



# Essex Police, Fire and Crime Commissioner, Fire and Rescue Authority

## Internal Audit Progress Report

**22 September 2023**

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# 1 Key messages

The internal audit plan for 2023/24 was approved by the Audit Committee at the March 2023 meeting. This report provides an update on progress against that plan and summarises the results of our work to date.



Since the last Audit Committee, we have issued **two final** reports from the 2023/24 internal audit plan:

- **Service Actions Post Grenfell Tower and Manchester Arena** - reasonable assurance; and
- **Key Financial Controls - On-call Payments - Processes** – partial assurance. [\[to note\]](#)



We have also recently issued one **draft** report from the 2023/24 internal audit plan: Culture and Behaviours. [\[to note\]](#)




Dates have been agreed for the remaining 2023/24 reviews and we are currently agreeing scopes for the reviews with management. [\[to note\]](#)

## 2 Reports

### 2.1 Summary of final reports being presented to this committee

This section summarises the reports that have been finalised since the last meeting.

Assignment	Opinion issued	Actions agreed		
		L	M	H
<p><b>On-call payments/processes (1.23.24)</b></p> <p>Overall, we noted that there were well-designed controls in place for in-built system rules on CIVICA, whereby the system automatically rounds time entries to the relevant increments, depending on the activity for on-call activities claimed for. Additionally we noted guidance for staff that included the breakdown of activities available to claim and a step by step process of how to input and submit the timesheets.</p> <p>However, through our review, we identified several areas of control weaknesses in relation to the comprehensiveness of the available guidance; we noted a lack of clarity in expectations of hours to be claimed across one or two pump stations in regard to activities such as station maintenance and admin, with a lack of detail on the eligibility of staff that could claim the additional fitness hour and what that would entail.</p> <p>Consequently, we found a lack of control in the processes surrounding back pay, which resulted in the approval of approximately £16k in payments to Halstead station as a result of on-call firefighters requesting back-pay for the additional fitness hour up to one year. Our analysis of timesheets from ten stations between April 2022 and March 2023 revealed inconsistencies in the level of detail provided in the entries and identified 133.32 hours that were approved after the cut off date for payroll so were therefore paid in the following month.</p>	<p>Partial Assurance</p> 	1	2	1



Assignment	Opinion issued	Actions agreed		
		L	M	H

**Service actions post Grenfell Tower and Manchester Arena (2.23.24)**

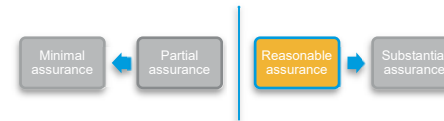
Overall, we confirmed that the Service had developed actions and established a framework to monitor progress to address gaps identified against both the Grenfell Tower and Manchester Arena Inquiries, as well as considering how existing compliance can be evidenced where no gaps had been identified. We found that the Service had a comprehensive process for allocating actions with clearly identified action owners and assurance partners and defined completion criteria through definitions of done, statements of compliance and completion checklists. We noted that all actions were appropriately managed by the project team, with action owners frequently chased for evidence and further clarification on evidence sought where necessary.

We noted that the ECFRS Project Board - Manchester Arena Inquiry and Grenfell Action Plan (Project Board) reported to the Performance and Resources Board (PRB) on a quarterly basis concerning the progress of actions, with the PRB giving a sufficient level of scrutiny to each report. Finally, we noted that the Grenfell budgets were appropriately tracked with updates provided to the Project Board on a regular basis.

However, we also noted that a number of improvements can be made to enhance how recommendations are implemented in the Service. We found that there is currently no provision for business-as-usual plans once an action has been implemented meaning that compliance with recommendations is not being continuously reviewed as appropriate. We also noted that when planned implementation dates are not believed to be able to be achieved, the date is adjusted without valid justification or due process.

Reasonable Assurance

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## Appendix A – Progress against the internal audit plan 2022/24

Assignment	Start date / Status	Draft report issued	Final report issued	Opinion	Actions agreed			Target Audit Committee (per IA plan)	Actual Audit Committee
					H	M	L		
KFC - On-call payments and processes	FINAL	10/07/23	12/09/23	Partial Assurance	1	2	1	September 2023 (June 2023)	September 2023
Service Actions post Grenfell and Manchester Arena	FINAL	22/08/23	07/09/23	Reasonable Assurance	0	2	3	September 2023	September 2023
Culture and Behaviours	Draft issued	12/09/23						December 2023 (June 2023)*	
Finance system - pre-implementation review	04/10/23 (TBC if this is going to be split into two reviews)							December 2023	
Follow up	13/12/23							March 2024	
Collective Productivity of Wholetime Stations	29/01/24							March 2024 (September 2023)*	

\*See explanation of change in Appendix B below.

## Appendix B – Other matters

### Changes to the audit plan

The following changes have been made to the 2023/24 plan since the last meeting:

Note	Auditable area	Reason for change
1	Culture and Behaviours and Finance System – pre-implementation review	Due to the timing of the project phases for the implementation of the new finance system, we were asked to swap the timings for this review and Culture and Behaviours. Both reviews will be presented to the December meeting. We had previously been asked to delay the Culture and Behaviours fieldwork timing.
2	Collective Productivity of Wholetime Stations	With the audit initially planned to commence in June 2023, we were asked by management to delay this until Q4 2023/24 as there had only been one submission made to the Home Office on utilisation and that we should review this area once several submissions (quarterly) had been made instead.

### Information and briefings

Since the last Audit Committee meeting, we have issued the following newsletters and briefing papers:

- Emergency Services client briefing August 2023;
- RSM Emerging Risk Radar; and

We have also issued our Emergency Services – Benchmarking of Internal Audit Findings 2022/23.



## Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department.

This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

## Post assignment surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you.

Currently, following the completion of each product we deliver we attached a brief survey for the client lead to complete.

We would like to give you the opportunity to consider how frequently you receive these feedback requests; and whether the current format works. Options available are:

- After each review (current option).
- Monthly / quarterly / annual feedback request.
- Executive lead only, or executive lead and key team members.



## Appendix C - Key performance indicators (KPIs)

	Delivery				Quality		
	Target	Actual	Notes (ref)		Target	Actual	Notes (ref)
Audits commenced in line with original timescales	Yes	Yes		Conformance with PSIAS and IIA Standards	Yes	Yes	
Draft reports issued within 15 days of debrief meeting	15 days	5 days		Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	Yes	
Management responses received within 15 days of draft report	15 days	8 days		Response time for all general enquiries for assistance	2 working days	1 working day	
Final report issued within 3 days of management response	3 days	0 days		% of staff with CCAB/CMIIA qualifications /qualified by experience on audits	50%	65%	

### Notes

\* This takes into account changes agreed by management and Audit Committee during the year. Through employing an 'agile' or a 'flexible' approach to our service delivery we are able to respond to your assurance needs.



## For more information contact

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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