

INTERNAL AUDIT MANAGEMENT ACTIONS – THOSE AGREED & COMPLETED SINCE September 2014 AND THOSE IN PROGRESS

Action plan 5	Sustainability 2012/13
Objective	There are policies and procedures in place for the prevention of pollution and effective waste management with clear lines of responsibility.
Observations	<p>ISO 14001</p> <p>The Service is committed to providing an environmental management system (EMS) and achieving the ISO 14001 standard although no date has been set to achieve this. There are currently no policies and procedures in place for an environmental management system, although work is in progress to produce them.</p> <p>Waste Management</p> <p>Examples of waste generated by the Service requiring disposal include electrical appliances, IT equipment, building materials, fire fighting foam and de-polluted cars. Items which are owned by HFRS are defined as non domestic waste whilst items owned by individuals are defined as domestic waste.</p> <p>If they are deemed to be non domestic waste they must be disposed of by appropriate registered companies with appropriate licences.</p> <p>Determining ownership and status of some items in use at fire stations is difficult as many of these items have been donated by staff and many are not recorded on an asset register.</p> <p>There are no policies, formal procedures, or guidance in place with regard to the definition, identification, storage, and disposal of non-domestic and domestic waste. Additionally there are implications regarding the insurance and liabilities of personal items whilst stored and in use on HFRS premises and additional costs to the Service if domestic items are disposed of as non domestic waste.</p> <p>It was established at the close of audit meeting that responsibility for ensuring that the storage and disposal of waste products used by the Service meets legal and statutory requirements has been allocated to the Environmental Impact Project Coordinator.</p> <p>The roles and responsibilities of this role and those of all staff within the Service with regards to waste management have not currently been clearly defined and communicated. This may result in legal and statutory requirements not being met, environmental damage and in severe cases, prosecutions, and reputational damage to HFRS.</p>

Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>Increase the resource allocated to the implementation of the Environmental Management System (EMS) to ensure full implementation; including the setting of an audit plan for the system. The Service approved a proposal for an 11 month secondment of a temporary Crew Manager (who started in April 2013) to support the work on the implementation of the Service Environmental Management System.</p>	High	Environmental Impact Project Coordinator	Head of Facilities	31/03/2014 Extended to 30/09/2014 Extended to April 2015	
Hampshire Safeguarding Children Board (HSCB): Outcome of audit of HFRS arrangements to safeguard and protect the welfare of children (Section 11) Staff recruitment and Selection					
Management actions	Responsible Officer	SMT	Target date	Date signed off as complete	
<p>Strengthen safer recruitment training.</p> <p>The panel considered that, as a minimum requirement, the chair of a recruitment panel should have completed safer recruitment training.</p> <p>Free e-learning on safer recruitment is offered by the Department for Education on their website: Online training - Safer Recruitment</p>	Service Delivery – Prevention team will liaise with support teams to find the best solution.	Area Manager Service Delivery Prevention	31/12/2013 Extended to Q1 2014-15 Extended to Q2 – to be picked up in August Extended to Q4 2014-15		
<p>Negotiations taking place with H3.</p>					

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Hampshire Safeguarding Children Board (HSCB): Outcome of audit of HFRS arrangements to safeguard and protect the welfare of children (Section 11) Client Confidentiality and Information Sharing						
Management actions		Responsible Officer	SMT	Target date	Date signed off as complete	
Improve alignment of work across teams to make our approach consistent and make use of key tools such as Safetynet.		Area Manager Service Delivery Prevention	Area Manager Service Delivery Prevention	31/03/2014 (on-going) Extended to Q4 2014-15		
<p>All CS work is currently recorded on CFRMIS. All work regarding vulnerable people will be recorded on a newly launched module of CFRMIS specifically designed for these records.</p> <p>SafetyNet is not currently used; however Area Manager Prevention is in on-going discussion with HCC to consider its best utilisation in line with other partners on the Crime and Disorder Partnership. This is due for new development work and a re launch in 2014.</p>						
Action plan 1		Fleet, Stores and Logistics 2013/14				
Objective	All stock movements are controlled and correctly recorded.					
Observations	Examination of the current stores procedure notes show them to be incomplete (e.g. no procedure notes covering stock write-offs and limits) and that they are out of date as they refer to the old stock system. Whilst this is currently not an issue as the Stores Supervisor has been in post for some time, there is a risk that should he be absent for a sustained period of time, other staff may not know the correct procedures to follow.					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The procedure will be reviewed/rewritten/updated.		Medium	Fleet Manager	Head of Facilities	December 2014	

Action plan 2		Fleet, Stores and Logistics 2013/14				
Objective	All stock movements are controlled and correctly recorded.					
Observations	<p>We reviewed 25 stock items and checked to ensure that those items had maximum, re-order and safety levels recorded in Tranman. Testing showed that 10 out of the 25 items had maximum levels in Tranman, 9 out of the 25 items had a safety level in Tranman, and none of the items had a re-order level in Tranman.</p> <p>The stock holding level and re-ordering of stock is based on the Stores Supervisor (Workshop's) experience (and there have been no issues) but there is a risk that without this information, re-order reports may be used instead and these contain inaccurate/misleading information. HFRS need to ensure that the Tranman system is used to accommodate their business needs.</p> <p>We discussed the re-ordering of stock with the Stores Supervisor (Workshops) and the use of a stock re-ordering report. A report can be produced, although it lists each stock item at least four times and can show a different number against each line, so it is very misleading. Whilst the report would only be used as an aid by the Stores Supervisor (Workshops) after a period of leave, there is a risk that if the report was used by inexperienced staff, stock could be incorrectly ordered.</p>					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Reports are not used as the primary tool for checking and management of stock. Storekeeper walking racks and manual checks are the norm. However, the system supplier will be contacted to see if reports can be corrected.		Medium	Fleet Manager	Head of Facilities	July 2014 Extended to November 2014	
Action plan 3		Fleet, Stores and Logistics 2013/14				
Objective	All stock movements are controlled and correctly recorded.					
Observations	We selected 25 items of stock and undertook a stocktake. Testing found 16 out of 25 items were correctly recorded on Tranman (64%). This was discussed with the Stores Supervisor (Workshops), who adjusted the stock levels in Tranman. There is a risk that at year end the final accounts will be incorrect and that stock may not be available when needed if the stock holding recorded in Tranman is incorrect.					

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<p>the authorisers are themselves submitting incomplete claims. There is an apparent lack of understanding about how the travel claims should be completed which could result in HMRC challenging the accuracy of the annual P11D return arising from the monthly travel claims submitted.</p> <p>Additionally, there is a risk that HMRC could consider that the information held is insufficient to support the P11D information. Whilst there may be alternative sources of information to answer an HMRC request for clarification, this would have an impact on resources in collating information.</p> <p>FDS staff may be on the rota, but can be unavailable (e.g. due to training or meeting). Travel claims include business mileage from home to work when apparently unavailable for duty.</p>					
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>The lack of completion of the duty note column will be resolved by an electronic vehicle tracking system which will accurately and efficiently record a split between private and business mileage. It will also facilitate adequate data to support mileage claims.</p> <p>This will be introduced as the provided car scheme is rolled out.</p>	Medium	Head of Facilities	Head of Facilities	Provided vehicles will be introduced between 2014 and 2017	
<p>Once travel claims are processed by the Integrated Business Centre (IBC) they will be paid automatically without authorisation. We will therefore put in place a compliance check on claims to ensure accuracy.</p>	Medium	Director of Professional Services	Director of Professional Services	31/08/2014	
Action plan 2 Taxation (Benefits in Kind – Mileage) 2013/14					
Objective	All tax and national insurance contributions liabilities on benefits in kind are correctly identified for payment to Her Majesty's Revenue and Customs.				
Observations	To limit incorrect claims being processed, HR Workforce Support staff are vetting the travel claims, checking				

<p>arithmetic and trying to ensure claims are accurate. However, our testing suggests that this process is not effective, and is not picking up apparent anomalies of business and taxable mileage claims.</p> <p>FRS staff are at risk from personal liability, and HFRS is at risk of liability for incomplete claims from HMRC.</p>					
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Once travel claims are processed by the Integrated Business Centre (IBC) they will be paid automatically without authorisation. We will therefore put in place a compliance check on claims to ensure accuracy.	Medium	Director of Professional Services	Director of Professional Services	31/08/2014	
HFRS policies on travel and subsidence are currently being redrafted and these will be re issued to staff to enable them to complete their claims correctly.	Medium	Director of Professional Services	Director of Professional Services	30/08/2014	
Action plan 3 Taxation (Benefits in Kind – Mileage) 2013/14					
Objective	All tax and national insurance contributions liabilities on benefits in kind are correctly identified for payment to Her Majesty's Revenue and Customs.				
Observations	<p>Testing of a sample of logbooks showed that no private mileage was recorded in the logbooks by vehicle users. Logbooks should be regularly checked, however, we found that 18 logbooks appeared to be authorised and checked in response to our audit. This suggests that logbooks are not being checked on a weekly basis and that awareness of staff about use of vehicles for private mileage is not being reinforced by weekly checks.</p> <p>The lack of regular checks does not comply with the stated requirements placed on pool vehicle users and may enable private mileage to go undetected.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
The lack of completion of the duty note column will be resolved by an electronic vehicle tracking system which will accurately and efficiently record a split between	Medium	Head of Facilities	Director of Professional Services	Provided vehicles will be introduced	

Establish performance monitoring and reporting.		Medium	Fire Control Options PM	Area Manager Response Support	01/10/2014 Extended to Jan 2015	
Action plan 2		Networked Fire Control Project 2013/14				
Objective	HFRS review and monitor any lessons identified to ensure that in the event of a similar occurrence the same errors will not be repeated.					
Observations	Although there is a Lessons Learned log on Sharepoint, this is currently not accessible or updated due to the migration of information to the new document management system, Office 365. The last entry on the log is February 2013, and it is not clear whether there have been no lessons learned since this date or whether they have simply not been updated. The Lessons Learned log should be available to all to assist in avoiding repeated mistakes with both this and future projects					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Designate at a PM meeting a formal review of Lessons Learned.		Medium	Fire Control Options PM / Partnership PMs	Area Manager Response Support	01/072014 *Extended to 30/04/2015	
*This will be arranged for when the delivery phase of the project is complete which is the end of April 2015. This is because the project milestones have moved.						
Action plan 2		Financial Challenge 2013/14				
Objectives	Adequate controls exist over the identification, implementation and monitoring of projects to ensure that savings remain on course.					
Observations	From interviews held with staff that have had an input into the Financial Challenge process we have noted that there may be a possible duplication of effort. In particular we noted similarities between the work being undertaken by the performance review and the project management teams. As it stands at present the process of identification, review and monitoring of schemes does not appear to be very clear, with more than one area undertaking similar functions in isolation without any alignment with other parts of the organisation.					

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There is a risk, where similar functions are being undertaken, that there is a cross over causing a duplication of time and effort if the parameters of roles and responsibilities are not clearly documented.						
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>Duplication of effort between the six teams that will make up Knowledge Management (KM) was a driver for the KM Project. The processes and systems within KM will be aligned to the service planning cycle and the governance requirements of SSB (Safer Stronger Board).</p> <p>The new role of Head of Knowledge Management started in August 2014 and is identifying, together with KM management team, any immediate actions that can be progressed to support alignment.</p>		High	Head of Knowledge Management		October 2014 Extended to April 2015	
<p>The initial plan for reorganising the sections with KM needs to be aligned with the Professional Services Redesign project. Initial plan to be presented in Feb 2015.</p> <p>Formal implementation of new KM structure will follow. Date as yet not confirmed.</p>		High	Head of Knowledge Management		February 2015	
Action plan 3		Financial Challenge 2013/14				
Objectives	Adequate controls exist over the identification, implementation and monitoring of projects to ensure that savings remain on course.					
Observations	a) Savings targets have been allocated against each of the Financial Challenge projects. From investigation we found that there is little or no evidence to support how these financial targets have been set. Project owners stated that					

	<p>they had costed savings targets themselves without any direct support from the finance team.</p> <p>b) Where projects have primarily resulted in budget reductions we attempted to review the transaction trail to identify whether the year end figures were accurate, however this was not always possible as cost coding and reporting mechanisms currently do not allow for this to be easily reviewed.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>b) It should be noted that the overall Financial Challenge saving target set was achieved. The way that the financial reporting is made is to count the savings only when the full year position is reached, which is prudent from a financial planning point of view. This can result in a lag factor in reporting. It can be resolved by maintaining the 'original' level and profile of the savings target on a prudent basis. The Project Management Office will be required to report accurately and timely what is being or expected to be achieved alongside that.</p>	High	Head of Finance		October 2014	
Action plan 4 Financial Challenge 2013/14					
Objectives	Any changes to programme streams are agreed and overall savings re-calculated to ensure that savings remain on course.				
Observations	<p>During the review, the financial update document (dated August 2013) was used to identify what projects had been set up, who the senior responsible officer (SRO) was and financial progress to date. It became apparent that this key document, presented at the Safer Stronger Board on a bi-monthly basis did not contain accurate data. In particular three of the SRO's named were not current and forecast and actual data was not clearly reported for each of the years 2011 – 2013.</p> <p>The financial update information currently does not provide sufficient detail of what is happening against each of the projects during the course of the year. An example was identified (from discussion with the SRO) whereby the forecast would not be achieved in the year reported but this had not been relayed for inclusion on the latest summary.</p>				

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The inaccuracy of the SRO names has been amended. Financial updates will be reviewed and presented to the Board as detailed in the action above.	High	Financial Services Manager		October 2014	
Action plan 5 Financial Challenge 2013/14					
Objectives	Lessons learnt from the financial challenge programme have been identified and built into future planning to identify and implement future reductions.				
Observations	At the 5 August 2013 Safer Stronger Board meeting the Project Management Office Manager requested that a lessons learnt register be introduced on the intranet website. This should be seen as a learning opportunity for all project leads. Lessons learnt should also form an integral part of any project analysis and as such should be included as part of any future business cases. Whilst a lessons learnt shell has been provided on the intranet site, at the time of the audit (December 2013) no lessons learnt had been reported.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
It should be noted that although no lessons learnt had been posted directly from the Board, the tool is populated with many from other projects. However, our lessons learnt process is being reviewed to ensure that they are not only captured but shared and used. This will now be included in quarterly project managers meetings. Information will also be included and discussed in the proposed online forum launched within Moodle.	Medium	PMO Manager		October 2014 December 2014	

