

# BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

## Internal Audit Progress Report

**3 March 2022**

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## Progress against the internal audit plan 2021/22

The Internal Audit Plan for 2021/22 was approved by the Audit & Standards Committee July 2021. One audit has been finalised since the last meeting. The audits highlighted in bold have been finalised since the last meeting. Copies of the executive summaries and action plans are included as an appendix to this report.

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Planned Timing (as per ANA)
		L	M	H	
<b>Data Quality to support the Community Risk Management Plan</b>	<b>Final Report – Partial Assurance</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>Q3</b>
Debrief and Organisational Learning	Draft Report – Issued 18 November 2021				Q2
Key Financial Controls	Work complete – awaiting final feedback from the organisation				Q3
Management of Assets	To commence 16 February 2022				TBC
Risk Management	To commence 1 March 2022				Q2/3
Human Resources – Grey Book Recruitment	To commence 23 March 2022				Q4
Follow up	To commence 24 March 2022				Q4

## Other matters

### Head of Internal Audit Opinion 2021/22

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. We have issued one negative opinion to date in relation to the Data Quality to support the Community Risk Management Plan.

### Changes to the audit plan

The review of HR - Grey Book Recruitment, due to commence in February 2022 has been postponed to March 2022 to enable sufficient time for the current recruitment campaign to have been completed.

### Information and briefings

We have issued the following client briefings since the last Audit & Standards Committee:

- Emergency Services News Briefing November 2021
- RSM's Conformance with the IIA Standards and Codes of Practice

### 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.

## **Appendix A – Executive summaries and action plans from finalised reports (High and Medium priority actions only)**

# EXECUTIVE SUMMARY – DATA QUALITY TO SUPPORT THE COMMUNITY RISK MANAGEMENT PLAN (CRMP)

## Why we completed this audit

As part of the agreed Internal Audit Plan for 2021/22 at Bedfordshire Fire and Rescue Authority (the Authority), we undertook an audit of Data Quality to support the Community Risk Management Plan (CRMP). The objective of the audit was to review how the Authority is using data and evidence to drive decision making with a focus on the CRMP.

The Authority has a four-year CRMP produced by the Deputy Chief Fire Officer in 2019 in line with the Fire and Rescue National Framework for England. The Authority has incorporated risks into its CRMP from community and national risk registers produced by the National Fire Chief Council (NFCC) and the Local Resilience Forum (LRF). The Authority has the following six strategic aims outlined in its CRMP: preventing, protecting, responding, empowering, utilisation and maximising. There are a number of KPIs linked to the strategic aims with performance ultimately reported to the Fire Authority meeting on a quarterly basis.

The Service Assurance Framework outlines the roles and responsibilities associated with the CRMP. The CRMP is developed in line with the Authorities Medium-Term Financial Plan. The Authority has a Corporate Dashboard and a Business Management Information System (BMIS) which both pull data from source systems for KPI reporting, BMIS is due to go live in April 2022.

## Conclusion

Overall, we have identified weaknesses in compliance with the control framework in place to use data to support the CRMP. We found that the Authority has not transparently considered key risks identified in national and local risk registers within the CRMP. Additionally, we found that actual KPI performance reported to the Fire Authority did not trace accurately back to source data through sample testing. The Service Assurance Framework required an update in relation to the CRMP and evidence of discussions related to the newly identified CRMP priorities should be retained.

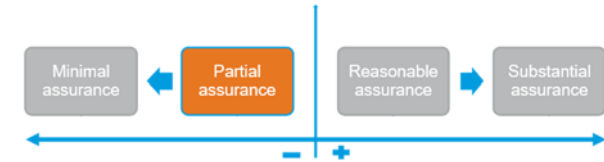
We have also identified scope for improving efficiency or quality in relation to assigning actions to improve KPI performance and the use of achievable and realistic KPI targets.

We did, however, confirm that the CRMP was aligned with the national framework and key internal strategic documents such as the Medium-Term Financial Plan. Also, we confirmed that projects within the CRMP the action plan were reviewed at the Corporate Management Team (CMT) and Project Management Office (PMO) meetings.

**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 area are suitably designed, consistently applied or effective.

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

**Key findings**

We identified the following weakness that resulted in the agreement of one high and three medium priority management actions:

**Risk Analysis**

The Authority's risks are included in the Community Risk Analysis (CRA) document, which is referenced in the CRMP, two key sources of risks are NFCC and LRF risk registers. We sample tested five risks from each register and found that overall, there were five risks excluded from the CRMP and CRA without any reasoning documented for their exclusion.

There is a risk that threats to the local community may have not been adequately considered, if relevant risks are excluded from the CRMP without reasoning documented. **(High)**

**Accuracy of CRMP KPIs**

The Authority reports KPIs to the CMT and Fire Authority, data is pulled from core systems such as the National Incident Reporting System (IRS) using SQL Server. We sample tested 10 KPIs reported to the Fire Authority between July and December 2021 and were unable to trace the KPI accurately back to source in eight cases, this was due to data not being provided as it was not retained centrally and discrepancies arising from retrospective recording of activity.

Although we note that in April 2022 the Authority is rolling out the BMIS system to help resolve this issue, if the Authority cannot demonstrate the accuracy of KPIs reported to the Fire Authority then there is a risk that key decisions could be made based upon unreliable data, this could result in inadequate decision making, or inefficient allocation of resources. We have taken into account the implementation of the BMIS system in the priority of the actions. **(Medium)**

### Review of CRMP Priorities



The Authority has agreed on five CRMP priorities through the CMT. We reviewed the CMT meeting minutes for three meetings in September and one meeting in November and December 2021, we found that there was no reference to discussions around the progress made in achieving the five priorities in all five meetings.

Although we recognise that the Authority have identified its priorities, there is a risk that they may not be achieved if progress related to their delivery is not regularly discussed through the governance structure. **(Medium)**

### Service Assurance Framework



The Service Assurance Framework is the key document associated with outlining responsibilities and requirements in relation to the CRMP. However, we found that in the lifecycle, responsibilities of the Head of Strategic Support Assurance and approval of the CRMP was not accurately documented in the Service Assurance Framework.

Due to this, there is a risk that staff may be unaware of their responsibilities in relation to the CRMP and the CRMP may not be appropriately reviewed and monitored. **(Medium)**

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



#### National Framework

The Service do not have an internal CRMP guidance document but follow the Home Office Fire and Rescue National Framework for England as a guideline instead, which details how the CRMP should be compiled and what should be included. We reviewed the Authority CRMP and confirmed that it followed the structure outlined in the national framework, which included a prevention, protection, and response strategy.



#### Links to Strategic Documents

The Authority has a Medium Term Financial Plan (MTFP) and a Service Improvement Plan (SIP). Through review of the MTFP we confirmed that it was linked to the CRMP as it stated in the document that the planning process aligns financial planning with strategic and integrated risk management planning processes, the key outcomes of which are captured in the CRMP. We noted that MTFP and CRMP stated that the financial implications of the CRMP are fully integrated into the annual budget plan and the MTFP, we confirmed that the MTFP and CRMP were aligned. The Authority's SIP comes from its Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspection in August 2018. Through review of the CRMP, we confirmed that the January 2021 action plan in response to the inspection was clearly referenced and linked to the document. The Authority do not maintain an annual service plan but instead have an annual action plan included in the appendix of the CRMP document.





### **CRMP Projects and Actions**

There is an annual action plan linked to the CRMP which is monitored through the CMT and the Project Management Office (PMO) meetings. We reviewed the November 2021 CMT meeting minutes and papers which contained updates on the annual CRMP action plan. We confirmed that the updates demonstrated review of the CRMP action plan. We noted that discussions related to a total of 16 actions included in the paper including those first agreed in 2019/20 and 2020/21. Updates related to where each project was in terms of completion.

We reviewed the December 2021 action log for the PMO meetings. We confirmed that the action log demonstrated that actions had been assigned in relation to CRMP projects. We confirmed that the 10 actions assigned in October and December were SMART and clearly assigned an action owner and due date.



### **BMIS**

BMIS is due to go live in April 2022 and therefore did not contain the data to allow us to carry out consistency testing for our sample of KPIs traced to source data and the corporate dashboard. We instead carried out a walkthrough of the BMIS system which was operating in a test mode.

We were advised by the Service Performance Analyst that BMIS will have the same data source as the corporate dashboard as it will also use SQL Server to pull data from source systems. Through review of BMIS we noted that it presented data in the form of charts for different KPIs, had functionality to link KPIs to specific objectives and risks, had a section highlighting specific KPIs that would require improvement as well as containing an action tracking facility to help facilitate the use actions to assist in delivering against CRMP objectives.

**We also agreed two low priority management actions which are detailed in Section Two 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.

### Risk Analysis

<b>Control</b>	<p>The Authority methodology for assessing risks to include in the CRMP includes two main external sources:</p> <ul style="list-style-type: none"> <li>• The first is to review national risks through the NFCC national guidance on community risk and the National Risk Register.</li> <li>• The second source is through the LRF, which is attended by the Police, Council and other corporate organisations in Bedfordshire and they produce an annual community risk register.</li> </ul> <p>The CRMP contains a link to a CRA document which was created in February 2019 to support the CRMP, it incorporates risks from the sources highlighted above.</p>	<p><b>Assessment:</b></p> <p><b>Design</b> ✓</p> <p><b>Compliance</b> ×</p>
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<b>Findings / Implications</b>	<p>We selected a sample of five risks from the 2020 National Risk Register which were: Flooding, Widespread Electricity Failure, Major Fires, COVID-19, and Earthquakes.</p> <p>We confirmed that in four cases the risks were recorded within the CRMP or CRA document. However, we found that the earthquakes risk was excluded from the CRMP and CRA without any reasoning documented.</p> <p>We noted that CRMP and CRA were produced prior to the 2020 National Risk Register but noted that the risk around earthquakes was also included in the 2017 National Risk Register.</p> <p>We selected a sample of five risks from the 2021 LRF risk register which were: Failure of the national electricity transmission system, Storms, Influenza-type pandemic, and Public Disorder.</p> <p>We confirmed that in one case, the risk was recorded in the CRMP.</p> <p>However, we found that the following four risks were excluded without reasoning documented:</p> <ul style="list-style-type: none"> <li>• Failure of the national electricity transmission system; and</li> <li>• Public Disorder.</li> </ul> <p>We noted that the radiological attack and electricity transmission system risks were locally assessed as having a red RAG rating. Storms and public disorder were yellow. Therefore, we would expect these to be included, or have a specific documented reason for not being included.</p> <p>There is a risk that threats to the local community may have not been adequately considered, if relevant risks are excluded from the CRMP without reasoning documented.</p>
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<b>Management Action 1</b>	The Authority will ensure that all relevant nationally and locally identified risks are included within the CRMP or CRA, where risks are excluded the reasoning will be clearly documented.	<b>Responsible Owner:</b> Steve Frank (Head of Strategic Support & Assurance)	<b>Date:</b> July 2022	<b>Priority:</b> High
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## KPIs

<b>Control</b>	The Authority have five main objectives linked to CRMP for which there are 72 KPIs linked to the delivery of the objectives. The Authority reports KPIs to the CMT and Fire Authority, the data is pulled from core systems such as the National Incident Reporting System (IRS) using SQL Server.	<b>Assessment:</b>	
		<b>Design</b>	✓
		<b>Compliance</b>	×

## Findings / Implications

We selected a sample of 10 KPIs which were reported to the Fire Authority between July and December 2021.

We reviewed source systems including the Corporate Dashboard and the SQL Service database and confirmed that in two cases the reported figure agreed to source data. However, we found that in three cases the figures reported did not agree to source data. These were:

- The number of primary fire injuries where victim went to hospital with a discrepancy – reported as 16 in December 2021, actual 17;
- The total number of primary fires – reported as 731 in July 2021, actual 726; and
- The percentage of Building Regulations consultations completed on time – reported as 78 per cent in July 2021, actual 84.48 per cent.

We were advised by the Service Performance Analyst that following investigation the reason for these discrepancies was due to activity being recorded late or being reclassified after the event. For the five remaining KPIs we were not provided with source data during the course of our review, the KPIs were compiled by the wider organisation and not by the central reporting team:

- Percentage of station based operational staff that have attended WFR course within the last 3 years;
- Percentage of outstanding debt over 90 days old;
- The Number of Incidents on Administration Services resolved within 8 Hour;
- Number of serious accidents (over 28 days) per 1000 employees; and
- The percentage of working time lost due to sickness (excludes RDS/On-Call).

We were advised that the Authority was aware of potential issues in this area and that the BMIS system was being implemented to help resolve this. Full rollout of BMIS for all CRMP KPIs is expected in April 2022.

If the Authority cannot demonstrate the accuracy of KPIs reported to the Fire Authority then there is a risk that key decisions could be made based upon unreliable data, this could result inefficient allocation of resources.

<b>Management Action 2</b>	The Authority will ensure that it retains accurate supporting data for all figures reported to the Fire Authority.  This will be aided by BMIS and will include maintaining a clear audit trail of the data used at the time of reporting.	<b>Responsible Owner:</b> Steve Frank (Head of Strategic Support & Assurance)	<b>Date:</b> April 2022	<b>Priority:</b> Medium
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### Service Assurance Framework

<b>Control</b>	The Service Assurance Framework should outline the roles and responsibilities associated with the CRMP and its lifecycle, however, the document is not up to date.  The Deputy Chief Fire Officer formed the current CRMP and the Head of Strategic Support and Assurance are in charge of compiling the next CRMP.	<b>Assessment:</b>	
		<b>Design</b>	✓
		<b>Compliance</b>	×

<b>Findings / Implications</b>	<p>We reviewed the Service Assurance Framework and we found that the lifecycle of the CRMP was not documented.</p> <p>If the CRMP lifecycle is not stated within the Service Assurance Framework then there is a risk that CRMP progress will not be tracked and monitored effectively.</p> <p>We also noted that the Service Assurance Framework outlined that the Head of Strategic Support Assurance had responsibilities of managing audits. However, we found that their responsibilities regarding the CRMP were not documented.</p> <p>There is a risk that staff may be unaware of their responsibilities regarding the CRMP.</p> <p>We also noted that the Service Assurance Framework did not outline who can approve the CRMP. We were advised by the Head of Strategic Support and Assurance that the Service Assurance Framework was outdated and due for a review.</p> <p>If the Authority does not outline who can approve the CRMP, there is a risk that the CRMP may not be adequately reviewed.</p>
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<b>Management Action 3</b>	The Authority will update the Service Assurance Framework to include the lifecycle of the CRMP, the responsibilities of key responsible personnel and the details of how the CRMP is approved.	<b>Responsible Owner:</b> Steve Frank (Head of Strategic Support & Assurance)	<b>Date:</b> July 2022	<b>Priority:</b> Medium
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## Review of CRMP Priorities

<b>Control</b>	<p>The Authority undertook a prioritisation exercise to help it focus on key objectives. There was initial 39 objectives but the exercise was used to decide the top five priorities.</p> <p>It was carried out through the use of the CMT and the members scored the objectives using their professional judgement. The five highest scores were taken to determine the five objectives.</p>	<p><b>Assessment:</b></p> <p><b>Design</b> ✓</p> <p><b>Compliance</b> ×</p>	
<b>Findings / Implications</b>	<p>We obtained the CRMP prioritisation exercise results from April 2021 which were presented in a spreadsheet, each CMT member completed a form which was used to populate the results. We noted that five priorities were identified as the key priorities.</p> <p>We reviewed the CMT meeting minutes for three meetings in September and one meeting in November and December 2021. We found that there was no reference to discussions around the progress made in achieving the five priorities in all five meetings.</p> <p>Although we recognise that the Authority have identified its priorities, there is a risk that they may not be achieved if progress is not regularly discussed through the governance structure.</p>		
<b>Management Action 4</b>	<p>The Authority will ensure that updates on the progress made against its five CRMP priorities are discussed through the governance structure.</p>	<p><b>Responsible Owner:</b></p> <p>Steve Frank (Head of Strategic Support &amp; Assurance)</p>	<p><b>Date:</b> 1 April 2022</p> <p><b>Priority:</b> Medium</p>

## For more information contact

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