complete by CMT. Code of Ethics has now been completed and is awaiting final sign off through the same process. Community risk management planning, Operational competence, Operational Learning and Operational preparedness are now at action plan stage. Prevention, Protection, Safeguarding and Fire investigation are awaiting gap analysis sign off with the respective head of sections. Work is currently underway with the initial gap analysis for Data management, Emergency preparedness and resilience, Leading the service, Leading and developing people, Fire control and Communications engagement and consultation.

1.4 Our implementation of the new Fire Standards is going to be a long-term project which at the moment is not able to be measured by time. We are currently bound by the release dates by the Fire Standards Board, but we have adequate resource monitoring their release and ensuring that our Service takes a full adoption of the entirety of these Standards, rather than just the essential criteria.

2. Background

2.1 The development of professional standards for Fire and Rescue Services in England is a key element of the UK government's fire reform programme. These standards provide a benchmark for what is expected of services working for their communities, and what they need to do to achieve those expectations.

2.2 At present there are 16 published fire standards with a further 3 to go under consultation this year. Each Fire Standard describes -

- What is required to meet the standard
- What the benefits are of achieving the standard
- Legal requirements
- Linked qualifications, Accreditations or Fire Standards
- Guidance or supporting materials

Fitting it all together…..

Keeping People Safe

- Roles & Responsibilities
- Career Pathways
- Competence Requirements

- Local capacity required based on community risk management planning
- Local policies, procedures
- Organisational development / transformational change work informed by Inspection outcomes

- National guidance, tools and Implementation Support and Learning
- NFCC Strategy
- Competence Frameworks

Fire Standards

Fit for the Future – communities first

- Legislation / Mandatory Duties
- National Fire Framework

Inspection – checking services are delivering to expectations (HMICFRS for England)

Continually improving

Our role and purpose

What our people need to deliver services and functions

What services should consider locally to achieve expectations and outcomes

NFCC – providing products to help services achieve - based on what works

Requirements and expected outcomes of service activities / functions

Aspirations for evolving role and improvement

Legal requirements and national policy

FIRE **STANDARDS** BOARD

2.3   His Majesty's Inspectorate of Constabulary and Fire and Rescue Service's characteristics of a 'good' service relating to Fire Standards says: *"1.4.1 The FRS (Fire and Rescue Service) understands what action it needs to take to adopt fire standards and national operational guidance, including joint and national learning. The FRS is implementing a plan to achieve this."*

3   Objectives

3.1   The Fire Standards Board objectives are to:
- Improved safety, health, and wellbeing of communities
- Maintain trust in and uphold reputation of the service
- Continuously improves the quality of service provided to the public
- Consistent application enhances professionalism and improves competence - decreases organisational risk
- Enable services to collaborate effectively with others, across borders or nationally
- Generate a more positive working culture

3.2   Our main objectives in adopting fire standards are twofold:
- Adopt and localise the appropriate standards in line with our community risk management plan; and
- Ensure time taken to understand and adopt standards delivers value for money.

4.   Governance

4.1   Group Commander Peter Knight is the single point of contact (SPOC) for all Fire Standard Board (FSB) matters moving forward. This will include leading the acceptance and internal actioning of any new or updated Fire Standards. To date the service has begun working towards 16 Fire Standards with another 3 new Fire Standards are scheduled for release during 2024.

4.2   When FSB release a standard, BFRS (Bedfordshire Fire and Rescue Service) Fire Standard Implementation Team updates the FSB tracking document to include the new standard. The initial gap analysis is then assigned to a suitable subject matter expert (SME) and respective head of section.

4.3   Each subject matter expert will utilise implementation tools provided by the Fire Standards Board to complete a gap analysis identifying the required actions for the service to meet compliance against the standard. This process is supported by both the Fire Standard Implementation Team and the appropriate Head of Section.

4.4   Once complete, the initial gap analysis is reviewed by all parties then signed off by the assigned Head of Section (HoS). This forms the service action plan to enable full adoption of the Fire Standard. The action plan is the progressed to completion, led by the HoS and SME with full support provided by the service Fire Standard Implementation Team.

4.5   Upon completion of the action plan, Head of Section presents the completed action plan to the Fire Standards Implementation Team lead who confirms and updates the Fire Standard tracker.

4.6   The Fire Standards Implementation Team presents the completed action plan at the next available CMT meeting for approval and sign off. Sign off is recorded in the meeting minutes and FS Tracker updated. Ongoing management of this process and the Fire Standard review cycle will be handed to Operational Assurance department and service's Fire Standard SPOC.

4.7   Following a recent Chief Executives Forum, BFRS have agreed to create and host an Eastern region Fire Standards forum to assist services with the implementation of Fire Standards. The group will consist of Fire Standard leads from the 6 Fire and Rescue Services in the Eastern Region. The main objectives of the forum will be to improve shared situational awareness across the region on Fire Standards, identifying opportunities for collaboration around gap analysis and implementation and to avoid duplication. The first meeting of the Eastern region Fire Standards forum was held on the 23rd of February 2023.

4.8   Functional leads for each of the 16 current fire standards are:

Standard	BFRS Functional Lead	Launched
Code of Ethics	Assistant Chief Fire Officer	18th May 2021
CRMP	Assistant Chief Officer	18th May 2021
Data Management	Head of ICT & Programmes	2nd August 2022
Emergency Preparedness and Resilience	Head of Strategic Support and Asset management	31st May 2022

Emergency Response Driving	Head of Training and Assurance	16th February 2021
Fire Investigation	Head of Prevention & Protection	31st March 2022
Operational Competence	Head of Training and Assurance	16th February 2021
Operational Learning	Head of Training and Assurance	16th February 2021
Operational Preparedness	Head of Response	16th February 2021
Prevention	Head of Prevention & Protection	30th July 2021
Protection	Head of Prevention & Protection	3rd September 2021
Safeguarding	Head of Prevention & Protection	31st January 2022
Leading the Service	Assistant Chief Fire Officer	21st December 2022
Leading and Developing People	Assistant Chief Fire Officer	21st December 2022
Fire Control	Head of Operations	31st March 2023
Communications, Engagement and Consultation	Head of Comms and External Affairs	31st March 2023

5. **Progress made to date**

5.1   A guide and training for Subject Matter Experts and Progress tracking dashboard has been developed and implemented. The Strategic Support Fire team have received training and the HSSA attended a good practice workshop in November 2022 hosted by the NFCC at Dorset and Wiltshire FRS.

5.2   How the Service will understand, localise, and adopt all Fire Standards has been integrated into all functional strategies for 2023-27 in line with our Community Risk Management Plan (CRMP).

5.3   Each gap analysis is now considered in turn:

Emergency Response Driving	Action plan is now complete, Fully compliant with Standard
Code of Ethics	Action plan is now complete, this is awaiting final sign off from CMT
Community Risk Management Planning	Gap Analysis is Signed off, this is now in the action plan stage
Operational Competence	Gap Analysis is Signed off, this is now in the action plan stage
Operational Learning	Gap Analysis is Signed off, this is now in the action plan stage
Operational Preparedness	Gap Analysis is Signed off, this is now in the action plan stage
Prevention	Gap Analysis is completed, awaiting sign off from Head of Section
Protection	Gap Analysis is completed, awaiting sign off from Head of Section
Safeguarding	Gap Analysis is completed, awaiting sign off from Head of Section
Fire Investigation	Gap Analysis is completed, awaiting sign off from Head of Section
Leading the Service	Gap analysis stage
Leading and Developing People	Gap analysis stage
Fire Control	Gap analysis stage
Comms, Engagement and Consultation	Gap analysis stage
Data Management	Gap analysis stage
Emergency Preparedness and Resilience	Gap analysis stage

6.   **Regional Approach**

6.1   Due to the common issues many FRS are facing around Fire Standard implementation, at the recent Regional CFO (Chief Fire Officer) meeting, National Fire Standard Implementation was discussed, and it was subsequently agreed that BFRS would facilitate a regional forum to assist with services implementation of the National Fire Standards.

6.2   Advantages of a regional approach include avoiding duplication, sharing gap analysis, comparing approaches to RAG ratings, and discussing opportunities for collaboration. Each CFO provided contact details for Fire Standard service leads and as a result we contacted Norfolk, Suffolk, Herts, Essex, and Cambs. This allows services to collaborate whilst undertaking gap analysis / action plans and provides a shared situational awareness.

7   Forward plan and estimated timescale to project completion

7.1 Our timescales are as follows:

- Provide updates as required to CMT and the FRA (Fire and Rescue Authority) Audit and Standards Committee on the progress made to date, including visibility of completed action plans;

- Complete all currently issued gap analysis by 01 September 2024;

- Identify common strengths, weaknesses, and conduct risk assessment of gaps line with CRMP priorities;

- Integrate known actions into functional plans in 2025-26;

- Include the overall implementation tool as a corporate risk register control measure;

- Continue to communicate and engage SMEs (Subject Matter Expert) and stakeholders in the process;
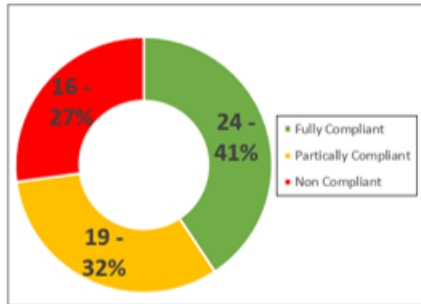
8.   Recommendation

8.1   That the Committee supports the project and notes the progress made to date.

PETER KNIGHT
GROUP COMMANDER – STRATEGIC SUPPORT

Appendix

1. **Active fire Standards implementation Data**

Initial Criteria Compliance

24 Actions fully compliant

19 Partially compliant

16 Non-compliant

Current Criteria Compliance
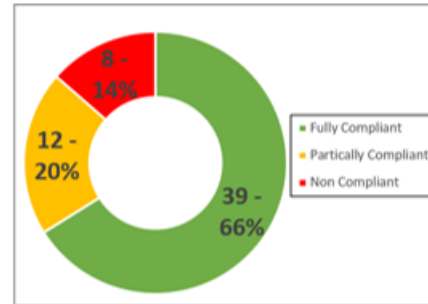
39 Actions fully compliant

12 Partially compliant
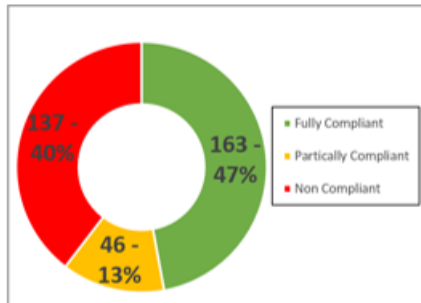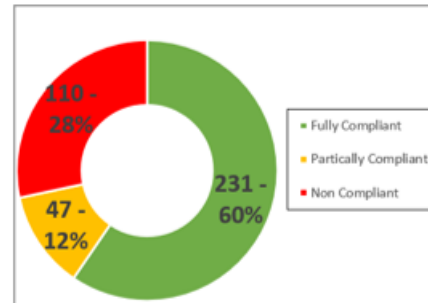
8 Non-compliant

Initial Criteria Actions Compliance

163 Actions fully compliant

46 Partially compliant

137 Non-compliant

Current Criteria Actions Compliance

231 Actions fully compliant

47 Partially compliant

110 Non-compliant

For Publication

SUBJECT:	**COPORATE RISK REGISTER**

Author and contact:	**John-Joe Pekszyc, Head of Strategic Support and Asset Management** **john.joe.pekszyc@bedsfire.gov.uk**

Background Papers:	None

Implications

	Yes / No	Impact / Reference
Financial Implications	No	Any adjustments to budgets as a result of this paper will be discussed and cost implications reported to Members in line with our Members Handbook and governance arrangements.
Risk Management	Yes	Our Corporate Risk Register is reviewed quarterly by officers and a quarterly update presented to the Audit and Standards Committee.
Legal Implications	No	Our Corporate Risk Register is reported in line with the Fire Service Act 2004 and Fire and Rescue Service National Framework 2018.
Privacy and Security Implications	No	The Corporate Risk Register is produced in line with GDPR and information security legislation. There are no privacy issues or security implications from this report.

Duty to Collaborate	No	The Policing and Crime Act 2017 requires the Authority to consider opportunities for collaboration with the police and ambulance services
Health and Safety Implications	No	Health and safety performance implications are discussed at the Health and Safety Steering Group. Any serious implications for staff and third parties will be reviewed by the Health and Safety Manager and reported to Members.
Equality, Diversity and Inclusion	No	Where performance affects people with protected characteristics under the Equality Act 2010, we will give due regard to the public sector equality duty. A People Impact Assessment (PIA) is produced for all Projects, Strategies and public events. The purpose of a PIA is to support consideration of equality and diversity issues in the design, development and delivery of activity, change, projects, procedures, guidance and technical notes across the Service
Environmental Sustainability	No	The Natural Environment and Rural Communities Act 2006 requires that a public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity. Consider the impact of the proposals on climate change, harmful emissions, consumption of resources and sustainability. The Environment Act 2021 details enforcement practices overseen by the Office for Environmental Protection if a public authority has allegedly failed to comply with environmental law.
Consultation and Communication	No	Our approach to Communications and Engagement is set out in our Comms and Engagement Strategy. This includes our principles of consultation.

PURPOSE:

To present members with an update on the Corporate Risk Register for Bedfordshire Fire and Rescue Service.

RECOMMENDATION:

Members are asked to note the contents of the report.

_____

1.   Introduction

1.1.   Managing risks, both operational and strategic, is an important part of ensuring that the resources of Bedfordshire Fire and Rescue Service (BFRS) are used to best advantage. Risk is inherent in most things that the Service does and much of its activity is already assessed and managed through the application of the operational risk management procedures. The Corporate Risk Register details risks and mitigation to ensure risk is managed appropriately and proportionately.

1.2.   The aims of Risk Management for Bedfordshire Fire & Rescue Service ("the Service") are to:

- Protect the assets of the Service
- Ensure service continuity
- Facilitate innovation and opportunity

2.   Background

2.1.   The Corporate Risk Register captures and describes the Authority's most significant risks, with a focus on reducing risks by implementing mitigating actions. It is formally reviewed and refreshed on a regular cycle by the Corporate Management Team (CMT).

2.2. The process includes the identification, assessment and recording of risks and mitigating activities which is incorporated into Service plans. The final stage of the process, once risks have been reviewed by risk owners, is for the Audit & Standards Committee to consider and comment.

2.3. Horizon scanning is used to explore potential future developments, better anticipate risks and emerging trends that might affect the Service. It helps by taking a longer-term strategic approach and makes present plans more resilient to future uncertainty. The Corporate Risk Register incorporates horizon scanning incorporates input from a wide range of sources including internal stakeholders, the NFCC Business Continuity Group and from our internal auditors, RSM.

3. <u>Corporate Risk Register</u>

3.1. The corporate risk register has 15 high level risks, four of these are BFRS specific in addition to risks identified by the NFCC Business Continuity Group.

The risks are:

1. Loss or Lack of staff
2. Insufficient funding
3. Loss of Utilities
4. Loss of ICT
5. Death or Serious injury of…
6. Change in national legislation or guidance requiring additional workloads above BAU, to assess implement and embed
7. Loss, withdrawal or inability to access critical systems or service suppliers
8. Loss of Service Premises
9. Failure to appropriately manage an event, situation or incident that leads to a loss of public confidence in the Fire Service
10. Primary and secondary impacts of climate change requiring adaptation and mitigations beyond the Service's core budget
11. Loss, inability to access, or damage to physical or electronic data (Data Breach)
12. Ineffective prioritisation/ co-ordination of competing key initiatives, workstreams and programmes

13. Failure to collaborate effectively
14. Inability to drive cultural change on equality, diversity and inclusion and respond to issues, queries, complaints that arise in a timely and efficient manner
15. Failure to leverage timely and accurate core data from internal and external sources

3.2. The Corporate Risk Registers includes only the risks that have a significant impact on the Fire and Rescue Authority (FRA) to deliver its Fire and Rescue services. The Corporate Risks which are categorised as:

- 5 Very High Risks
- 5 High Risk
- 5 Moderate Risks

3.3 The highest risk to the Service currently is recorded as the Service being in receipt of insufficient funding.

4. <u>Updates since January 2024</u>

4.1. The Corporate Risk Register was last presented to Members at the Audit and Standards Committee of the 4th January 2024.

- Since January 2024 there have been no new risks added to the register.
- Since January 2024 there have been no risks removed from the register.
- Since January 2024 there have been no changes to the scoring (Impact and Likelihood) of any of the existing risks on the register.

4.2 Additonal consequences and exposures have been recorded for risk 6 – "Change in national legislation or guidance requiring additional workloads above BAU, to assess implement and embed."

- The register records the Government's response to the fire reform white paper which sets out a Home Office commitment to support a single point accountability for Fire and Rescue Services.
- The register notes the consequences of a potential future change of the Governence for Bedfordshire Fire and Rescue Service.

- Mitigating actions for this risk include the enhanced engagement with Government, NFCC and local elected officials.
- The Government's response to the fire reform white paper was not assessed as sufficient to change the risk score.

4.4   Additonal consequences have been recorded for risk 14 – "Inability to drive cultural change on equality, diversity and inclusion in a timely and efficient manner."

- Since the register was last seen by Members the Service has considered the Independent Culture Review Publication for South Wales Fire and Rescue Service. As a result of the publication, the Welsh Government has intervened to replace the FRA and confer all of the functions of the FRA to 4 Commissioners.
- The register notes potential for increased scrutiny in FRA oversight of culture.
- The publication of the Independent Culture Review Publication for South Wales Fire and Rescue Service was not assessed as sufficient to change the risk score.

5.   Review

5.1.   The Corporate Risk register will continue to be reviewed regularly and results reported to Members every quarter.

JOHN-JOE PEKSZYC
HEAD OF STRATEGIC SUPPORT AND ASSET MANAGEMENT

For Publication

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
4 March 2024

SUBJECT: **WORK PROGRAMME 2024-25**

Author and contact: **Nicky Upton, Democratic and Regulatory Services Supervisor**
Democratic.services@bedsfire.gov.uk

Background Papers: None

Appendix	Title	Protective Marking
1	Audit & Standards Committee Work Programme	N/A

Implications

This table provides a short statement of the impact of the recommendations in this report and/or a reference to the relevant paragraph/s in the report.

Will this report affect any of the following?

	Yes / No	Impact / Reference
Financial Implications	No	
Risk Management	No	
Legal Implications	Yes	Meetings/committees set in accordance with The Bedfordshire Fire Services (Combination Scheme) Order 1996 (now amended by Variation Order 2012) in order to carry out functions specified within the Fire and Rescue Services Act 2004
Privacy and Security Implications	No	

Duty to Collaborate	No	
Health and Safety Implications	No	
Equality, Diversity and Inclusion	No	
Environmental Sustainability	No	
Consultation and Communication	Yes	Agenda items will be either statutory items for consideration, topical items or other subject matters raised via Corporate Management Team and/or Principal Officer discussions. Following initial liaison with the Chair of the Meeting/Committee, items will be added to the respective work programme with Fire Authority Members being given the opportunity at each meeting to request any additional topics for consideration or training requirements

PURPOSE:

To review and report on the work programme for 2024-25 and to provide Members with an opportunity to request additional reports for the Audit and Standards Committee meetings.

RECOMMENDATION:

It is recommended that the work programme for 2024-25 and the 'cyclical' Agenda Items for each meeting in 2024-25 be noted.

GAVIN CHAMBERS
ASSISTANT CHIEF OFFICER/FRA TREASURER

AUDIT AND STANDARDS COMMITTEE - WORK PROGRAMME 2024/25

Audit & Standards Committee Meeting Date 30.07.24	Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
		Election of Vice Chair		
		Communications		
		ASC minutes from 04.03.24		
		Audit Results Report (E&Y)(Results of 2022/23 audit including any matters outstanding)		
		2022/23 Statement of Accounts and Annual Governance Statement		? Await E&Y for updated timescales
		Pre-Audit 2022/23 Annual Governance Statement, Statement of Accounts and Letter of Representation		
		Internal Audit Annual Report 2023/24		
		Internal Audit Progress Report 2023/24 and 2024/25		
		Internal Audit Actions Update		
		Update to the Authority's Finance Regulations (Biennial review - due 2024)		
		Local Pension Board Biennial Report (due 2025)		
		Corporate Risk Register		
		Annual Corporate Risk Register		**Restricted**
		Work Programme		
	Additional/Commissioned Items			

Audit & Standards Committee Meeting Date 26.09.24	Cyclical Agenda Items	Agenda item (locked for editing)	ACO Review (select from drop down list)	Notes
		Communications		
		ASC Minutes from xx.07.24		
		Internal Audit Progress Report		
		Internal Audit Actions Update		
		Statement of Assurance		
		Review of Monitored policies		As per BSM, next review to be September/October 2024 so BFRS provides a full year of figures (ie aligns to financial year not calendar year)
		Fire Standards Board update		
		Corporate Risk Register - Exception Report		**Restricted**
		Work Programme		
	Additional/Commissioned Items			

Audit & Standards Committee Meeting Date 03.12.24	Cyclical Agenda Items	Agenda item (locked for editing) Communications ASC Minutes from xx.xx.24 Internal Audit Progress Report (RSM) Internal Audit Actions Update Review of the Effectiveness of the Fire & Rescue Authority's Internal Auditors (next bi-annual review due December 2025) Report on Registration of Interests and Gifts/Hospitality Corporate Risk Register - Exception report Work Programme	ACO Review (select from drop down list)	Notes Restricted
	Additional/Commissioned Items	Add 'KPMG Quality and Assurance Processes' to ASC March 2025		