BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Internal Audit Progress Report

15 October 2019

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RSM

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Introduction

The Internal Audit Plan for 2019/20 was approved by the Audit & Standards Committee in March 2019. This report provides a summary update on progress against the plan and summarises the results of our work to date. The audits highlighted in **bold** have been finalised since the last meeting.

Progress against the internal audit plan 2019/20

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Opinion Issued
		L	M	H	
Property – Statutory Compliance	**FINAL REPORT**	**1**	**3**	**1**	**Partial Assurance**
Operational Business Continuity	**FINAL REPORT**	**2**	**2**	**1**	**Partial Assurance**
ICT – Cyber Security	Draft Report Issued 22 August 2019				
Key Financial Controls	Planned 10 Janaury 2020				
Asset Management – Asset Tracking	Planned 20 January 2020				
Follow up	Planned 20 January 2020				
Risk Management	Planned 3 February 2020				
Mobilising System Project	Planned 2 March 2020				

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Opinion Issued
		L	M	H	
Community Risk Management Plan	Planned 9 March 2020				
Environmental Review	Planned 23 March 2020				

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.

We have finalised two negative opinions in relation to the Property – Statutory Compliance and Operational Business Continuity audit reports, these will impact the opinion but would not in isolation qualify the Head of Internal Audit Opinion, however, these are the first two reports finalised for the 2019/20 financial year. We will provide further updates regarding any potential impact to the year-end opinion as more reports are finalised.

Changes to the audit plan

The following change was reported and agreed at to the previous meeting:

Note	Auditable area	Reason for change
1	Community Risk Management Plan	As part of our commitment to joint working and sharing of best practice across Bedfordshire, Cambridgeshire and Essex Fire we have been requested by management to add in a review of the development and review of the Community Risk Management Plan. Best practice will be shared between the organisations.

The following two changes have been requested to the audit plan since the last Committee

Note	Auditable area	Reason for change
2	Key Financial Controls	Due to the delay in the completion of the External Audit review, we have delayed our review of Key Financial Controls to January 2020 to avoid duplication and reduce the impact on the finance team. (Originally planned for October 2019)
3	Environmental Review & Community Risk Management Plan	We have been requested to delay the completion of these audits due to a change in the management structure in these areas.

Information and briefings

We have issued one further Emergency Services client briefing since our last Committee in June 2019 and this has been shared with the Committee.

We are also due to publish a Fire Authority Risk Register Analysis later in 2019 and this will also be shared with the Committee.

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

Name: Dan Harris, Head of Internal Audit

Email address: daniel.harris@rsmuk.com

Telephone number: 07792 948767

Name: Suzanne Rowlett, Senior Manager

Email address: suzanne.rowlett@rsmuk.com

Telephone number: 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 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 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.

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PROPERTY - STATUTORY COMPLIANCE - EXECUTIVE SUMMARY

1.1 Background

An audit of Statutory Compliance was undertaken at Bedfordshire Fire and Rescue Authority as part of the 2019/20 internal audit plan. The purpose of the audit was to review the systems and controls in place to ensure that statutory compliance requirements are met. The organisation is currently transitioning from a spreadsheet-based approach for tracking compliance to a new property management system, 3i Studio Estates Manager. There is a target to have all data migrated across to the system by July 2019 and the Service is currently half way through this migration process. It is planned that the system will be fully operational by the end of Summer 2019. Our review focused on both the legacy arrangements in place and a review of the functionality of the new system, confirming it contains automated processes to help the organisation identify upcoming compliance checks.

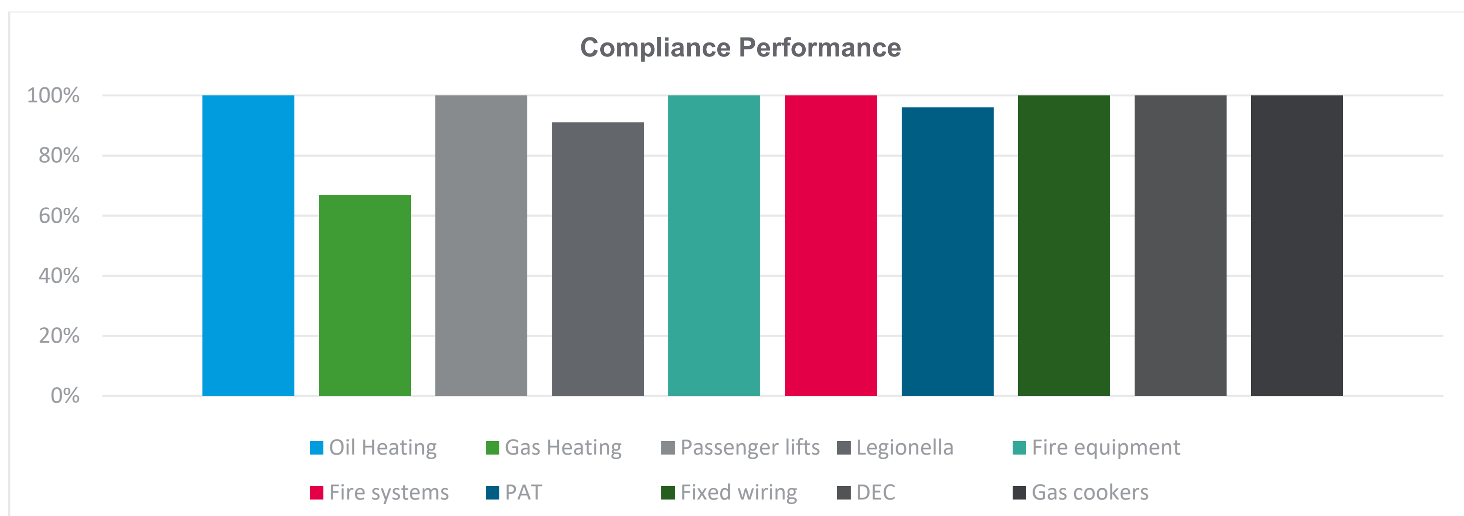
Our testing of compliance was based on a sample of ten areas which can be seen in the graph below;

1.2 Conclusion

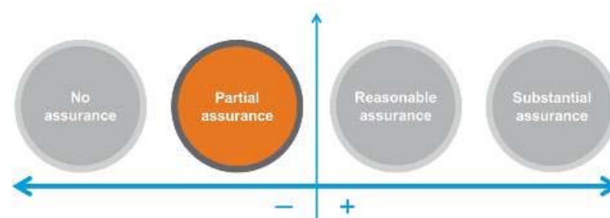
We found that seven areas in our sample were fully compliant with having in-date testing completed. However, in the remaining three (significant) areas of Gas Heating, Legionella and PAT testing we identified exceptions. Given the potential risk to life posed by non-compliance with statutory requirements and internal procedures in this area, it is imperative that controls are strengthened to ensure that all compliance tests can be completed within a timely manner. The organisation has agreed frequencies of testing and had the facilities in place to be able to identify when upcoming tests were due.

However, there was a lack of policy and procedure documentation in place for compliance areas. We found that Service Level Agreements with all contractors need to be agreed as of our sample of areas, only one area had a formal service level agreement in place. We also found that statutory compliance performance is not formally reviewed by any group or committee within the governance structure.

The graph below displays the compliance performance for our sample of ten areas:



Internal audit opinion:
Taking account of the issues identified, the Authority can take partial assurance that the controls to manage this area are suitably designed and consistently applied. Action is needed to strengthen the control framework to manage the identified area(s).



1.3 Key findings

Our testing has resulted in three **medium** and one **high** priority management actions being agreed:

Compliance with Statutory Requirements

The 3i Studio Estates Manager system is not yet in operation, therefore all documentation from compliance testing is saved onto the organisations shared drive. We reviewed the 3i system and confirmed that the organisation was able to store documentation on the system.

We tested 172 compliance areas to confirm if an in-date certification or report was held for each property, in line with the main compliance register for each area identified. Our testing found instances where LOLER (two instances) and gas heating certification (four instances) were tested on time but did not have documentation saved to the shared drive.

Additionally, we found that tests were out of date at the time of our fieldwork in the following areas: Legionella, gas heating and PAT. This amounted to 12 areas of non-compliance out of the 172 overall areas. Following our audit fieldwork, the following information has been provided:

- Nine out of the 12 areas of non-compliance related to gas heating with out of date certifications. Certificates for two of these exceptions were provided as they had been completed by the time of the audit but had not been received from the contractor. A further five inspections had taken place after the audit fieldwork and the remaining two were still yet to be completed, although each of these were overdue when completed or planned therefore the identified issue remains.
- Two of the exceptions related to out of date legionella testing, which take place on a monthly basis. We were advised that these two reviews had taken place but had not reached Property Services by the time of audit fieldwork, however, they were overdue when complete, therefore the identified issue of prompt completion issue.
- One of the exceptions related to an out of date PAT test review, which was last completed in May 2018. We were advised that regulation requires ‘all electrical equipment that is provided in the organisation to be safe and properly maintained and there is no formal requirement for PAT tests to take place every 12 months. Whilst this would suggest compliance from a statutory perspective, this would still demonstrate non-compliance with the organisation’s internal controls which have been designed to reduce the risk of injury or damage because of poorly maintained equipment. Management have advised that the PAT Policy is to be revised in line with statutory requirements as it is considered by management to be unnecessarily strict.

If tests are not completed at the required frequency with evidence retained, then there is a risk to the organisation of non-compliance with statutory requirements and the potential for serious events to arise from equipment which has not been regularly maintained. **(High)**.

Policies & Procedures

In our review we found that there was a lack of policy and procedure documentation in place to outline the services responsibilities for the following nine areas from our sample of ten;

- Oil Heating
- Gas Heating
- Legionella
- Fire Equipment
- Fire Alarm Systems and Emergency Lighting
- PAT
- Fixed wiring
- Display Energy Certificates
- Commercial Gas Cookers

We confirmed that there was a policy in place that related to the Service's responsibilities for passenger lifts, this was the Lifting Operating and Lifting Equipment Policy which was signed off by the Chief Fire Officer in January 2019. The policy was made available to staff via the Intranet.

Without formally documented policies and procedures in place for key compliance areas, then there is risk that staff may not be aware of their expectations and may carry out incorrect management activities **(Medium)**.

Service Level Agreements

We found only one contractual agreement in place with the providers of services for our sample of ten areas, this being Aylesbury Fire Systems and related to two areas, fire systems and fire equipment. We confirmed that the agreement contained performance management arrangements, reports and the requirement for certification to be sent to the Property Manager within two weeks of work being completed.

Our testing of the above requirements of the SLA confirmed that an up to date fire system and fire equipment certification was held on the system for each applicable property. Due to emails not being saved we tested the time taken for documentation to be saved to the shared drive after works completed. We found that on average the documents were saved 27 days after the test date, we therefore could not confirm that the SLA was being met but note that the SLA might have been met but the documents were just not saved internally on the same date.

If there is not an SLA in place with each contractor, then there is a risk to the organisation that statutory compliance activities may not occur at the required frequency or at all **(Medium)**.

Reporting

There is currently no governance forum in place that reviews performance indicators in relation to statutory compliance within the organisation. Without formal group or committee review of performance, there is a risk that non-compliance with statutory requirements may go undetected and may not be remedied in a timely manner **(Medium)**.

We have also agreed one **low** priority management action which can be found in the detailed findings.

Details of controls that are well-designed and operating effectively from this review are as follows:

Frequency of Checks

The main compliance register is a spreadsheet which documents the agreed frequency for checks within our sample to be undertaken.

We confirmed for all ten areas in our sample that a minimum frequency required for checks had been documented. Frequencies were either monthly, three monthly, six monthly, annually, five yearly or ten yearly.

Identification of Checks

The main compliance register also documents the next safety check date for all areas across the organisation's property portfolio. We reviewed the document and found that there was either non-applicable marked or a next review date for all areas in our sample.

We reviewed the 3i Studio Estates Manager system with the Property Manager, we confirmed that there were warning systems in place for compliance areas across properties. These were colour coded dates which could be used to identify any certifications approaching their renewal date. We were informed that the system will also have pop up alerts to warn users of any certification due for renewal once all the data is migrated.

Acquisition & Disposal

We were informed that the organisation's property portfolio has not changed since 2008 when the Dunstable Fire Station was built, and if these were to change then the Property Manager would be made aware informally through discussions with the Assistant Chief Officer.

There are also formal discussions around the organisation's properties at the Asset Management Group meetings. We obtained the Asset Management Group meeting minutes for December 2018 and February 2019. We reviewed the meeting minutes and confirmed that there was discussion based around the organisation's properties, no acquisitions or disposals were discussed as expected.

We obtained the organisation buildings Asset Register for 2018/19. We confirmed that each property on the compliance register could be reconciled to a property on the asset register and that no properties on the asset register were missing from the compliance register.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Area	Control design not effective*		Non-Compliance with controls*		Agreed actions		
					Low	Medium	High
Statutory Compliance	3	(9)	2	(9)	1	3	1
Total					**1**	**3**	**1**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

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.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
Area: Statutory Compliance							
1	**Policies & Procedures** There is a Lifting Operations and Lifting Equipment Policy in place which provides guidance for staff around the management of passenger lifts. The policy is approved by the Chief Fire Officer and reviewed every three years. The policy is available to staff via	No	NA	We requested the policies and procedures relating to our sample of compliance areas (Oil & Gas, passenger lifts, Legionella, Fire equipment, fire systems, PAT, fixed wiring, display energy and commercial gas cookers). We obtained the Lifting Operations and Lifting Equipment (LOLER) Policy. We reviewed the policy and noted that it contained guidance for staff around the management of passenger lifts, including an appendix on LOLER regulation. We confirmed that the policy was in date, having been approved by the Chief Fire Officer in January 2019 with a next review cycle set for every three years. We confirmed that	Medium	The organisation will draft and approve policies and/or procedures which relate to the following areas: • Oil Heating • Gas Heating • Legionella • Fire Equipment & Systems • PAT & Fixed wiring • Display Energy Certificates • Commercial Gas Cookers	December 2019 Property Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
	the organisation's intranet. Policies and procedures are not in place for other key statutory compliance areas.			the policy was accessible to staff via the organisation's Intranet. Through discussion with the Property Manager and Health and Safety Team, we were advised that for the remaining areas, no policy, procedure or overarching policy document covering a number of compliance areas were in place. Without formally documented policies and procedures in place for key compliance areas, there is a risk that staff may not be aware of their expectations and may carry out incorrect management activities.		Procedural documents to be written when new 3i System is fully implemented during September 2019 (target for procedure documents December 2019) The documents will be stored on the organisation's Intranet and staff will made aware of their location via formal communication.	
2	**Agreements with Contractors** Service Level Agreements (SLAs) are put in place with contractors for compliance work in order to define the agreed standard of work to be completed. If targets are not being met, then the organisation can use the SLA to hold the contractors to account for under performance.	Yes	No	We were informed by the Property Manager that SLAs had not been agreed for all areas in our review. The only areas where an SLA was in place was for fire equipment and fire systems testing, which is conducted by Aylesbury Fire Systems. The Property Manager was aware of this issue and is working on obtaining an SLA with each contractor going forward. We confirmed this through a draft SLA with a contractor for oil and gas heating services. We obtained the SLA documents for fire equipment and fire systems. We confirmed that they included performance management arrangements. We noted that the SLA stated that the contractor is required to submit test reports and certificates to the Property Manager within two weeks of work being completed. In our testing of completed checks we confirmed that for each property in the organisation's portfolio that	Medium	The organisation will ensure that an SLA is put in place for each contractor that provides compliance testing services (Gas & Oil, Electrical, HVAC and Generator & UPS). The SLA will include an agreed timescale to complete any work and send over certification. The emails in which certification and reports are sent by contractors will be saved with the documentation itself, to allow the organisation to review performance in line with the SLA.	August 2020 Property Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
				the fire equipment and systems certifications were held. However, emails from the contractor were not saved and for that reason we could only review the date that the documentation was saved onto the organisations shared drive. For fire equipment and system testing the documents were saved to the shared drive an average of 27 days after the date of the test. We therefore could not confirm that the SLA was being met but note that the SLA might have been met but the documents were just not saved internally on the same date. If there is not an SLA in place with each contractor, then there is a risk to the organisation that statutory compliance activities may not occur at the required frequency or at all.			
3	**Compliance** Once checks and tests are completed by contractors a copy of the relevant certification is forwarded onto the Property Manager via email. The certification is then held on the shared drive within a compliance folder for the property that the test was conducted for. Once the 3i Studio Estate Manager system	Yes	No	We confirmed that there was an up to date certification in place and held on the shared drive for 155 out of 172 areas in our review, with the following 16 exceptions (four which were not saved to the drive and 12 which had not been completed) ; • LOLER certification: HQ and Dunstable fire station - both were completed on time but not saved to the shared drive; • Legionella: Ampthill and Kempston fire station - both were in the process of being completed but were still two weeks overdue of their monthly test; • Gas Heating: Leighton Buzzard, North area office, Kempston and South area office were all completed but not saved to the drive;	High	The organisation will ensure that all compliance tests are completed in line with required frequencies of testing. The Policy ref. PATs to be revised in line with statutory requirements (unnecessarily strict currently)	August 2019 Property Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
	has been implemented the organisation will begin to store all certification documentation on the system.			• Gas Heating: Brooklands Drive, 98 Dunstable Rd, HQ, Biggleswade, Harrold, Luton and Shefford fire stations were out of date, but we did confirm that they were booked to be tested in June 2019. The last test saved on the shared drive for Luton was dated January 2017, Dunstable Rd was dated April 2017 and the remaining were all dated in either April or May 2018; PAT: Toddington fire station was out of date as 10 May 2019 but booked for June 2019. With regards to the 12 areas of non-completion of inspections at the time of the audit, following our audit fieldwork, the following information has been provided: • Nine out of the 12 areas of non-compliance related to gas heating with out of date certifications. Certificates for two of these exceptions were provided as they had been completed by the time of the audit but had not been received from the contractor. A further five inspections had taken place after the audit fieldwork and the remaining two were still yet to be completed, although each of these were overdue when completed or planned therefore the identified issue remains. • Two of the exceptions related to out of date legionella testing, which take place on a monthly basis. We were advised that these two reviews had taken place but had not reached Property Services by the time of audit fieldwork, however, they were overdue when complete, therefore the identified issue of prompt completion issue.			

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
				• One of the exceptions related to an out of date PAT test review, which was last completed in May 2018. We were advised that regulation requires 'all electrical equipment that is provided in the organisation to be safe and properly maintained and there is no formal requirement for PAT tests to take place every 12 months. Whilst this would suggest compliance from a statutory perspective, this would still demonstrate non-compliance with the organisation's internal controls which have been designed to reduce the risk of injury or damage because of poorly maintained equipment. If tests are not completed at the required frequency with evidence retained, then there is a risk to the organisation of non-compliance with statutory requirements and the potential for serious events to arise from equipment which has not been regularly maintained.			
4	**Action Tracking** All tests completed by contractors are forwarded onto the Property Manager via email. From this, recommendations are identified and then implemented. There is currently no action tracking facility in	No	Yes	We selected a sample of five actions that were recommended by contractors following the completion of compliance checks and through review of evidence, confirmed that all five actions had been implemented. We noted that, at the time of audit, the 3i Studio Estate Manager system did not have action tracking capabilities. Although based on our sample we were able to confirm that actions were implemented, the process	Low	The organisation will formally record all actions that arise from compliance testing. This could be through spreadsheets or the new 3i Studio Estate Manager system. Each action will have a target implementation date and owner.	July 2019 Property Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
	place, such as a spreadsheet that includes actions, owners, target dates and completed status.			could be improved by introducing a formalised action tracking system. Without this, there is a risk that actions may go unnoticed and issues may not be remedied in a timely manner.			
5	**Compliance Reporting** There is currently no governance mechanism in place for the reporting of compliance with health and safety regulation.	No	N/A	Through discussions with the Property Manager we learnt that there is currently no governance forum in place to review compliance performance information relating to health and safety and statutory compliance. The Property Manager confirmed this through discussions with the Health and Safety team and informed us that they do not provide any figures for review. Without management review of performance, there is a risk that non-compliance with statutory requirements may go undetected and may not be remedied in a timely manner.	Medium	The organisation will agree a set of performance measures and report on them to a relevant committee or group. Those present will review performance and challenge where necessary.	August 2019 Property Manager

OPERATIONAL BUSINESS CONTINUITY - EXECUTIVE SUMMARY

1.1 Background

An audit of Operational Business Continuity was undertaken as part of the approved internal audit plan for 2019/20.

The Service have identified four key business continuity risks from the National Risk Register of Civil Emergencies for which full Business Continuity Plans were required. These were selected on the basis of those deemed to carry the highest risk. The areas identified were:

- Trade disputes;
- Fuel shortage;
- Flu pandemic; and
- Death in the workplace.

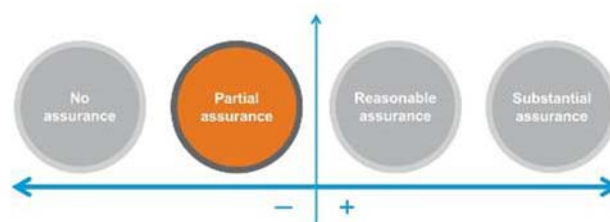
A business continuity plan has been produced for each event, highlighting how these events will be addressed. Tests and exercises are carried out on an at least bi-monthly basis to ensure the Service is prepared in the event of a loss of business continuity.

1.2 Conclusion

Our review found that there were significant issues in the design of controls around business continuity within the Service. It was noted during testing that the Service's primary business continuity plans did not include key information that is considered best practice and we also found a lack of monitoring by a responsible group of the rolling business continuity action plan.

More specifically, we found through comparison of the Authority's Flu Pandemic, Death in the Workplace and Fuel Shortage Business Continuity Plans with best practice that key information such as control rooms to be used in an event and how decision making will be logged had not been included, and the rolling business continuity action plan which includes actions identified as a result of exercises and tests had not been presented to a group in order to monitor progress.

Internal audit opinion:
Taking account of the issues identified, the Authority can take partial assurance that the controls to manage this risk are suitably designed and consistently applied. Action is needed to strengthen the control framework to manage the identified risk(s).



1.3 Key findings

The key findings from this review are as follows:

Business Continuity Policy

We noted through review of the policy that it had not been reviewed since April 2008 and is now out of date. We found that it outlined general roles and responsibilities in relation to business continuity, however it did not include a generic business continuity plan or management team to be utilised should an incident occur. There is a risk that should a general incident occur the Service is unable to effectively manage the situation which could mean that the Service is unable to remain operational and as such we have agreed a medium priority action to update the policy and include a generic plan and identify a management team. **(Medium)**

Development of Business Continuity Plans

We found the Service had developed four Business Continuity Plans which were based upon high-risks identified within the National Risk Register that were most likely to impact the operations. Of the four Business Continuity Plans reviewed, we found in two instances the Trade Dispute and Fuel Shortage plans were up to date.

In the remaining two instances, we found the Flu Pandemic and Death in the Workplace were outdated. We also found the date of next review had not been stated within the Flu Pandemic, Death in the Workplace and Fuel Shortage Plans. Whilst we acknowledged the Business Continuity Plans captured some information in line with best practice, we found key elements such as responsible owners, governance arrangements and logging of decisions made had not been detailed. Failure to have in place up to date Business Continuity Plans increases the risk of outdated procedures being followed in the event of major incidents occurring. This process is further hindered as an accountable owner has not been identified as responsible for the maintenance of such plans. Furthermore, without capturing key information there is a risk that the business continuity responses may be delayed which could impede operational activities. **(High)**

The Service used the highest rated risks on the National Risk Register of Civil Emergencies (NRR) to select which scenarios would be most appropriate to produce business continuity plans for. We noted through review of the National Risk Register of Civil Emergencies that the highest rated risks were those targeted by the Service's business continuity plans.

Business Continuity Plan Approvals

Through review four Business Continuity Plans, we found approval of the plans could not be evidenced and had not been clearly stated within the documents. Failure to approve the contents of Business Continuity Plans may present the risk of unapproved processes being followed by staff which may hinder operations. This exception has been identified through testing and we have agreed a **high priority action** with management as above.

Business Continuity Tests

We noted during discussion with the Strategic Operational Commander Head of Response that action plans produced as a result of tests, exercises or real-life business continuity events are not reported to, or monitored by, any review group. There is a risk that actions are not followed up or implemented and as such we have agreed a medium priority action for the Strategic Operational Commander Head of Response to present the rolling action plan to the Corporate Management Team (CMT)'s monthly meeting. **(Medium)**

We noted through review of a Business Continuity Tests log that four tests of the Authority's key business continuity plans had been undertaken during 2018, however no tests had been carried out in 2019. Through discussion with the Strategic Operational Commander Head of Response, we were advised that a test had taken place in May 2019, however this had not yet been added to the log. As such, we have not raised an action in relation to this finding.

We noted during discussion with the Strategic Operational Commander Head of Response that an action plan had not been produced for the May 2019 CMT desktop exercise at the time of the audit. As such, we were unable to provide assurance in this area. We were also advised that once actions have been produced, they will be added to the rolling business continuity action plan.

Dedicated Forum

We confirmed through review of the April and May 2019 minutes for the Senior Delivery Leadership Team that updates and information relating to business continuity had been presented. In addition, we noted through review of the January and May 2019 minutes that the corporate risk register had been presented and discussed, which included risks around business continuity.

However, we noted through review of the January 2019 minutes that updates and information relating to business continuity had not been presented. Furthermore, we noted through review of the April 2019 minutes that the corporate risk register had not been presented. As the register and updates had been presented at two out of the three minutes reviewed, we have not raised an action in relation to this finding.

As part of our review we raised two low priority actions which can be found in section two of this report.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Risk	Control design not effective*		Non Compliance with controls*		Agreed actions		
					Low	Medium	High
CRR00036 – Absenteeism & CRR00037 - Insufficient numbers of competent firefighters.	3	(6)	1	(6)	2	2	1
Total					**2**	**2**	**1**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

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

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
Risk: CRR00036 – Absenteeism & CRR00037 - Insufficient numbers of competent firefighters.							
1	**Business Continuity Policy** The Authority has a Business Continuity Policy in place. It was approved in April 2008 by the Chief Fire Officer. It is due to be reviewed annually but has not been reviewed since and is now out of date. The policy outlines information such as roles and responsibilities for	No	N/A	We confirmed through review of the Business Continuity Policy that it was last approved and reviewed in April 2008 and was due for review annually. We noted during discussion with the Group Commander that it had been approved by the Chief Fire Officer in 2008. We also noted during discussion that a review had not taken place since its initial release. We noted during review of the policy that it outlined roles and responsibilities in relation to business continuity. However, we noted that it did not outline a generic business continuity plan or management	Medium	The Group Commander will conduct a review of the Business Continuity Policy and add a generic business continuity plan and identify a management team to be utilised should an incident occur. Once reviewed and updated, the plan will be made available to staff via the Service's intranet and distributed via email.	30 December 2019 Gary, Jeffery, Strategic Operational Commander Head of Response

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
	business continuity in general. It does not outline a general continuity plan to be implemented or team should an event take place. It is available to all staff via the Authority's intranet.			team to be utilised in the event of an incident for which the Authority does not have a specific plan. As such, there is a risk that should a general incident occur the Service is unable to effectively manage the situation which could mean that the Service is unable to remain operational. We noted through review of the Service's intranet that the policy has been made available to all staff.			
2b	**Development of Business Continuity Plans** Please refer to the control outlined in finding 1a, above.	No	N/A	Death in the Workplace, Flu Pandemic and Fuel Shortages. We obtained the following Business Continuity Plans and found: • the Flu Pandemic Business Continuity Plan was reviewed in October 2011; • the Death in the Workplace Business Continuity Plan was reviewed in June 2015; and • the Fuel Shortage Business Continuity Plan was reviewed in February 2019. We confirmed in all instances the business continuity plans were available to staff through the Service's intranet facility. However, we found the Flu Pandemic and Death in the Workplace Business Continuity Plans were outdated, date of next review had not been stated and approval could not be evidenced. We reviewed the Authority's Business Continuity Plans against others of best practices to evaluate the information captured. While we confirmed similar areas had been captured, we found key elements such as ownership of the plan, governance arrangements and suppliers'	High	The Service will review and update the Flu Pandemic and Death in the work place Continuity Plans. The Service will also update the Business Continuity Plans to capture information on: • date of next review; • ownership and approval of the Plan; • governance arrangements; • a dedicated business continuity team; • a list of contractors and suppliers to be contacted; • control rooms; • minimum equipment required for control rooms; and • logging of decision making.	30 December 2019 Gary Jeffery, Strategic Operational Commander Head of Response

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date and Responsible owner
				contact information had not been detailed within the Business Continuity Plans. Failure to have in place up to date Business Continuity Plans increases the risk of outdated procedures being followed in the event of major incidents occurring. This process is further hindered as an accountable owner has not been identified by the Service as responsible for the maintenance of such plans. Furthermore, without capturing key information there is a risk that the business continuity responses may be delayed which could impede operational activities.			
4	**Business Continuity Tests: Monitoring Action Plans** Results from tests are recorded and action plans are produced by the Strategic Operational Commander Head of Response. Action plans are not reviewed or monitored by any meeting group.	No	N/A	We noted during discussion with the Strategic Operational Commander Head of Response that action plans resulting from tests and exercises are not presented to or monitored by a review group. If action plans are not formally monitored, there is a risk that actions may not be followed up on or implemented.	Medium	The Strategic Operational Commander Head of Response will present the rolling business continuity action plan to the Corporate Management Team on a monthly basis. This will include a commentary on progress towards implementing any outstanding actions.	31 July 2019 Gary Jeffery, Strategic Operational Commander Head of Response