



Bedfordshire Fire and Rescue Authority

Internal Audit Progress Report

17 October 2023

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

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



1 Progress against the internal audit plan

The Internal Audit Plan for 2023/24 was approved by the Audit & Standards Committee March 2023. One audit has been finalised since the last meeting, highlighted in bold below. One report is in draft awaiting management responses and one review 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	Draft – Issued 14 September 2023				Q2
Contaminants and staff health and safety	In Progress				Q1
Key Financial controls	Previously planned 26 October 2023 – revised date TBC - see note below				Q3
Stock control in stores and technical bay	To commence 15 January 2024				Q4
Follow Up	To commence 4 March 2024				Q4

2 Reports

Summary of final reports being presented to this committee

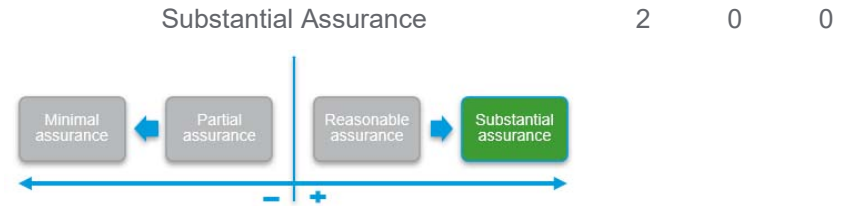
This section summarises the reports that have been finalised since the last meeting.

Assignment	Opinion issued	Actions agreed		
		L	M	H

Governance of the Project Management Office

Overall, we found that the organisation had well-established and applied processes for project management. This was supported by the documentation for each of the five projects sampled at the time of the audit. The process for reporting to the Programme Boards and the Corporate Portfolio Board had been recorded with clear roles and responsibilities being included within the Terms of References.

For the sample of five projects selected, we confirmed that the project management rules were complied with, allowing the organisation to demonstrate that robust processes have been followed. Where documents had not been used, the organisation had adequate explanation for this, due to these being exceptions. Through review of three bi-monthly Corporate Portfolio Board (CPB) meeting reports we confirmed that they receive updates on projects that have been Red, Amber, Green (RAG) rated amber (there were none rated as red), upcoming projects, as well as active projects. Review of the reports presented to the CPB confirmed that all the projects that were reviewed as part of this audit had green RAG rating, confirming that they were on target.





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

We have been requested to delay the review of Key Financial Controls until Quarter 4 given the recent departure of the Chief Accountant. We are currently liaising with the organisation to agree a revised date.

Management have identified the potential need for a review of IT Assets within the audit plan, this will be discussed further at the Audit & Standards Committee.

The completion of the Contaminants and staff health and safety review has been delayed due to staff sickness and has now recommenced. This will be presented to your next Audit & Standards Committee.

Information and briefings

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

- Quarterly Emergency Services client briefings – May and August 2023
- Emerging Risk Radar

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

Suzanne Rowlett

Suzanne.Rowlett@rsmuk.com

07720 508148

rsmuk.com

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Bedfordshire Fire and Rescue Authority, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. 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 and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM UK Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

EXECUTIVE SUMMARY – GOVERNANCE OF THE PROJECT MANAGEMENT OFFICE

Why we completed this audit

We have undertaken an audit of Governance of the Project Management Office (PMO) at Bedfordshire Fire and Rescue Authority in line with the organisations approved internal audit plan for 2023/24. The purpose of the audit was to review the governance arrangements within the PMO in place to understand and assess how effectively the governance structures working and involved in projects.

The PMO has produced various documents and templates that should be used for project management, bringing uniformity in the way the projects are undertaken. The use of the documents is in keeping with the size of the project and the reason for the project. The organisation has a Programme and Project Policy, which was updated in March 2023, and details the project life cycle as well as roles and responsibilities of the officers. The policy can be accessed on the organisation's intranet.

A Project Board is set up for each project, and these have a Terms of Reference (ToR) outlining the main areas such as membership, role, quoracy etc. All the actions and decisions that have been discussed with the supplier or within the project team via the Project Board are recorded on an action and decision log for each project. The organisation has introduced a Risk, Assessment, Issues and Decision (RAID) document requirement for each project, which acts as the risk management process. The organisation has also set up a Corporate Portfolio Board (CPB), which is responsible for the strategic oversight of all projects. The role of this forum is performed collectively by the Corporate Management Team.

The process for project management is robust with the PMO available for support. There is a general requirement for a Project Initiation Document (PID), a benefit realisation review, a post implementation review, and business as usual review (where appropriate). There are some exceptions, but in general these steps should be included.

As at July 2023, there were 26 projects listed on the projects dashboard. Of these six were in Discovery stage, 12 were at Implementation stage, five in Planning stage and three at Closure stage. The projects reviewed as part of this review were as follows:

- Corporate KPI Data Hub
- Home Fire Safety Visits
- Rural Water Tenders
- Breathing Apparatus Replacement
- Website Upgrade

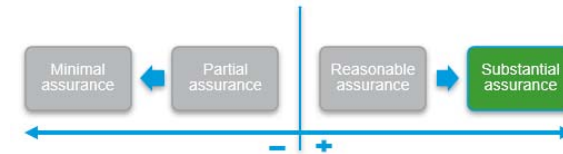
Conclusion

Overall, we found that the organisation had well-established and applied processes for project management. This was supported by the documentation for each of the five projects sampled at the time of the audit. The process for reporting to the Programme Boards and the Corporate Portfolio Board had been recorded with clear roles and responsibilities being included within the Terms of References (ToR).

For the sample of five projects selected, we confirmed that the project management rules were complied with, allowing the organisation to demonstrate that robust processes have been followed. Where documents had not been used, the organisation had adequate explanation for this, due to these being exceptions. Through review of three bi-monthly Corporate Portfolio Board (CPB) meeting reports we confirmed that they receive updates on projects that have been RAG rated amber (there were none rated as red), upcoming projects, as well as active projects. Review of the reports presented to the CPB confirmed that all the projects that were reviewed as part of this audit had green RAG rating, confirming that they were on target.

Internal audit opinion:

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



Key findings



Programme and Project Planning Policy

We confirmed through the review of the policy that it had been reviewed and updated on 24 March 2023. The policy includes information about the author as well as the next review date, which has been set for 24 March 2025. The policy has been approved by the Deputy Chief Fire Officer. Our review confirmed that the project lifecycle has been included within the policy as well as the roles and responsibilities of the officers and the Project Boards and the Corporate Portfolio Board. It also includes links to the PMO templates that should be used for all projects.



Project sample testing

A sample of five projects was selected from the dashboard provided by the organisation, which included 26 projects as at the end of June 2023. Of these, six were in discovery stage, five were in planning stage, 12 in implementation stage and three that had been completed. For the sample of five projects selected we sought to confirm that the required stages had been followed including Business Case creation and approval, PID creation and approval, Project Specification, Budget Tracking, Closure Report and Business As Usual (BAU) documentation. Through testing we found that the stages and relevant documents had been completed for the majority, however where the process differed or items were not completed an appropriate explanation was provided (for example one project commenced prior to the new processes, and due to where the request for one of the projects came from some stages were not required). For all projects reviewed, the documentation maintained was found to be comprehensive including clear identification of benefits to be achieved and how these would be measured, alongside a budget tracker for any costs incurred.



Risk Register

We confirmed that a Risk, Actions, Issues and Decision log (RAID) was present for all five projects. We confirmed through the review of the RAID log that it has been updated for the sample of five projects and the review dates range from 2021 for the project which was following the older style of risk logs and the last review date which was in August 2023 for one of the projects. Others were updated in February and March 2023 and the projects closed off in July 2023. The risk logs also record the description, impact, risk scores, date the risk was first raised and last reviewed, mitigating actions, owner, escalation level and any close dates.



Post implementation review

We were informed that once the project has been implemented, the organisation undertakes a post implementation review. The review is carried out at each stage and actions and recommendation are recorded on the log. The log also records the attendees names for the meeting. Lessons Learnt and Positive Experiences are recorded on the closure report and the Lessons Learnt log updated, which is centrally held. We confirmed through our review that the post implementation review had been carried out for three out of the five projects tested. For the remaining two the projects were still being delivered and as such a post implementation review was not relevant.



Benefits Realisation

Benefits realisation forms a key part of the PID where a Project Benefits Tracker is included to identify the BFRS benefits that the project will deliver. Any benefits realisation requirements should be stated, and an owner assigned at the outset of the project for monitoring throughout and assessment after its completion against the clearly defined benefits realisation (Cashable / Non cashable) plan. This should be coordinated with the business unit who requested the project. For the sample tested as part of this review, four included a Projects Benefits Tracker which clearly documented the benefits to be realised and how these would be measured. For the remaining case, these were still to be identified although the project had yet to commence.

For the one completed project, the Project Benefits Tracker had been updated to show those benefits already realised (with some not yet achieved but not yet due) and a clear description of how these had been achieved and a link to any relevant evidence to support this.



Reporting - Project Board

We confirmed that for the sample of five projects, there were relevant Project Boards where the progress of the projects was reported. Each of the project boards had an approved ToR, and we confirmed that each Board had been provided with monthly progress reports.

We reviewed three project board reports for each of the five project boards and found that the information provided is in a similar format and these were produced on a monthly basis. These reports included progress of the projects, including highlights and lowlights, review of the risks that have been identified for the project, and any Project Board decisions that may be required. The actions and decisions are recorded on the action and decision log for each of the projects. These include any actions and decisions that have been agreed with the supplier as well as the Board.



Reporting - Corporate Portfolio Board

We were informed that the Corporate Portfolio Board (CPB) meets bi-monthly. As part of this audit we reviewed reports that were presented to the CPB in February 2023, April 2023 and June 2023. We confirmed through the review of the reports that they include details on the projects which had an amber RAG rating along with the upcoming milestones. The report also includes highlights of the portfolio as well as details of the upcoming projects with implementation dates. The reports also include the risks and issues that need to be considered by the CPB. Lastly the report also includes updates on all the active projects, with the latest update for each of the project along with a RAG rating to show if the project is going to be delivered on time. We confirmed through testing that the sample of projects tested as part of this audit were present on the report. The Action and Decision Logs mention where the action was raised and the resolution of the same.