

INTERNAL AUDIT MANAGEMENT ACTIONS – THOSE AGREED & COMPLETED SINCE June 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 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 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
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.	High	Environmental Impact Project Coordinator	Head of Physical Assets	31/03/2014 Extended to 30/09/2014 Extended to April 2015	
Action plan 1 Data Quality 2012/2013					
Objective	There are systems and processes in place for the collection, recording, analysis and reporting of data which are focussed on securing data that is accurate, valid, reliable, timely, relevant, and complete.				
Observations	<p>To help ensure accurate management information, some data checking is undertaken. For example, the CFRMIS Team and Performance Review Team investigate 'anomalies' and where necessary correct data issues when preparing information for publication.</p> <p>There is no formal approach between the various teams responsible for the quality and provision of information to consider where recurring issues are arising, to ensure incorrect data recorded is corrected and improvement pro-actively planned and managed. There is a risk that resources are deployed for data checking and compensating for incorrect data input rather than deployed to add value and address the issues at source.</p> <p>A more formal approach between the key parties responsible for data collection systems, such as a time limited task group, should be actively considered to summarise and provide information to management of where issues are arising across the service and enabling a planned and coordinated approach to correct and improve data collection and quality.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
This issue was one of the drivers for the implementation of a Knowledge Management team by bringing together a number of teams who collect, manage, analyse, and	High	Head of Knowledge Management	Director of Professional Services	01/08/2014 Extended to 31/10/2014	05/05/2015

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report data. Our approach to data collection, governance and reporting is included in a work package currently underway as part of the Knowledge Management Project.				Extended to 30/04/2015 Extended to 31/05/2015	
Action plan 1					
Networked Fire Control Project 2013/14					
Objective	Appropriate consideration has been given to how the Networked Fire Control Services Partnership and its implementation affects Hampshire Fire and Rescue Service and its employees.				
Observations	<p>Throughout the project implementation, the expected benefits of the project have been identified centrally for the project and recorded during each stage. Whilst the project lead on the measurement of benefits across the project as a whole is the Project Manager from Devon and Somerset FRS, it is down to individual Fire and Rescue Service to highlight their own benefits.</p> <p>Within HFRS we understand that the pressure of the implementation has impacted on the resources to capture, identify and measure the benefits being realised. Although this may not impact on the project itself, it may have implications when the project has been completed. If benefits are not seen to be realised there could be a reputational risk of the benefits of the project being called into doubt.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Review partnership and FRS benefits alignment.	Medium	Fire Control Options PM / DSFRS PM	Area Manager Response Support	01/08/2014 Extended to 31/01/2015 *Extended to 30/09/2016	
Undertake further baseline benefits measurement (FRS).	Medium	Fire Control Options PM	Area Manager Response Support	01/08/2014 Extended to 31/01/2015 *Extended to 30/09/2016	

*Extension due to the recruitment of a member of staff within the Knowledge Management Team who will be responsible for this, expected to be complete by May 2015.

Action plan 1		Moodle 2014-15				
Objectives	There are documented responsibilities, policies and processes in place to ensure that there is effective governance of the software.					
Observations	We looked for documented responsibilities with regard to ownership and administration of the system, user administration, content creation and content quality assurance. Although we were informed of where these responsibilities will be going forward for the system, at the time our audit testing was completed they had not been documented.					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Formal Job Descriptions (sent with this document) have now been created and agreed for 2 roles that will oversee the ownership and administration of the system. The posts are currently temporarily filled and will be recruited into on a permanent basis, as part of a wider restructure of HFRS Marketing and Communications.		High	Head of Communications, Engagement and Administration	Head of Communications, Engagement and Administration	30/06/2015	11/03/2015
Action plan 2		Moodle 2014-15				
Objectives	There are documented responsibilities, policies and processes in place to ensure that there is effective governance of the software.					
Observations	We looked for policy and process documentation with regard to system administration (for example upgrade management), user administration, content creation and quality assurance of content. We were provided with process documentation for user administration but documentation for the other areas had yet to be written when the audit testing was completed. However we were verbally informed of the policy and processes which would be used for the system.					
Management actions		Priority	Responsible	SMT	Target date	Date signed

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		Officer			off as complete
Policies and procedures will be written and embedded to ensure the system is maintained and a high level of security is retained.	High	Service Delivery Admin Manager	Head of Communications, Engagement and Administration	30/06/2015	
Action plan 3		Moodle 2014-15			
Objectives	Access to administrate and use the software is authorised and appropriate. The software is securely configured to protect it from unauthorised access.				
Observations	There is a process to notify the Moodle Maintenance Team of leavers which need to be removed from the system. But there was no process to regularly review user access to identify any users missed by this process. The majority of users have access which would not present a risk if it was left in place so in our view it is not necessary to review all access. However, users with high privilege access such as “Site Administrators” may present a risk if they were not removed promptly.				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
A procedure to support the above will be written and embedded to ensure a high level of security is retained.	High	Service Delivery Admin Manager	Head of Communications, Engagement and Administration	30/06/2015	05/05/2015
Action plan 4		Moodle 2014-15			
Objectives	Back up, recovery and continuity processes and service level agreements are in place to ensure training courses are available to staff.				
Observations	The supplier of Moodle to HFRS is “How to Moodle”, the service level agreement with them agrees to a 100% uptime for the software. The content is stored with Amazon S3 cloud based storage and the service level agreement with them quotes a 99.9% uptime for that storage service. Without Moodle the training content created would still be available from the Amazon S3 service, and we were informed that this would provide continuity for the delivery of training courses if Moodle was unavailable for significant length of				

	<p>time. How this would be done in practice in the form of a business continuity plan for Moodle has not been determined or documented yet so it was not clear if this would work in practice when we completed the audit testing.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>A Business Continuity document will be created to inform the organisation of the 'back up' arrangements in place to provide accessibility of training packages, should Moodle become unexpectedly unavailable to users.</p> <p>A tiered approach to ensure accessibility to all training content and the VLE is in place and will be detailed in the Continuity Plan: Two VLE sites maintained with full content available Each department will own and maintain a master copy of their training packages.</p> <p>VLE provider (How To Moodle) are contractually obliged to maintain "100% Uptime"</p>	High	Service Delivery Admin Manager	Head of Communications, Engagement and Administration	30/09/2015	12/05/2015
Action plan 1 Programme and Project Management 2014/15					
Objectives	Confirmation that progress has been achieved against the recommendations made within the Project Angels report.				
Observations	<p>The Project Angels report was approved by SMT in January 2014, at this meeting it was agreed that a plan would be drawn up to implement the recommendations. It was agreed that the plan should be available at the March 2014 meeting.</p> <p>We reviewed the minutes of the March 2014 meeting which noted discussions about the way forward, however there do not appear to be any specifics identified in terms of resourcing requirements or a timeline.</p> <p>One of the key elements identified by SMT was to appoint a dedicated project manager to drive the process forward. It was agreed that this should be a station manager (or equivalent) as a secondment for 12-18 months. As of December 2014 no officer had been assigned to this post. This has had a knock-on effect on the remainder of the recommendations.</p>				

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	<p>It is concerning to note that no further meetings were held to discuss the implementation and the progress of introducing the recommendations after the March 2014 meeting. The March 2014 minutes indicated that “interim progress should be reported to SMT six monthly aiming for delivery of improvements and realisation of initial benefits by November 2015”.</p> <p>At the close of audit we were informed that at a recent away day held to discuss the Project Management Office (PMO) it was agreed by Senior Management that an external consultant would be engaged. This appointment would be for a three month period to identify and evolve a structure for the PMO.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
An external consultant has been identified to act as an ongoing mentor for the PMO Manager. Consideration will be given to appointing a second consultant for a 3 month contract, at a later date	Medium	Programme and Project Manager	Head of Knowledge Management	01/10/2015	
Action plan 2 Programme and Project Management 2014/15					
Objectives	Confirmation that progress has been achieved against the recommendations made within the Project Angels report.				
Observations	<p>It was agreed as part of one of the recommendations that the project “life cycle” would be re-launched with an emphasis on business cases, planning and proper resource management.</p> <p>We noted that the web page which outlines the process is not up to date so reliance cannot be placed on the validity of the data to assist with any project management support. Whilst training was introduced for staff who have an interest in project management and those identified as project managers, this has stopped due to the availability of staff to carry out the training.</p> <p>At the present time there continues to be no clear and up to date guidance to support officers assigned as Project Managers.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Initial relaunch of the current HFRS Project	High	Programme	Head of	01/06/2015	

Management Methodology with a full review to be carried out by 01/06/2015		and Project Manager	Knowledge Management		
Development of an online forum for Project Managers to share learning, seek advice from peers and understand impacts between projects	High	Programme and Project Manager	Head of Knowledge Management	01/06/2015	
Review of the current webpages.	Medium	Programme and Project Manager	Head of Knowledge Management	01/06/2015	
Review and relaunch of the current Project Health Check process to ensure project continuation decisions are documented at appropriate gateways	Medium	Programme and Project Manager	Head of Knowledge Management	31/12/2015	
Review of the current project governance documentation	Medium	Programme and Project Manager	Head of Knowledge Management	31/12/2015	
Full review and relaunch of the training provision to create a suite of national accredited training courses, using a blended learning approach. A new role will be created within the PMO to deliver this as well as support actions 1.1-1.6	High	Programme and Project Manager	Head of Knowledge Management	01/04/2016	

Action plan 3	Programme and Project Management 2014/15
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Objectives	Confirmation that progress has been achieved against the recommendations made within the Project Angels report.
Observations	<p>The report recommended that a portfolio, delivery and support unit, incorporating the current Performance Review Team (PRT), the PMO and a team of professional project managers be introduced. The future structure of the PMO also needs to be considered alongside the Professional Services Redesign (PSR). This had not been implemented at the time of our audit, but was discussed in December 2014 as part of the Senior Management away day, when it was agreed that an external consultant would be engaged.</p> <p>At the present time the PMO is staffed by a mixture of seconded and temporary staff with only one dedicated project manager post. The work profiles of staff working within the PMO are largely administration based.</p> <p>To comply with the recommendation that the PMO requires “teeth” would require a balance to be obtained between the expectations of management and what can be achieved given the existing resource profile.</p> <p>Until the PMO has a permanent embedded structure it will be difficult to be clear on which of the recommendations can be achieved given the existing resources available.</p>

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Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
<p>The current Project Support Officers role has been reviewed and regraded to incorporate a higher level of responsibility. These roles have been extended until 31.03.2017 and will focus on project planning and delivery</p> <p>An additional role has been approved to pick up quality assurance for projects. This post will focus on the training requirements of Project Management staff, an online forum, the current website pages and template management as well as work with the PMO Manager to develop a robust assurance framework.</p>	High	Programme and Project Manager	Head of Knowledge Management	01/05/2015	31/05/2015
This new structure (including the PMO Manager) will remain in place until 31.03.2017 at which point a decision will be made as to what resources will be required on a permanent basis. Work will be undertaken to design this model by the PMO Manager and be owned by the Head of Knowledge Management/ACO of Transformation	Medium	Programme and Project Manager	Head of Knowledge Management	31/03/2017	
Upskill the current PMO team with the necessary qualifications relating to Project Management methodologies and practices.	Medium	Programme and Project Manager	Head of Knowledge Management	31/12/2015	
Action plan 4 Programme and Project Management 2014/15					
Objectives	Confirmation that progress has been achieved against the recommendations made within the Project Angels report.				
Observations	The report recommended that project highlight reports should feed into the portfolio dashboard. At the present time there remains no central dashboard of information. Any detail is currently pulled together from a number of sources.				

PMO staff indicated that this is both time consuming and takes them away from the role of project management. We noted that detail published on the website regarding the HFRS portfolio is not up to date, responsible owner details are incorrect and milestone data needs amending to reflect the current project timeline.					
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Review and relaunch the current Portfolio, ensuring that the latest information is always available	High	Programme and Project Manager	Head of Knowledge Management	01/05/2015	15/04/2015
Introduce a dashboard style highlight report from the Safer Stronger Board, including the provision of financial information, to lessen the reporting requirements of PMs	High	Programme and Project Manager	Head of Knowledge Management	01/05/2015	30/03/2015
Introduce monthly 'Project Monitoring meetings' for Project Managers to report on the latest progress of their projects, against milestones and organisational objectives	High	Programme and Project Manager	Head of Knowledge Management	01/05/2015	13/04/2015

Action plan 1		Proactive Fraud – Purchasing Cards 2014/15
Objectives	Procurement cards are managed in accordance with policy and procedures	
Observations	<p>In order to test that purchasing cards are managed in accordance with both HFRS and IBC policies and procedures, we looked at 14 claims (eight from April to September and six for October and November).</p> <p>Both the HFRS Card holder / Authoriser user guide and IBC guidance require that for purchases over £250 a full VAT invoice / receipt is required. For purchases under £250 a less detailed invoice/receipt is acceptable, although this must still meet HMRC requirements.</p> <p>Twelve of the 14 claims tested had receipts missing for some purchases. This was for a total of 48 of the 136 transactions (31%).</p> <p>Through not holding relevant documentation HFRS are at risk of not identifying and reclaiming VAT correctly. If the VAT is reclaimed without a valid VAT receipt the Authority is then open to penalties from HMRC.</p>	

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Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
All card holders to be reminded of the need to obtain and retain valid receipts.	Medium	Lead Business Partner	Chief Finance Officer	31/08/2015	
Action plan 2 Proactive Fraud – Purchasing Cards 2014/15					
Objectives	Procurement cards are managed in accordance with policy and procedures				
Observations	<p>We tested a sample of 14 purchase card claims for 2014/15 which contained 136 transactions. We found that VAT was not reclaimed for 13 transactions because:</p> <ul style="list-style-type: none"> • A valid VAT invoice was held but the transaction had not been coded on SDOL for eight transactions. As a result £741.24 VAT was not reclaimed. • Paperwork held did not indicate to staff the VAT on purchases, therefore VAT was not reclaimed on SDOL for four transactions. £182.71 VAT was not reclaimed. • Paperwork included details of VAT charged but was not a valid VAT receipt and was therefore not suitable for reclaiming VAT for one transaction which included £15.13 VAT. <p>Detailed testing also identified that for two transactions VAT was incorrectly reclaimed as a valid VAT receipt was not held.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
All card holders to be reminded of the need to obtain and retain valid receipts.	Medium	Lead Business Partner	Chief Finance Officer	31/08/2015	
All card holders to be reminded that each purchase must be coded on SDOL.	Medium	Lead Business Partner	Chief Finance Officer	31/08/2015	

Action plan 3		Proactive Fraud – Purchasing Cards 2014/15			
Objectives	Procurement cards are managed in accordance with policy and procedures				
Observations	<p>From October 2014 all purchasing cards are provided to HFRS by Royal Bank of Scotland (RBS) and managed under the IBC polices and procedures.</p> <p>All transactions made on purchasing cards during the month are uploaded daily to the RBS online system Smart Data Online (SDOL). Before the 5th day of the following month staff are responsible for confirming their previous months' transactions, coding expenditure and reclaiming VAT as well as filing paperwork. Managers are also required to authorise their staff's transactions before this date.</p> <p>From reviewing the complete HFRS December SDOL report (run on 30.01.2015) we confirmed that 197 transactions were made in December, however of these 66 were not completed by the user on SDOL. Through not entering these details onto SDOL we understand that VAT cannot be reclaimed and expenditure cannot be coded correctly.</p> <p>From reviewing all of the HFRS staff who hold RBS purchasing cards we found five members of staff who have not registered on SDOL. Of these staff two members are using their purchasing cards to make purchases but as they are not registered on SDOL they would not be able to confirm or code their purchases.</p> <p>Six of the claims tested under this audit were made using the new RBS card and we found that two of these claims had not been confirmed by the user on SDOL or approved by the line manager. These two claims included 8 Vat-able transactions with VAT totalling £741.24 which could have been reclaimed. (This is the same £741.24 as referred to in Action Plan 2)</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Remind all card holders of the need to confirm all of their purchases every month.	Medium	Lead Business Partner	Chief Finance Officer	31/08/2015	
Remind all card holders that they need to register for SDOL on being issued their card, even when they have no immediate plan to use it.	Medium	Lead Business Partner	Chief Finance Officer	31/08/2015	

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Action plan 1		Payroll 2013/14				
Objectives	Payments are made to valid staff only, transactions are processed accurately and are supported by authorised appointment documentation.					
Observations	As part of our testing we selected starters, leavers and other payments to ensure that supporting documentation was available and had been actioned correctly. In the main such evidence was available and we were able to complete the testing, however in 5 out of 75 cases staff were unable to provide us with the supporting paperwork. This included one whole personnel file and for two new starters authorisation to appoint.					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
All processes in respect of transactional payments and relevant evidence / documentation were transferred to H3 during 2014 and will therefore be subject to the separate joint review of H3 processes.		n/a	Head of Finance	Head of Finance	complete	31/08/2014
Action plan 2		Payroll 2013/14				
Objectives	Payroll output is checked for accuracy prior to payments being made, with payments being secure and efficient, processed in a timely manner and supported by authorised documentation.					
Observations	To ensure that only valid staff are paid we tried to ascertain what checks are undertaken to ensure that budget holders confirm that the staff they are paying for are correct. We were advised that no such checks are undertaken. If this check is not carried out then it could lead to incorrect details not being picked up.					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Responsibility for checking correct payroll payments forms part of good budget management and financial		Medium	Lead Business	Lead Business Partner	complete	31/05/2015

housekeeping. This good practice requirement is being picked up with budget managers as part of on going training following the change to H3 processes.		Partner			
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Action plan 1		Pension Arrangements 2013/14				
Objectives	Information on new starters to the fire service is promptly sent to HCC Pension Services to enable them to join the scheme and those that have opted out are appropriately removed.					
Observations	<p>HFRS started auto enrolment in September 2013 and employees have to opt out if they do not wish to participate in the pension scheme. We tested a sample of four staff who had opted out and were able to confirm that their contributions had been correctly refunded. However, for three of the four there were no ST8B leaver forms on the pension system and the employees still have an active AXISe pension record.</p> <p>These employees are no longer paying pension contributions but the pension records are incomplete and there is no audit trail to show they have opted out of the pension scheme.</p>					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
All processes in respect of transactional payments and relevant evidence / documentation transferred to H3 during 2014 and will therefore be subject to the separate joint review of H3 processes.		n/a	n/a	Head of Finance	complete	31/08/2014
Further work is currently being undertaken between H3, pension services and employers to ensure that relevant systems and responsibilities are fully understood between all parties.		Medium	Head of Finance	Head of Finance	31/08/2015	
Action plan 2		Pension Arrangements 2013/14				
Objectives	Roles and responsibilities with regard to pensions are agreed and documented.					

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Observations	<p>The Pensions Regulator sets out statutory information that is required to be provided by and to employees who wish to opt-out of a pension scheme. This includes key personal information along with standard paragraphs detailing “statements and warnings” and “what you need to know” – the form must also include a signature or a defined statement relating to an electronic signature. For an opt-out to be valid it must include all of the information required by the Pensions Regulator, which can be found on their website. http://www.thepensionsregulator.gov.uk/employers/opting-out.aspx</p> <p>Whilst there is a pension opt out form for staff on the LGPS scheme there is not one available for firefighters on the old or new firefighters' pension schemes. We observed that emails were accepted from members of these schemes to confirm they wish to opt out, however these do not include all of the information required by the pension regulator.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
A compliant opt out form for firefighters has been put in place.	Low	n/a	Head of Finance	complete	18/05/2015
Action plan 3 Pension Arrangements 2013/14					
Objectives	Information on new starters to the fire service is promptly sent to HCC Pension Services to enable them to join the scheme and those that have opted out are appropriately removed.				
Observations	<p>New starters are set up on SAP and an interface process transfers data from SAP to AXISE. We tested a sample of 25 new starters records on SAP to confirm that they had been correctly set up in AXISE. We found that five out of the 25 do not appear to have a pension record on AXISE for this employment. SAP shows that two of these have paid pension contributions and HR confirmed that three have opted out of the pension scheme but there is no record of this on AXISE.</p> <p>Whilst ST8A new starter forms can be completed and sent to Pension Services to add people to the pension scheme, we only found this occurring in a few instances. In the main the interface between SAP and AXISE is relied upon to add new starters.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete

The current process / interface for ensuring that starters are properly recorded in the pension system is under review between pension services and the IBC.		Medium	Head of Finance	Head of Finance	31/08/2015	
Action plan 4		Pension Arrangements 2013/14				
Objectives	Changes, leavers, retirements and deaths are notified to HCC Pension Services accurately and promptly, and dealt with appropriately.					
Observations	<p>We recalculated the annual pension calculations for a sample of 25 pensioners and identified small differences on 14 of the 25.</p> <p>The differences are due to the calculation of the CPD APB (Continuing Professional Development Additional Pension Benefit), and the pensions increase applied to the CPD APB and the LSI APB (Long Service Increment). An incorrect amount being used for the 2010 CPD payment (AXISe calculations are based on firefighters receiving £599 whereas the firefighters actually received £606) and changes in the contribution rates for 2012/13 and 2013/14 have not been updated in AXISe for the CPD calculation. The calculations then have pensions increase applied.</p> <p>Whilst we do not believe that the amounts involved are substantial HFRS are responsible for advising the pension provider of any changes in amounts or rates.</p>					
Management actions		Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Further work is currently being undertaken between H3, pension services and employers to ensure that relevant systems and responsibilities are fully understood between all parties, including notification of amounts and rates.		Medium	Head of Finance	Head of Finance	31/08/2015	
Action plan 5		Pension Arrangements 2013/14				
Objectives	Provision of the pensions contract is appropriately managed and monitored to ensure it is effective.					
Observations	As part of our audit review we discussed with HFRS staff how they monitor the contract they have with Pension Services. We were advised that HFRS do not monitor the service provided. We understand that HFRS do not receive any regular reports from Pension Services to enable them to monitor the work undertaken, nor do they hold any regular					

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	<p>monitoring meetings.</p> <p>Also a review of job descriptions could not find any reference to monitoring the pension contract or for pension tasks such as checking pension calculations, ensuring pension's compliance with regulations and completion of pension annual returns.</p> <p>We asked to see a copy of the current service level agreement (SLA) for this provision, but HFRS staff were not aware of one. We found a copy of an SLA dated 2008 in a previous internal audit file and a comparison of this with the 2012 generic SLA on the Pension Services website showed several additional tasks on the later along with some timescale changes.</p> <p>In the absence of a current SLA staff may not be fully aware of their responsibilities for pensions, the responsibilities of Pension Services to employers and the required time scales. This information will also enable the contract to be monitored effectively.</p>				
Management actions	Priority	Responsible Officer	SMT	Target date	Date signed off as complete
Further work is currently being undertaken between H3, pension services and employers to ensure that relevant systems and responsibilities are fully understood between all parties, which will include regular meetings to ensure issues from all sides are escalated where appropriate.	Medium	Head of Finance	Head of Finance	31/08/2015	
An officer needs to be given specific responsibility for dealing with employer pension issues	Medium	Head of Finance / Director of Professional Services	Head of Finance / Director of Professional Services	31/08/2015	
The SLA arrangements have now been superseded by the Accession Agreement for pension services and monitoring of this will form part of the overall governance of the joint working arrangements.	n/a	Head of Finance	Head of Finance	Complete	18/05/2015

