

Hampshire Fire and Rescue Authority

Appendix 1

Standards and Governance Committee

18 June 2015

Internal Audit progress report 2014/15

Report of the Chief internal Auditor

1. Opinion definitions

Opinion	Framework of governance, risk management and management control
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate Assurance	Basically a sound framework of internal control with opportunities to improve controls and/or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and/or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

2. Status of 'live' reports and reports closed since our last progress report

Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions medium and high (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
Sustainability	30/5/13	H of F	Adequate	Adequate	12(4)	11(3)		1(1)*
Strategy, planning, performance and quality – Data Quality	26/3/14	CO / D of CS	Adequate	Adequate	3(2)	3(2)		
Taxation	15/5/14	D of CS	Adequate	Adequate	6(0)	6(0)		
Networked control	2/7/14	H of Response Delivery	Adequate	Adequate	5(0)	3(0)	2(0)*	
Financial Challenge	15/9/14	D of CS	Adequate	Adequate	8(6)	8(6)		
Programme and project management	13/3/15	D of PS	Limited	Limited	15(9)	6(6)	9(3)	

Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions medium and high (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
			IT - Moodle	16/3/15	D of PS	Adequate	Adequate	5(5)
Pro-active fraud – credit cards	5/5/15	D of PS	No evidence of fraudulent activity		5(0)		5(0)	
Payroll	15/5/15	D of PS	Adequate	Adequate	2(0)	2(0)		
Pension arrangements	18/5/15	D of PS	Adequate	Adequate	7(0)	2(0)	5(0)	

Note * - original target dates for some actions have been extended as outlined in the Performance Review Manager's report on progress on the implementation of audit management actions

3. Executive summaries of new reports published where critical weaknesses or unacceptable levels of risk were identified

3.1 None of the reports issued in the period under review have identified critical weaknesses.

4. Internal audit performance

- 4.1 The 2014/15 internal audit plan, totalling 185 days was prepared in line with the internal audit strategy and was endorsed by the Standards and Governance Committee in April 2014. The plan has reduced to 155 days following the removal of the planned reviews of Networked Control and RDS as previously reported to the committee. The annual internal audit opinion will be reported to the Committee in September once all the reports have been finalised.

5. Rolling work programme

Audit title	Audit Sponsor	Audit Progress					
		Audit scoping / Qtr planned	Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
2013/14 audits							
Payroll, including agency staff and consultants	D of PS	✓	✓	✓	✓	✓	15/5/15
Pension arrangements	D of PS	✓	✓	✓	✓	✓	18/5/15
Commercial activities	D of PS	✓	✓	✓	✓	✓	13/8/14
Information management	D of PS	✓	✓	✓	✓	✓	5/6/14
Networked control	D of SD	✓	✓	✓	✓	✓	2/7/14
Financial challenge/Efficiency outcomes	D of PS	✓	✓	✓	✓	✓	15/9/14
Themed audit (Equipment inventory)	D of PS	✓	✓	✓	✓	✓	19/3/15
Proactive fraud work (credit cards)	D of PS	✓	✓	✓	✓	✓	9/6/14

Audit title	Audit Sponsor	Audit Progress					
		Audit scoping / Qtr planned	Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
2014/15 audits							
Joint H3 audits		See section at end of this table					
Local management of H3 processes	D of PS	✓	✓	✓	✓		
Strategy, planning, performance and quality (including workforce planning)	D of PS	✓	✓	✓	✓	✓	
Partnerships and associated contracts – Co-responders	D of PS	✓	✓	✓	✓	✓	
Networked control	D of SD	Removed from plan					
Project and programme management	D of PS	✓	✓	✓	✓	✓	13/3/15
RDS (Retained Duty System) availability	AM RS	Removed from plan					
IT - Moodle	D of PS	✓	✓	✓	✓	✓	16/3/15

Audit title	Audit Sponsor	Audit Progress					
		Audit scoping / Qtr planned	Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
IT - Firewatch	D of PS	✓	✓	✓	✓	✓	
Pro-active fraud	D of PS	✓	✓	✓	✓	✓	5/5/15
NFI	D of PS	N/A	N/A	✓	✓	N/A	N/A
H3 Audits							
Governance arrangements		✓	✓	✓	✓		
ICT review - 1		✓	✓	✓	✓	✓	
ICT review - 2		✓	✓	✓			
Recruitment and induction / manage positions and organisation hierarchy		✓	✓	✓	✓		
Occupational Health Unit / Employee Support Line		✓	✓	✓			
Payroll		✓	✓	✓	✓	✓	8/5/15

Audit title	Audit Sponsor	Audit Progress					
		Audit scoping / Qtr planned	Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Payroll support		✓	✓	✓	✓	✓	26/11/14
Planning, budgeting and forecasting		✓	✓	✓	✓	✓	12/2/15
Accounts receivable		✓	✓	✓	✓		
Accounts payable		✓	✓	✓	✓	✓	
Main accounting system (SAP)		✓	✓	✓	✓	✓	28/1/15
Treasury management		✓	✓	✓	✓	✓	7/4/15
Procurement – category management		✓	✓	✓			

Key to sponsors

CO	Chief Officer
D of PS	Director of Professional Services
D of CS	Director of Corporate Services (for audits completed prior to move to D of PS)
AM RS	AM Response Support
H of F	Head of Facilities
D of SD	Director of Service Delivery