

INTERNAL AUDIT MANAGEMENT ACTIONS – THOSE AGREED SINCE NOVEMBER 2012, COMPLETED SINCE NOVEMBER 2012, AND THOSE IN PROGRESS

Action plan 1		PAYROLL 2011/12			
Objectives	Only employees of the organisation are paid and only for the work performed.				
Observations	Through discussions we found that monthly reports showing official established posts are regularly sent to managers by the Head of Financial and Office Services. However actual staffing lists, including post holder names, are not. There is therefore no reconciliation of posts to actual staff. We obtained a copy of the establishment list and a list of actual staff and compared the two for a total of 23 establishments/HQ sections. There were differences between the two and in some sections/stations there were more staff than posts. Through discussions with HR staff we understand that Group Managers are allowed to balance their retained staff across their whole group and other differences were explained. However, there is still a query over staffing within the Urban Search and Rescue (USAR) team and this is currently being reviewed by Human Resources.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Monthly establishment (budgeted posts) reports are prepared by the Head of Finance and Office Services. Monthly establishment meetings examine the actual establishment vs. established posts position and a detailed report explaining the actual establishment vs. established posts is presented to the Human Resources committee every quarter. The USAR team is currently being reviewed by senior Service Delivery manager and HR. I shall advise when a decision regarding the way forward has been agreed.	Medium	Human Resources Manager, Workforce Support	Director of Human Resources	01/06/2012 extended to 31/10/2012 extended to 31/12/2012	07/03/2012

Action plan 2		REVENUE CONTRACTS 2011/12			
Objectives	The organisation has a clear procurement strategy and contracts are let in accordance with procedures and Legislation.				
Observations	Testing found instances of the long term use of specific suppliers where there is insufficient information to support whether their on-going use is adequately considered. Testing also identified a long standing relationship where the contract was let using the single tender option however insufficient evidence was available to demonstrate that established Service Orders were followed. Without regular market testing, HFRA may not be obtaining value for money with their long standing arrangements. Unless documented tender processes are followed, there is a risk that HFRA are letting contracts which are inconsistent with established procurement practice.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Contract Standing Orders will be amended and re circulated to all managers and this amendment will expand on the current process to document single tender requests.	Medium	Procurement & Contracts Manager	Head of Facilities	01/03/2012 extended to 30/04/2013, extended to 01/04/2014	
Performance Review Team note: Due to the work being progressed for joint working, it has been agreed that there will be a requirement to align Standing Orders for the three organisations. For this reason, the target date for the amendment of Service Orders has been extended.					

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Action plan 2		INSURANCE ARRANGEMENTS 2011/12			
Objectives	A clearly defined and documented procedure is in place to ensure that all insurance claims are recorded and passed to the Authority's insurers within appropriate timescales.				
Observations	Following a Road Traffic Collision (RTC), and as part of the reporting procedures included in Service Order SO/10/43 appendix G, a RTC Investigation Report should be completed by a nominated Investigating Officer. A full RTC investigation report may not be needed for accidents where only mirror damage is sustained, depending upon the circumstances. The service order is not completely clear when completion of the RTC Investigation report is required. From a review of 21 motor claims randomly picked from claim years 2009/10, 2010/11 and 2011/12, we found that six cases requiring a RTC Investigation report as per the Service Order where none was held on the file. We note that one of these cases had only recently occurred when the testing was undertaken. A further five cases were identified where a report had not been completed but may not have been required as per the Service Order due to the nature of the damage. The detailed investigation reports are used to assess the circumstances of the incident, the driving ability of the employee involved, and whether further training is required. These reports are sometimes requested as part of the insurance claims process. There is a risk that if the RTC Investigation Reports are not being completed, all the appropriate action or training may not be undertaken before driving duties re-commence. Although outside the scope of this audit, this risk has an impact upon health and safety and is currently included on the risk register. We note that this area is currently under review.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Once this is in place, investigators will be trained accordingly. In the meantime, reminders are being sent in respect to outstanding reports where they are required to be undertaken.	High	Health & Safety Manager	Area Manager Service Delivery Response Support	31/03/2012	
Performance Review Team note: Training has been provided to staff for safety event investigation. Work is progressing to develop appropriate training to Road Traffic Collision investigation.					

Action plan 1		TAXATION – BENEFITS IN KIND 2011/12				
Objectives	Management and operational responsibilities are clearly defined and communicated.					
Observations	<p>It was established during the course of the audit that the responsibility for reporting benefits in kind is through a combination of actions split between Hampshire County Council (HCC) and Hampshire Fire and Rescue Service (HFRS).</p> <p>There is currently no one member of staff within HFRS with overall responsibility for communicating the requirements and timescales to HFRS departments in relation to P11D information required by HCC. There is no-one providing a co-ordinating role to ensure that all benefits in kind are picked up and the necessary information provided to HCC within the agreed timescale, or provision for checking the accuracy of the information included on the P11D return for HFRS staff once completed.</p> <p>Due to the lack of communication and co-ordination across departments, there is a risk that additional benefits provided to HFRS staff and the Class 1 National Insurance linked to these benefits are not being picked up and correctly reported to HMRC. This could lead to penalties of up to 30% of the undisclosed amount being imposed on HFRS.</p>					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The HFRS Human Resources Manager (Workforce Support) will assume responsibility for future co-ordination of information, etc., relating to P11D declaration and liaison with the HCC tax advisor.		High	Human Resources Manager, Workforce Support to operate	Director of Human Resources to implement	Immediate	28/08/2012
Further work is required to develop the skills and understanding of the team in relation to benefits in kind and P11D treatment. This will be arranged.		High	Human Resources Manager, Workforce Support	Director of Human Resources	March 2013	28/02/2013

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Action plan 2					
Objectives	Management and operational responsibilities are clearly defined and communicated				
Observations	<p>Through discussions with HFRS staff we established that they are not fully aware of what is required with regards to providing information to HCC and what assistance HCC is able to provide in relation to taxable benefits provided to staff.</p> <p>We reviewed the Payments Group Service Level Agreement which included limited reference to the production of 'accurate end of year P11D returns' and 'National Insurance contributions to be made from payments'. However, there was no reference to the role that HFRS needed to fulfil, in providing information on other taxable benefits and the format in which they should be provided to enable inclusion in the year end P11D returns.</p> <p>Due to the lack of clarity in HFRS's role in the provision of information for taxable benefits, there is a risk that additional benefits provided to HFRS staff (for example medical expenses as outlined in action plan four) and the Class 1 National Insurance linked to these benefits are not being picked up and correctly reported to HMRC.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
HFRS will organise a small group led by the HFRS Human Resources Manager (Workforce Support) and the Director of Corporate Services, and including those representatives from HCC currently processing P11D information and giving tax advice, to review the existing arrangements and guidance and ensure clear and comprehensive guidance is in place.	Medium	Human Resources Manager (Workforce Support) and Director of Corporate Services	Director of Corporate Services	December 2012 (in time for the 2012/13 annual return in April 2013)	28/02/2013

Action plan 3					
Objectives	Processes and procedures are in place to ensure that all benefits in kind are identified, collated and the correct annual returns made on time, to HMRC for all relevant HFRS employees.				
Observations	<p>There are currently no processes or timetable in place to ensure that all benefits provided to staff are reviewed annually by HFRS, to ensure that they are correctly treated in relation to HMRC rules and reported to HCC for inclusion in the P11D process.</p> <p>With no periodic review of benefits provided to staff or assessment to ascertain whether HMRC rules have changed, there is a risk that taxable benefits may not be being picked up and correctly reported to HCC and subsequently HMRC.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The group established under Action Plan 2 will also establish these processes and timetable	Medium	Human Resources Manager (Workforce Support) and Director of Corporate Services	Director of Corporate Services	December 2012 (in time for the 2012/13 annual return in April 2013)	28/02/2013
Action plan 4					
Objectives	Processes and procedures are in place to ensure that all benefits in kind are identified, collated and the correct annual returns made on time to HMRC for all relevant HFRS employees.				
Observations	<p>Taxable benefits relating to travel claims and leasing arrangements for HFRS staff processed through SAP, are picked up and automatically entered on to the end of year P11D return. However this was not the case for the other benefits which need to be notified separately to the Leasing Department at HCC on an annual basis.</p> <p>We reviewed a number of areas where benefits could be deemed taxable by HMRC and found that medical expenses paid for by HFRS, which were not associated to treatment due to work related injuries, had not been reported to HCC</p>				

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	<p>for the inclusion in the employees P11D return.</p> <p>There is a risk of an outstanding liability for both staff and HFRS in relation to medical benefits not being declared on the end of year P11D returns. If HMRC become aware that these benefits have not been declared, it will be at their discretion whether they will go back to previous years, increasing the liability due. This may in turn have a reputational risk to the HFRS.</p> <p>There is currently insufficient information available to provide confirmed figures of the potential liability. Based on the assumption that the average cost for physiotherapy treatment is thought to be in the region of £150 - £250, this would equate to an individual tax and NI charge of between £47 - £77 for a 20% tax payer and £77 - £127 for a 40% tax payer, with a NI charge to HFRS of £19 - £32.</p> <p>Approximately 100 staff received physiotherapy treatment during the 2010/11 tax year for non work-related injuries, giving rise to a potential charge of approximately £6,600 - £10,900 for this specific area. The above assumption is based on physiotherapy treatment only and does not include figures for other private medical expenses such as MRI scans and operation costs.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
This element will be reviewed by the group (see action plan 2) and assuming this is a taxable benefit it will be reported under the P11D arrangements	Medium	Human Resources Manager (Workforce Support) and Director of Corporate Services	Director of Corporate Services	31/12/2012	31/12/2012

Action plan 5					
Objectives	Processes and procedures are in place to ensure that all benefits in kind are identified, collated and the correct annual returns made on time to HMRC for all relevant HFRS employees.				
Observations	<p>We reviewed the new service order SO/10/2 – HM Revenue and Customs (HMRC) tax rules in relation to Benefits in Kind (BIK) for the private use of company cars and vans, which was introduced in March 2011.</p> <p>After discussion with the HCC tax advisor it was established that HMRC rules, especially relating to home to work mileage and on-call working, varied depending on the classification of each vehicle and whether it is classified as a car, a van, an emergency vehicle or a double cab/crew vehicle. This classification affects the taxable benefit applied.</p> <p>It was established that the vehicle list which had been used to verify whether a vehicle had been used privately, did not sufficiently differentiate between the various vehicle classifications, for example where vehicles had been fitted with emergency lights this was not highlighted on the list. Therefore, the correct tax treatment for each vehicle classification may not have been applied to each vehicle listed.</p> <p>There is a risk that if each vehicle is not correctly classified, then the correct tax application may not have been applied, leading to a possible liability to both the employee and HFRS in relation to tax and Class 1 NIC. As with medical treatment, if HMRC become aware that these benefits have not been declared, it will be at their discretion whether they go back to previous years, increasing the liability due, which may have a reputational risk to the Service, if staff receive unexpected tax bills for previous year's use of vehicles.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The classification of each vehicle owned will be determined.	Medium	Fleet Manager	Head of Facilities	30/09/2012 extended to 31/12/2012	31/12/2012

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Action plan 6					
Objectives	Processes and procedures are in place to ensure that all benefits in kind are identified, collated and the correct annual returns made on time to HMRC for all relevant HFRS employees.				
Observations	<p>The Service Order SO/10/2 – HM Revenue and Customs (HMRC) tax rules in relation to Benefits in Kind (BIK) for the private use of ‘company’ cars and vans – included reference to personal/private use of company vehicles which could be approved and signed off by individual managers.</p> <p>This is contrary to HMRC rules unless the individuals involved are taxed for the benefit in kind. It was established that even though individuals would be charged a casual mileage rate this did not negate the annual tax liability but would merely reduce it by the amount paid.</p> <p>There is a risk that if personal/private use is allowable, the correct taxable benefits may not be picked up and declared for individuals who use the vehicles privately and the relevant Class 1 NIC not paid.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Further work is needed generally to clarify policies and ensure compliance with the (complex) rules around travel payments (including Flexible Duty system arrangements and the interpretation of emergency vehicles). This will also link to work in relation to provided cars being undertaken by the Head of Facilities Management.	Medium	Fleet Manager and Director of Corporate Services (using the group established under Action plan 2)	Director of Corporate Services	31/12/2012 Extended to 30/06/2013	
The discretion in the policy which currently exists will be reviewed with the expectation that it will be removed if it is not allowable.	Medium	Fleet Manager	Head of Facilities	31/12/2012	31/12/2012

Action plan 7					
Objectives	Processes and procedures are in place to ensure that all benefits in kind are identified, collated and the correct annual returns made on time to HMRC for all relevant HFRS employees.				
Observations	<p>To be able to satisfy HMRC that all reasonable steps have been taken to ‘prohibit private use of a vehicle’ and ensure that either ‘no private mileage is undertaken’ or where it is undertaken, that it is correctly declared, each HFRS vehicle has a log book in which each journey is recorded with a description and the number of miles covered. These log books are required to be checked and authorised by a line manager on a regular basis to ensure that the journeys are appropriate, and the vehicles are not used by staff for personal use.</p> <p>During testing we found that only three of the 20 log books reviewed during the audit had been checked and approved on a regular basis, with a further two having been reviewed once between April and August 2011.</p> <p>To provide further evidence to HMRC that allocated vans are not used privately by staff, HFRS have a staff agreement form in place to be completed and signed by individuals who are allocated company vans. This is a declaration which states that they do not use the vehicle for personal use. We found that only 10 of the 41 vehicles recorded as vans and allocated to individuals had a declaration held by HCC.</p> <p>There is a risk that, if it can not be evidenced that all reasonable steps have been taken by HFRS to ensure that private mileage is not undertaken in HFRS vehicles, HMRC may question the accuracy of returns being made.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>We will seek to introduce arrangements and checking procedures which ensure:</p> <p>Systematic and regular review of log books to ensure compliance with the private mileage requirements.</p> <p>Agreements (declarations) completed for all vehicles recorded as vans and allocated to individuals.</p>	Medium	Fleet Manager	Head of Facilities	30/11/ 2012 Extended to 30/06/2013	
<p>Performance Review Team note: A group to progress the recommendations arising from this internal audit has been established and a private sector, tax advisor has been identified to provide advice and validate the procedures we have in place. The HCC tax advisor is providing guidance on all taxable benefits and will be working with us to ensure that we have in place all necessary processes to report taxable (P11D) benefits. Work has been undertaken to review a sample of travel and subsistence claims to identify the areas which</p>					

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need further attention, either revising policies or ensuring compliance with the relevant service orders. This has identified that the main areas to focus on are the use of 'emergency vehicles' (as defined by the HMRC) and the definitions of private and commuting mileage for staff who are on call.

Action plan 1		FUEL ISSUES 2011/12			
Objectives	Fuel purchases and issues are adequately controlled with fuel supplies being recorded accurately and held securely.				
Observations	Discussions with the Fleet Manager and the Fleet Administrator confirmed that since the fuel ordering system changed there are no current/up to date procedures available. The Fleet Administrator confirmed that the procedures need to be updated to reflect the changes to the new system. Risk: Incorrect procedures for fuel supply may be followed.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Service Order (SO/10/1) which relates to HFRS bulk fuel supplies needs to be reviewed/re-written so that it takes account of the changes in procedure that need to be adopted as a result of the implementation of the system.	Medium	Fleet Manager	Head of Facilities	31/12//2012	23/01/2013

Action plan 1		BUDGETARY CONTROL 2012/13			
Objectives	To ensure that budgets are monitored and controlled and key issues are reported to senior management to ensure that Hampshire Fire and Rescue Service meets its strategic objectives within agreed resources.				
Observations	The format for reporting by budget managers to Finance and Senior Managers is flexible and not prescribed. In addition budget managers do not make formal returns in the fourth quarter, although Finance provides update for Service Management Team and Directors. In 2010/11 and 2011/12 forecast underspends/savings increased in the last quarter as noted in the SMT minutes in part due to issues which could have been formally reported earlier in the year. We note that the budget monitoring process is to be reviewed to assess reasonableness and the reasons behind the movement in the last quarter. There is an opportunity to introduce a standard reporting template for managers which could facilitate a more robust challenge of spend against budgets throughout the year and help to identify under and over spends earlier in the year, reducing fluctuations in the final quarter. The standard reporting template could replicate the format of the information supplied to Finance and General Purposes Committee in an effort to limit duplication of effort and ensure consistency. This reporting should also take place in each quarter. By adopting a more formal and consistent approach to reporting to SMT/Directors on the OTF, including during quarter four, issues and their impact could be identified earlier providing a greater opportunity to take appropriate action. To further enhance the process the introduction of profiling of budgets is being considered to highlight mismatches between reported OTFs and spend to date and contribute to reducing unplanned end of year variances. As the vast majority of the Service's budgets are stable a limited number of budget profiles could be considered and implemented.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The Treasurer has been asked to consider producing a revised monitoring report showing variance for the year to date and predicted variance for the whole financial year	Medium	Treasurer	Director of Corporate Services	31/03/2013	
Budget holders will be asked to update their outturn forecast in the fourth quarter which will be reported to SMT / Directors	Medium	Financial Services Manager	Director of Corporate Services	30/04/2013	
The introduction of profiling budgets has been agreed by Directors. Further work is required to assess how to achieve this using the current SAP financial system.	Medium	Financial Services Manager / Treasurer	Director of Corporate Services	31/12/2012 Extended to 30/06/2013	

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Action plan 2					
Objectives	Management and operational responsibilities are clearly defined and communicated.				
Observations	<p>The current Scheme of Delegation has not been reviewed and formally signed off by the HFRA since February 2008. In addition the 2008 review was only in respect of the Authority's Estate and was not an overall review. The scheme of delegation is a high level document but does not detail the powers of the Service's Directors and senior managers. There is substantial guidance available to staff via, for example, service orders. Whilst this gives good guidance to staff for procedural requirements on individual issues, there is no summary of the delegated powers by role which cuts across all activities. There is a risk that inappropriate action may be taken or guidance is not followed if the available information is not user-friendly and relies on the user knowing which of a large number of documents they need to refer to. Due to the level of current and likely future organisational change, there is an opportunity to review the scheme and associated documentation for currency and ease of use. The available documentation could be enhanced by publishing local schemes of delegation (for example by Directorate or by management tier).</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The scheme of delegation would benefit from revision whilst keeping it in line with Financial Regulations and contract standing orders. This is not a small task to complete.	Medium	Director of Corporate Services / Treasurer	Director of Corporate Services	30/05/2013	
Arrangements for delegation to officers from the Chief Officer will be clarified in line with the above action so that managers are clear about their financial / procurement delegations.	Medium	Director of Corporate Services	Director of Corporate Services	31/07/2013	

Action plan 1		PROGRAMME AND PROJECT MANAGEMENT 2012/13			
Objectives	Policies and procedures are in place to ensure the effectiveness of programme and project management.				
Observations	<p>Whilst there is comprehensive information available on the Programme and Project Management (PPM) web pages on how to manage a project, what documents to complete and how to complete them, we were advised that none of these documents or stages are mandatory within HFRS. Currently the full process and the complete documentation required under Prince 2 are detailed on the PPM website and it is not clear whether any of these are more important than any other. We understand that HFRS has taken the decision to implement project management loosely so that it aids Project Managers rather than hinders them with paperwork; however we would suggest that some information/documentation are key to the process.</p> <p>As part of this audit review we tested 9 projects which were detailed on the PPM Office's portfolio of projects. These varied in size, current stage, and start/end date. Our testing of documentation found that:</p> <p>3 out of 9 did not have a business case document</p> <p>6 out of 9 had some form of impact assessment completed, however only 2 had used the online tool and thus included the environmental impact assessment</p> <p>For 3 out of 9 there did not appear to be any stakeholder analysis</p> <p>For 3 out of 9 there did not appear to be a risk register</p> <p>It must be remembered that due to the limited number of projects on the portfolio a number of our sample pre-date the PPMO and framework. However, none of the above documents are "required" to be completed under the framework. We appreciate that the PPM framework is there as a guidance tool however we would assert that some documents are particularly important, should be mandatory, and that staff should be aware of which these are. For example, a project mandate giving permission to set up the project, a business case setting out reasoning and a risk register detailing and monitoring the projects risks.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>The Project Management Office (PMO) does and will continue to advise that the mandate, impact assessment, business, and Project Initiation Document (PID) are mandatory. Clarity will be added to the PMO web pages to ensure that this message is communicated.</p> <p>The PMO will continue to provide 1:1 coaching and</p>	High	PMO Manager	Director of Human Resources	01/04/2013	

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<p>advice to project managers on the HFRS Project Management Framework and this is also covered in the PPM training courses</p> <p>Clarity will also be added around whether any documents are more important than others. The PMO will also ensure that there is stringency around the production of documentation and highlight why each is key to the process.</p> <p>The PPM framework is still being embedded into the organisation and the PMO is aware that the new processes and culture will take time to become business as usual resulting in greater efficiencies and benefits.</p> <p>The lack of documentation from legacy projects will be captured in the lessons learned tool and shared with future project managers to ensure better compliance and outcomes in the future.</p>					
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Action plan 2					
Objectives	Programmes and projects are appropriately authorised and assessed prior to committing resources.				
Observations	We could not see any reference to the resource cost of carrying out a project in any of the project documentation viewed. Whilst some projects are expected to be carried out on top of normal day jobs there are still opportunity costs, where staff could be working on other tasks. Therefore projects are being mandated or signed off without a formal review of the cost against benefits of carrying them out. Nor is there any review of how much resource a completed project has taken.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Resource cost is defined by the project manager in the business case and budget management of the project. It can also be calculated in more detail in Microsoft Project project plans if required. The PMO is currently developing an M/Soft Project template that will aid managers with the definition of detailed resource cost. We will assess whether this is necessary at all – and will develop a scheme to determine this. The PMO will review the information currently on the web pages to ensure the cost of project management is taken into account.	Medium	PMO Manager	Director of Human Resources	01/07/2013	
The proposed tool will be assessed to see if it delivers this functionality.	Low	PMO Manager	Director of Human Resources	01/12/2013	

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Action plan 3					
Objectives	Programmes and projects are appropriately authorised and assessed prior to committing resources.				
Observations	<p>Our review of the online impact assessment tool found that whilst it states that it should be completed for all projects, as well as new or reviewed policies, initiatives, events and procurement, this was not happening. Currently only around 20 assessments were showing on this tool. Only 2 of our sample of 9 projects had completed the online tool (although as previously highlighted some pre-dated this tool).</p> <p>Whilst the impact assessment says it should be completed for all projects, the PPM framework does not state that it is mandatory.</p> <p>We also found that the online tool contained guidance on how to physically complete the form but no guidance on what aspects to consider in giving your answer. Instead it is assumed that people will contact the PMO for guidance.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Further information around the use of the Impact Assessment tool has been distributed with a clear message that this is mandatory for all projects.	Low (as already completed)	PMO Manager	Director of Human Resources	Completed	28/02/2013
The PMO will use a continuous improvement approach to the development of the Impact Assessment Tool including guidance notes.	Low	PMO Manager	Director of Human Resources	Completed	28/02/2013

Action plan 4					
Objectives	Programmes and projects are appropriately authorised and assessed prior to committing resources.				
Observations	The PPM framework does not currently contain any guidance on change management; however, we understand that this is something the PPM Office Manager is working on. This should provide guidance on what is considered a "change", what changes need to go to the board or SMT for approval and how these need to be documented.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Project change management is now delivered via the use of the change request form and change control spreadsheet. Information and guidance on their use will be included on the PPM web pages and communicated to project teams.	High	PMO Manager	Director of Human Resources	01/03/2013	Complete
Change Management in the larger sense is only just being formally introduced into the Service and integrated with project management. The PPM and OD managers are looking at how the two may best be integrated and communicated. SMT and HoST are looking at the use of change management tools to enhance leadership awareness and decision-making prior to project/programme initiation. This approach is a focus of the Safer and Stronger Board (SSB). Once any new or updated HFERS framework has been agreed it will be published on the intranet and will contain information on, or a link to, the change management approach and tools for the future.	Medium	PMO Manager and Organisational Development Manager	Director of Human Resources	01/07/2013	
An appropriate communications plan will be implemented to ensure awareness.	Medium	PMO Manager	Director of Human Resources	01/07/2013	

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Action plan 5					
Objectives	Programmes and projects are appropriately authorised and assessed prior to committing resources.				
Observations	<p>Whilst we were able to evidence that certain documentation had been provided to project boards or SMT we were unable to evidence that much quality assurance had taken place. Some business cases might go through the PPM Office Manager in which case she will have a look through it, but in most cases it will go straight to the board or SMT. In these cases it is up to the board to provide robust challenge and review of the information it contains.</p> <p>Some larger projects do have a member with quality assurance responsibility, however smaller projects do not warrant the resource. With or without a Quality Assurance (QA) person there should be evidence of appropriate review of the content of project documentation, so that boards can be confident that the information they are provided with is sound.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>The PMO has arranged an offering of a course on Project Assurance (to be delivered by Local Partnerships and ex Deputy Chief of Avon Fire and Rescue Service) on 6th March 2013. This will enable a large group of staff to perform project assurance according to government guidance via a gateway review process, and even to peer-assess others within and outside HFRS. This will provide improved clarity of the role.</p> <p>The course delivers accreditation and in future every project will have access to someone with the project assurance competence. The PMO can advise on this. (Staff skills are searchable on our FireWatch database, so the PMO has access to who is qualified).</p>	Low (due to plan in place)	PMO Manager	Director of Human Resources	06/03/2013	

<p>The PMO was set up more as a consultancy to provide advice and support to project managers. The accountability for projects lies with the Senior Responsible Owner (SROs). Whilst the PMO can advise where risks may lie, in the structure of HFRS it is seen that the SROs 'own' the risks including any lack of use of the framework therefore the Senior Management Team (SMT) and Heads of Services Team (HoST) provide governance.</p>		<p>SROs are aware, via training and via documentation</p>	<p>Director of Human Resources</p>	<p>Complete</p>	<p>28/12/2012</p>
<p>Action plan 6</p>					
<p>Objectives</p>	<p>Programmes and projects are managed by skilled staff that are provided with sufficient support.</p>				
<p>Observations</p>	<p>We have been advised that on occasions Project Managers need to be changed mid-project. It is important that projects do not stall due to this change and that relevant information is passed over to the new Project Manager to enable it to continue. However, there is no guidance on the PPM site about what information should be imparted, or that such a formal handover should occur.</p>				
<p>Management actions</p>	<p>Priority</p>	<p>Responsible Officer</p>	<p>SMT</p>	<p>Target date</p>	<p>Date signed off as complete</p>
<p>Relevant information and guidance will be uploaded onto the PPM web pages and communicated to the Service. This will include a checklist of actions, including list of key activities, responsibilities, stakeholders, other documents and access rights etc. Assuring this process will also be added to the role of the Senior Responsible Officer who will also have responsibility to ensure any new project manager is provided with relevant information.</p>	<p>Medium</p>	<p>PMO Manager</p>	<p>Director of Human Resources</p>	<p>01/06/2013</p>	
<p>In addition, the PMO will ensure that this process happens whenever there is a change of project or programme manager.</p>	<p>Medium</p>	<p>PMO Manager</p>	<p>Director of Human Resources</p>	<p>01/06/2013</p>	

INTERNAL AUDIT MANAGEMENT ACTIONS – THOSE AGREED SINCE NOVEMBER 2012, COMPLETED SINCE NOVEMBER 2012, AND THOSE IN PROGRESS

Action plan 7					
Objectives	Programmes and projects are subject to sufficient risk management processes.				
Observations	<p>Whilst there is a risk register template available on the PPM intranet site we found that some projects used their own format and with some the actual scoring mechanism differs. As high risks are reported up to SMT this variation in scoring may affect what is brought to their attention.</p> <p>We also found that some risks were not adequately defined, for example saying "uniform issues" rather than what the actual risk was. Whilst this may make sense to the Project Manager it may be misleading to other people and may not enable suitable challenge.</p> <p>One project did not have any risks on its risk register, which sounds unlikely to be a true picture of related risk in this area.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
In the long term the PMO Manager is working with the Performance Review Manager to consider the introduction of Project Risk Management workshops (which will be owned and delivered by the PMO).	Medium	PMO Manager and Performance Review Manager	Director of Human Resources and Director of Corporate Services	01/11/2013	
In the short term, the PMO will undertake a review and assessment of current project risk registers to ensure they are fit for purpose, being managed appropriately and that the scoring aligns to the strategic risk register format (which the current template is designed to do).	High	PMO Manager and Performance Review Manager	Director of Human Resources and Director of Corporate Services	01/05/2013	

<p>It is important to note that the risk register template has the ability to do a 'weighting' definition at the start, so that in fact the way one project is scored may not be the same as another BUT the weighting means they are equitable.</p> <p>Further instructions will be expanded or added to the web page and/or the template.</p>	Medium	PMO Manager	Director of Human Resources	01/06/2013	
Action plan 8					
Objectives	Regular monitoring and reporting on programmes and projects occurs to ensure the effective delivery of change and to also provide mechanisms for senior management to carry-out their governance function.				
Observations	<p>Our sample of projects including three which had closed.</p> <p>Only one of these had closed over 6 months ago and whilst we were advised that both a 6 month and 12 month post closure benefits review had been carried out these had not been documented. Lessons learnt documents and project closure reports were also not produced for two of the closed projects. It is important for such reviews to occur and be documented to enable management to ascertain how effective the project was and also to allow any lessons to be learnt for future work. It should of course be noted that this project was undertaken prior to the PPM guidance on the intranet; however the 6 and 12 month reviews would have been after the guidance was in place.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The PMO will liaise with the Audit Officer for clarity around which projects and if legacy which, if any, actions should be considered.	Medium	PMO Manager	Director of Human Resources	Complete	28/02/2013
Lessons Learned are now captured in the online lessons learned tool.	Low (complete)	PMO Manager	Director of Human Resources	Complete	28/02/2013
The PMO manager will investigate the case of the 6/12 month reviews.	High	PMO Manager	Director of Human Resources	Complete	01/03/2013

INTERNAL AUDIT MANAGEMENT ACTIONS – THOSE AGREED SINCE NOVEMBER 2012, COMPLETED SINCE NOVEMBER 2012, AND THOSE IN PROGRESS

Action plan 9					
Objectives	Regular monitoring and reporting on programmes and projects occurs to ensure the effective delivery of change and to also provide mechanisms for senior management to carry-out their governance function.				
Observations	<p>The PMO Manager does not currently have access to all the project documentation held by each programme or project. Documents such as risk registers may be held on departmental drives to which the PMO Manager does not have access. The PMO Manager is therefore reliant on the Project Manager sending through updated documentation.</p> <p>We also found that the main Portfolio of programmes and projects held on the intranet site was not up to date and did not include all the relevant information. In part this was due to the PMO Manager not having access to the information.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>Further consideration will be given to discuss with current project managers to transfer files to a central location.</p> <p>Our future project management tool will be where project documentation will be held (or linked to I Drive or Hantsfile) but we will consider if an interim move makes sense.</p>	Low	PMO Manager	Director of Human Resources	01/11/2013	
The PMO manager does schedule dates when highlight reports must be submitted. Given that the PMO manager has been working without support, it has not been possible to 'pull' all information from all projects, but was felt that the highlight reports should provide that information. Given the statement above, and referring to Action Plan 7, it is still an area that the PMO Manager and Performance Review Manager will scrutinise around risk and issue registers.	Medium	PMO Manager and Performance Review Manager	Director of Human Resources and Director of Corporate Services	01/08/2013	

