

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
27 November 2018
Item No. 7

REPORT AUTHOR: ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)

SUBJECT: AUDIT AND GOVERNANCE ACTION PLANS MONITORING REPORT

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Background Papers:

- Action Plans contained in Internal and External Audit Reports
 - Action Plan contained in the Annual Governance Statement 2017/18
 - Minutes of the Audit Committee dated 5 April 2012
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Implications (tick ✓):

LEGAL			FINANCIAL	✓
HUMAN RESOURCES			EQUALITY IMPACT	
ENVIRONMENTAL			POLICY	✓
CORPORATE RISK	Known	✓	OTHER (please specify)	
	New		CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To report on progress made to date against current action plans arising from internal and external audit reports and from the Fire Authority's 2018/19 Annual Governance Statement.

RECOMMENDATION:

That Members acknowledge progress made to date against the action plans and consider any issues arising and endorse the recommendation to extend the completion date.

1. Introduction

- 1.1 The Members of the Audit and Standards Committee previously endorsed that the Committee should receive monitoring reports at each of its meetings advising of progress against current action plans arising from internal and external audit reports, and the Authority's Annual Governance Statement.
- 1.2 In their meeting on 5 April 2012, Members of the Audit and Standards Committee agreed that progress on the action plans be reported to each meeting of the appropriate Policy and Challenge Group and action point owners report progress by exception to the Audit and Standards Committee. This is the third report to the Corporate Services Policy and Challenge Group for the year 2018/19.

2. Monitoring Report of Actions Arising from Internal and External Audit Reports

- 2.1 The monitoring report of progress made to date against agreed actions arising from internal and external audit reports is attached as Appendix A.
- 2.2 The monitoring report covers, in order, the following:
 - Outstanding actions from internal and external audit reports, including those reports received during 2018/19 and those from previous years, which have a proposal to extend the original completion date.

- Outstanding actions from internal and external audit reports, including those reports received during 2018/19 and those from previous years, which are on target to meet the original or agreed revised completion date.
- Completed actions which are subject to a subsequent or follow up audit. These will remain on the report until this follow-up audit is completed.
- Completed actions that are of a Low risk and do not require a follow-up audit. These will be removed from the report once they have been reported as completed to the Policy and Challenge Group.
- Any actions that have been superseded by new actions. (Actions are removed from the report once they have been reported as superseded to the Policy and Challenge Group.)

2.3 There are no requests to extend the original completion date.

3. Monitoring Report of Actions Arising from the Authority’s Annual Governance Statement

3.1 The monitoring report of progress made to date against actions arising from the Authority’s Annual Governance Statement is attached as Appendix B.

3.2 The monitoring report covers the actions within the 2017/18 Annual Governance Statement (if applicable) which was formally adopted by Members of the Audit and Standards Committee, on behalf of the Authority, at their meeting on 6 July 2018, as part of the 2017/18 Statement of Accounts.

3.3 There are no requests to extend the original completion date.

4. Priority Grades

4.1 The Service Audit Outcomes in Appendix A have a priority grading system. The table below explains the key to the priority grades:

RSM (formerly Baker Tilly & RSM Tenon)	High	Recommendations are prioritised to reflect RSMs assessment of risk associated with the control weaknesses.
	Medium	
	Low	

5. Organisational Risk Implications

- 5.1 The actions identified within internal and external audit reports and the Annual Governance Statement represent important improvements to the Authority's current systems and arrangements. As such, they constitute important measures whereby the Authority's overall management of organisational risk can be enhanced.
- 5.2 In addition, ensuring effective external and internal audit arrangements and the publication of an Annual Governance Statement are legal requirements for the Authority and the processes of implementation, monitoring and reporting of improvement actions arising therefore constitute an important element of the Authority's governance arrangements.

ZOE EVANS

ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2018 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
RM (17/18) 5	RSM Apr 18: Final Report (17/18)	Risk Management Head of Service Development & Assurance	Low	The Service will introduce formal risk management training for risk owners and other key staff.	Specific Corporate Management Team User Guides for Abriska, the Service Risk Management System, is currently being developed and formal risk management training for key staff will be presented at a CMT at a meeting in December 2018	Original Aug 18 Agreed Revised Date Dec 18	In Progress
FM (17/18) 2.1a	RSM Follow Up June 18: Final Report (17/18)	Stocks and Inventory Head of Operational Support	Medium	The Authority will ensure that the review and update of all OP numbers is completed to ensure they relate to the correct item and the correct shelf space in stores. The Technical Support Manager will ensure an interim stock take is performed on all stock held by the Technical department to ensure accuracy and evidence of this will be retained	A review of stock and its location is currently being undertaken. Where needed stock and OP numbers are being relabelled	Original Dec 19	In Progress
RM (17/18) 3	RSM Apr 18: Final Report (17/18)	Risk Management Head of Service Development & Assurance	Medium	The Corporate Risk Register will be updated to encompass the following fields: • Mitigating controls; • Assurances against controls; and • Gaps in controls / assurances.	The Corporate Risk Register (in Abriska) has been updated to encompass the following fields: • Mitigating controls; (Linked Controls) • Assurances against controls; and (Maturity Defined and Justified Proposed Maturity Defined and Justified) • Gaps in controls / assurances.	Original August 18	Completed – To be confirmed by follow up audit

**Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2018 from earlier reports)**

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URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
RM (17/18) 4	RSM Apr 18: Final Report (17/18)	Risk Management Head of Service Development & Assurance	Medium	A review of all risk scores will be undertaken in line with the following definitions: <ul style="list-style-type: none"> • Inherent risk - the risk that an activity would pose if no controls or other mitigating factors were in place; and • Residual risk - the risk that remains after controls and other mitigating factors are taken into account 	A review of all risk scores will be undertaken in line with the following definitions: <ul style="list-style-type: none"> • Absolute risk - the risk that an activity would pose if no controls or other mitigating factors were in place; and • Inherent risk - some risk controls in place, and action plan to address further risk. • Residual risk - the risk that remains after controls and other mitigating factors are taken into account 	Original Aug 18	Completed – To be confirmed by follow up audit
RM (17/18) 9b	RSM Apr 18: Final Report (17/18)	Risk Management Head of Service Development & Assurance	Medium	Where updates and assurances against risks are reported as part of Corporate Risk Register reports to the Policy and Challenge Groups and the Audit and Standards Committee, risk scores will also be included for review as to whether they require revising.	Completed - CMT will ensure they do this in there Review and monitor section for PCG reports.	Original May 18	Completed – To be confirmed by follow up audit

Monitoring Report of Actions Arising from 2017/18 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	To continue to address the medium term funding gap.	Budget work for the 2019/20 budget has commenced, with the normal timetable leading up to budget setting in February 2019. The budget gap will again be forecast as part of the budget setting process, which updates the position annually.	Mar 2019	In Progress
2	Review of Authority Effectiveness	All actions from the 2017/18 Review of Authority Effectiveness Action Plan to be completed during 2018/19 and formally reviewed by Members as part of the following year's process	All actions from the 2017/18 Review of Authority Effectiveness Action Plan to be completed during 2018/19 and formally reviewed by Members as part of the following year's process.	At the Audit and Standards Committee meeting on 25 September 2018 it was agreed to defer the FRA review of effectiveness for 2018/19 to 2019/20 when the Governance audit and elections have taken place.	Mar 2019	Deferred to Mar 2020
3	Non-Operational recruitment	Difficulty in attracting and recruiting to non-operational vacancies.	To conduct a salary benchmarking exercise	Benchmarking exercise conducted by Korn Ferry (hay). Detailed analyse of results now being undertaken by HR Team.	Dec 2018 Implement changes Apr 2019	In Progress