



# BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Follow Up

REVISED FINAL

Internal Audit Report: 7.15/16

26 May 2016



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	19 April 2016		
<b>Draft report issued</b>	19 April 2016		
<b>Responses received</b>	25 May 2016	<b>Client sponsor</b>	Alison Ashwood - Head of Strategic Support Karen Daniels - Audit and Performance Manager
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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

# 1 EXECUTIVE SUMMARY

## 1.1 Introduction

As part of the approved Internal Audit Plan for 2015/16 we have undertaken a review to validate the status of management actions within the Authority's action tracking system. The actions considered during this audit were from the following reports:

- Follow Up (7.14/15);
- Training and Development of Operational Staff (2.15/16)
- Procurement (3.15/16);

Three 'High' and seven 'Medium' priority actions were considered as part of this review.

Staff members responsible for the implementation of actions have been interviewed to determine the status of agreed actions. Where appropriate, audit testing has been completed to assess the level of compliance with this status and the controls in place.

## 1.2 Conclusion

Taking account of the issues identified in this report, in our opinion management have demonstrated **reasonable progress** in implementing agreed management actions.

Through the work we performed we were able to confirm that seven of the ten management actions had been fully implemented, furthermore one had also been superseded and replaced with a new management action. The remaining actions were partially implemented with the final action due to be completed in June 2016 and March 2017.

Details of the new action and all the restated actions are included in Section 2 of this report.

## 1.3 Action Tracking

Action tracking enhances an organisation's risk management and governance processes. It provides management with a method to record the implementation status of actions made by assurance providers, whilst allowing the Audit and Standards Committee to monitor actions taken by management.

Action tracking is undertaken by the Authority's management on a routine basis, with an update provided to the Audit and Standards Committee at each meeting. As part of our Follow Up Review, we have verified this information and completed audit testing to confirm the level of implementation stated and compliance with controls. Of the two management actions where we found that implementation of the action was still ongoing we confirmed that one was reported to the Authority as such, the other had been reported, but was not considered to be embedded and therefore another action has been agreed.

Further details of the actions carried forward are provided in Section 2 of this report.

## 1.4 Progress on Actions

Implementation status by review	Number agreed	Status of management actions				
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	Not Due (5)
Follow up (7.14/15)	6	5	1	0	0	0
Training and Development of Operational Staff (2.15/16)	2	0	1	0	1	0
Procurement (3.15/16)	2	2	0	0	0	0
<b>Total</b>	<b>10</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>

Implementation status by management action priority	Number of actions agreed	Status of management actions					Confirmation as completed or no longer necessary (1)+(4)
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)		
High	3	2	1	0	0	2	
Medium	7	5	1	0	1	6	
Low	0	0	0	0	0	0	
<b>Total</b>	<b>10</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>8</b>	

## 2 FINDINGS AND MANAGEMENT ACTIONS

This report has been prepared by exception. Therefore, we have included only those actions graded as 2, 3 or 5. Each action followed up has been categorised in line with the following:

Status	Detail
1	The entire action has been fully implemented.
2	The action has been partly though not yet fully implemented.
3	The action has not been implemented.
4	The action has been superseded and is no longer applicable.
5	The action is not yet due.

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
1	<p><b><u>Follow up (7.14/15)</u></b></p> <p><b><u>Fuel Cards (3.14/15)</u></b></p> <p>To improve control around the fuel reserve log, the Authority need to ensure that:</p> <p>1) The spreadsheet is consistently used by each station to prevent illegible records;</p> <p>2) The spreadsheet should be maintained via SharePoint, to allow document history to be monitored;</p> <p>3) Periodic fuel check or meter readings</p>	31 March 2015	Medium	1	<p>We confirmed as part of the review that spreadsheets were being completed and were accessible.</p> <p>We confirmed by reference to a review of the Kempston Station log that this had been signed by the Officer confirming accuracy and then signed by the station commander as evidence of review.</p> <p>The wider action in respect to implementation and additional controls including the potential of using Sharepoint was completed and moved to business as usual. This does not appear to have been embedded and</p>	2	<p><b>Updated Management Actions</b></p> <p><b>New Action</b> The authority to undertake a review of the consistency and effectiveness of fuel reserve control activities to ensure these are effective and embedded, taking advantage of appropriate technologies to reduce manual systems.</p>	Medium	March 2017	Head of Operational Support

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
	<p>should implemented on each fuel reserve, to reconcile to the total quantity of fuel held.</p> <p>Records should be updated to demonstrate this has been completed; any discrepancies should be investigated and escalated appropriately.</p>				<p>consequently the practices have not been consistently adopted during changes in personnel. Since his appointment, the current Area Commander with responsibility for this area of operations has instigated additional checks that have addressed the issue of a monthly audit of fuel held at each location. A wholesale review of the process is planned taking advantage of appropriate technologies to enhance controls and reduce manual systems. A new Management action is stated to this effect.</p>		<p>This should include</p> <ol style="list-style-type: none"> <li>1. recording (logs), monitoring and historical data,</li> <li>2. periodic fuel checks or meter readings;</li> <li>3. reconciliation of records to the total quantity of fuel held;</li> <li>4. appropriate investigation and escalation of discrepancies.</li> </ol>			
2	<p><b><u>Training and Development of Operational Staff (2.15/16)</u></b></p> <p>The Head of Operations, with the aid of the Training and Development Team, will develop a strategy and action plan to engage assessors and increase the quality and volume of</p>	<p>December 2015 (Plan)</p> <p>March 2016 (compliance)</p> <p>June 2016 (audit)</p>	High	1	<p>Through discussion with the Training and Development Manager we noted a plan has been established with regards to engaging assessors and increasing the quality and volume of assessments. This was actioned by the Borough Commander North in February 2016 and email evidence was obtained.</p> <p>We confirmed that presentations had been carried out to the Station Commanders regarding the results of the Training and Development of</p>	<p>Plan - 1</p> <p>Audit – 2</p> <p>Overall – in progress (2)</p>		High	June 2016	Head of Training and Development

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
	<p>assessments undertaken on PDRPro with regards to both competence completion and the achievement of training outcomes.</p> <p>Regular audits will be undertaken to provide assurance that assessments and verifications are taking place to ensure PDRPro clearly demonstrates competence and the achievement of training outcomes.</p>				<p>Operational Staff audit, with a particular focus on increasing the quality and volume of assessments on PDRPro. We confirmed with the Training and Development Manager that these presentations were provided to engage assessors. Assessors will also be required to complete training to increase engagement.</p> <p>We noted that the service is in discussions with PRDPro regarding a new training element to be added to the system, which allows managers to track the competence and completion of training of their team. This will be RAG rated to evidence compliance.</p> <p>We were therefore satisfied that the Authority had developed an action plan to engage assessors and increase the quality and volume of assessments.</p> <p>We noted that the action regarding regular audits to be undertaken was not due until June 2016. However, we confirmed that Commanders were required to hold station management meetings and invite the Workplace Commander to give presentations on the assessment and verifications on PDRPro. Once the presentations are completed, the Station Commanders will produce</p>					

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
					development plans for Watch Commanders to carry out regular testing on the assessment and verifications of PDRPro. This is accurate to the report to the Audit and Standards Committee therefore we have not reiterated the action.					
3	<b><u>Training and Development of Operational Staff (2.15/16)</u></b>  The service will continue discussions with PDRPro to develop the ability to run reports which can provide assurance that assessments and verifications are being undertaken.	March 2016 - compliance  June 2016 (Audit)	Medium	2	We confirmed through discussions with the Training and Development Manager that the service are still in discussions regarding the ability to run reports with PDRPro.  We were advised that discussion with PDRPro on having an ability to run reports on assessment and verification had resulted in a cost-prohibitive quotation for the necessary development work and a lack of certainty around the quality of outcome at this time.  It was proposed that a manual process would be implemented whilst solutions were sought.  We have concluded that the original action has been superseded and a new action has replaced it based on the information provided.	4	The Service will continue to work with PDRPro to develop a report running solution and in the meantime a manual reporting process will be achieved using sampling and presented within the 6-month report to SDMT.	Medium		Head of Training and Development



# APPENDIX A: SCOPE

## Objectives and risks relevant to the scope of the review

The internal audit assignment has been scoped to provide assurance on how the College manages the following area.

### Objective of the area under review

To ensure outstanding actions agreed as part of previous internal audits performed within the College have been actioned.

## Additional management concerns

None noted.

## Scope of the review

The three 'High' and seven 'Medium' priority recommendations considered as part of the follow up review are from the following reports:

- Follow Up (7.14/15);
- Training and Development of Operational Staff (2.15/16)
- Procurement (3.15/16);

We will not be reviewing the 11 'low' priority recommendations raised during the following reviews:

- Communication (4.14/15), 1 low priority recommendation
- Performance Management (5. 14/15), 1 low priority recommendation
- Business Continuity including Risk Management (1.15/16), 2 low priority recommendations
- Training and Development of Operational Staff (2.15/16), 5 low priority recommendations
- Procurement (3.15/16), 2 low priority recommendations

Staff members responsible for the implementation of recommendations will be interviewed to determine the status of agreed actions. Where appropriate, audit testing will be completed to assess the level of compliance with this status and the controls in place.

### The following limitations apply to the scope of our work:

This review only covered audit recommendations previously made and did not review the whole control framework of the areas listed above. Therefore, we are not providing assurance on the entire risk and control framework of those areas;

Where testing was undertaken, our samples were selected over the period since actions were due to be implemented or controls enhanced; and

Our work did not provide any guarantee or absolute assurance against material errors, loss or fraud.

## APPENDIX B: ACTIONS COMPLETED

From the testing conducted during this review we have found the following actions to have been fully implemented and are now closed:

Assignment title	Management action
Follow Up (7.14/15) Partnerships (1.13/14)	An annual overarching review of partnerships should be performed by the Service and presented to the authority to determine the success of partnerships. The success should include a link to costs and benefits realisation. This review process should also include a gap analysis to determine whether there are any potential emerging partnerships the Service should explore.
Follow Up (7.14/15) Fleet and Equipment Asset Tracking (2.14/15)	<p>The Authority should evaluate the use and application of the following possible methods of improving its data capture and the record keeping of its operational equipment:</p> <ul style="list-style-type: none"> <li>• Produce and implement an improved spreadsheet, this could be an access database that ensures that sufficient information is captured in a consistent form so the information can be easily sorted and filtered as required.</li> <li>• Implement and use the Authority's existing asset management system.</li> <li>• Procure a new asset management system.</li> </ul> <p>The Authority should also consider the application of a barcoding system or portal devices to improve efficiency and accuracy enough to justify the additional cost.</p>
Follow Up (7.14/15) Fleet and Equipment Asset Tracking (2.14/15)	<p>The Authority must undertake an exercise to document and ensure that all equipment that requires safety/service checks are recorded and that such checks are not overdue.</p> <p>In order for this process to be completed efficiently and quickly we would strongly recommend the following approach is taken:</p> <p>The Technical Team should produce a data capture spreadsheet based on the required fields within the MIS system. This would allow the information to be captured consistently and possibly allow the software developer to import the data in to the MIS system.</p> <p>The spreadsheet should then be issued to the stations and stores to populate the data about the equipment they hold and then returned to the technical team (The Service has decided not to do this, see Management comment and amend this bullet point) The returned spreadsheets should then be combined into a single central record and securely protected.</p> <p>The records should then be cross referenced back to the paper record to safety inspection reports to ensure that all equipment that requires a safety check has had one in the required time frame. If any exceptions are found, they should be taken out of use until the checks can be completed.</p>
Follow up (7.14/15) Fuel Cards (3.14/15)	When an Authority vehicle is disposed, or when a member of staff assigned a fuel card leaves the Authority, the Authority need to ensure that Fuel Cards are cancelled and disposed of in a timely manner. Additionally, cards that have expired or been cancelled should be destroyed in a timely manner.

Assignment title	Management action
Follow up (7.14/15) Fuel Cards (3.14/15)	Following the submission of the annual statement from Allstar, the Authority should perform a formal reconciliation exercise to validate that the details on the annual statement agrees to Authority records, especially around those cards that should be cancelled.
Procurement (3.15/16)	The Authority has enquired with ISC to establish if a report is available from the system detailing all approval limits. It is not and therefore a system of spot checking limits will be introduced and a cycle of periodically reviewing and checking these.
<b><u>Procurement (3.15/16)</u></b>	<p>The Authority will ensure that for all contracts between £2k and £10k a minimum of three quotes and/or market evidence of best value are obtained and retained. In addition for all contracts between £10k and £50k, the appropriate written quotes are received and processed through the Bluelight system for E-Tendering.</p> <p>Alternatively, the Authority will ensure that the appropriate waiver forms are completed and approved in line with the Authority's procedure to ensure value for money is being considered.</p>

# FOR FURTHER INFORMATION CONTACT

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