

**Governance Committee
22 November 2010**

Progress report on the implementation of recommendations and actions arising from internal audit reports

Report of the Chief Officer

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1. Summary

- 1.1 At the time of writing this report, since the Governance Committee meeting on 23rd September 2010, action plans have been agreed for internal audit reports on the following subjects:

From the 2009/10 audit plan:

- Service Delivery Audit Process

From the 2010/11 audit plan:

- Urban Search and Rescue
- Redbridge Fire Station
- Property Management

- 1.2 Progress towards implementing recommendations made in internal and external audit reports is shown in the attached appendices.

2. Recommendation

- 2.1 That the Committee approves the audit action reports, and progress made towards the implementation of recommendations for improvement.

3. Introduction

- 3.1 At its meeting of 5th March 2008, the Performance Review and Scrutiny Committee agreed that future progress reports would be presented to the Governance Committee, as it receives regular reports from both internal and external audit.

- 3.2 In addition to those listed above, draft reports have been received in respect to recent reviews of retained firefighters' claims, and debtors and cash income.

Action plans are currently being completed in response to these reviews and they will be reported to this Committee at the next meeting.

4. The Internal Audit process

- 4.1 The internal audit service is provided to Hampshire Fire and Rescue Service by Audit Services at Hampshire County Council. There is an Audit Strategy (2008 to 2013) in place, and a three year Audit Plan, which have both been approved by this Committee.
- 4.2 The Performance Review Team maintains a record of audits that are in progress and completed against the agreed Audit Plan. A good working relationship is maintained with Internal Audit and support is provided wherever necessary to staff undergoing the audit process.
- 4.3 Once a final audit report has been issued with an agreed action plan, the recommendations made are recorded along with:
- The action that has been agreed;
 - The priority of the recommendation, in respect to the system audited, rather than the Service as a whole;
 - The target date for implementation;
 - The person responsible for the action.
- 4.4 Any unaccepted recommendations are reported to the Director of Corporate Services for his information on a periodic basis.
- 4.5 Before an action date is reached, a member of the Performance Review Team contacts the nominated person with a reminder that an action is due to be implemented. When the action date is reached, the team will ask for confirmation, and if relevant, evidence that the action has been implemented, or if not, when it is expected to be. The response is recorded. Any recommendations that remain outstanding are referred to the relevant Director.
- 4.6 On occasion, if there is an exceptional reason, it may be necessary to extend an agreed action date. In this case, the Performance Review Team will make a request to the Internal Audit Manager, who will consider the request, and if there is agreement, will agree a new date, otherwise the action will be shown as overdue, and continue to be monitored.
- 4.7 The progress towards meeting internal audit recommendations is reported to the Governance Committee, in order to keep Members aware of progress and any issues arising.
- 4.8 Appendix 1 to this report provides details of those recommendations made that are currently 'ongoing', where the action date has not yet been reached. Appendix 2 lists recommendations that have been implemented since the last report made to this Committee.

5. Contribution to Corporate Aims and Objectives

- 5.1 Implementation of internal audit recommendations assists the Authority in the improvement planning process, performance management framework, and in compliance with its governance arrangements. This in turn, assists the Authority in achieving its aim to be the best fire and rescue service in the country.

6. Resource implications

- 6.1 There are no direct resource implications arising from this report. Implementing audit recommendations ensures that the Authority uses its resources efficiently at all times, and takes any opportunities to ensure its achievement of value for money.

7. People Impact Assessment

- 7.1 Carrying out people impact assessments will strengthen our internal audit practices by ensuring that the consequences of our proposed policies and actions comply with current legislation and expectations for improving equality and diversity in the workplace and in our delivery of services to the public.
- 7.2 The proposals within this report are considered compatible with the provisions of the European Convention on Human Rights, the Human Resources Act 1998, and the Race Relations (Amendment) Act 2000.

8. Risk Analysis

- 8.1 Failure to implement any internal audit recommendations clearly leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. These progress reports are considered to be an important process within the Authority's Strategic Risk Management Strategy. They ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.

Background information (Section 100D of Local Government Act 1972)

The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

Internal Audit reports
Internal Audit Strategy and Plan

Appendix 1 Internal Audit Recommendations – Actions awaiting implementation
Appendix 2 Internal Audit Recommendations – Actions completed

Appendix 3 Internal and External Audit Recommendations – Glossary of terms