

WEST MIDLANDS FIRE SERVICE

Internal Audit Progress Report @ 18 October 2019 Audit and Risk Committee – 11 November 2019



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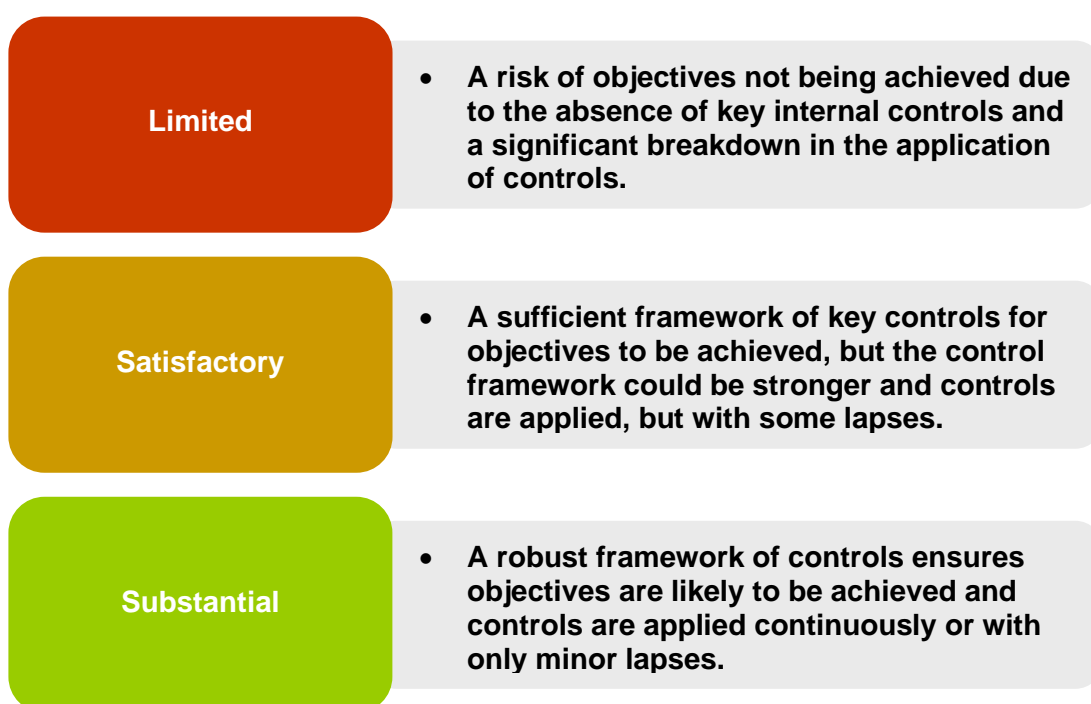
Ref. AU/A&R/2019/Nov/12110194

1 Introduction

The purpose of this report is to bring the Audit and Risk Committee up to date with the progress made against the delivery of the 2019/20 Internal Audit plan.

The information included in this progress report will feed into and inform our overall opinion in our Internal Audit annual report issued at the year end.

Where appropriate each report we issue during the year is given an overall opinion based on the following criteria:



This is based upon the number and type of recommendations we make in each report. Each recommendation is categorised in line with the following:

Priority rating for issues identified		
Fundamental action is imperative to ensure that the objectives for the area under review are met.	Significant requires action to avoid exposure to significant risks in achieving the objectives for the area under review.	Merits attention action is advised to enhance risk mitigation, or control and operational efficiency.

2 Summary of work completed and in progress @ 18 October 2019

Auditable Area	ANA Rating	Suggested/Agreed Actions					Level of Assurance
		Fundamental	Significant	Merits attention	Total	Number accepted	
Completed:							
Governance	High	0	0	1	1	1	Substantial
Freedom of Information	Medium	0	1	2	3	draft	Substantial
Risk Management	High	0	0	1	1	draft	Substantial
Partnerships	Medium	0	0	0	0	0	Substantial
In progress:							
Accounts Payable	KFS						
Accounts Receivable	KFS						

Key: KFS = Key Financial System
ANA = Audit Needs Assessment

Ref. AU/AU/2019/Nov/12110194

3 Issues arising

Governance

The purpose of the audit was to evaluate the design, implementation and effectiveness of the ethics-related objectives, programmes and activities of the Authority. No issues of significance were identified, with the review highlighting that the Authority had in place a strong governance framework, which clearly outlined the key roles and responsibilities of both members and staff and promoted transparency of the decision-making process.

Freedom of Information

The purpose of the audit was to ensure the Authority was compliant with the Freedom of Information Act regarding meeting its publication requirements and for dealing with requests for information. Only one issue of significance was identified, which related to some requests for information not being provided within the statutory timescale of 20 days. This apart, the review concluded that the Authority had clear processes in place for dealing with freedom of information requests and maintained an effective publication scheme.

Risk Management

The purpose of the audit was to determine that the Authority had in place an effective risk management process which identified risks and ensured they were being effectively managed. No issues of significance were identified, with the review highlighting that the Authority has an effective system in place for the management of risk.

Partnerships

As part of the 2018/19 Internal Audit plan, a review was undertaken to provide assurance that partnership agreements had been properly established and that effective governance and monitoring arrangements were in place to ensure that expected outcomes were achieved. This identified two issues of significance relating to:

- the “Partnerships Governance Arrangements and Framework” document, which details the key processes to be followed in setting up a partnership, states that the Partnerships Team will undertake quality assurance checks and provide assurance that:
 - each partnership agreement has clearly defined roles and responsibilities and strong governance arrangements in place.
 - effective partnership monitoring arrangements are in operation.

These quality assurance checks had yet to commence. As such, there was a risk that the initial momentum generated by the Partnership Team could stall,

resulting in a lack of consistency in approach by partnership facilitators and learning opportunities missed. Thus, undermining a key goal of the authority of establishing effective partnership arrangements.

- it is a policy of the Authority, that as part of the governance and planning of all partnership arrangements and partnership activity, that as a minimum an Initial Equality Impact Assessment (IEIA) is undertaken. However, IEIAs were not being completed and the authority could therefore, be in breach of the Equality Act 2010. This could expose the authority to the risk of enforcement action being taken by the Equality and Human Rights Commission or result in a legal challenge.

A follow up review was undertaken, and it confirmed that all the actions from the original report had been implemented and were being complied with.

4 Other activities

Advice and Guidance

We provide on-going advice and guidance to the authority to assist with the continuous improvement of the overall control environment.

CIPFA – Audit Committee Updates

We continue to present the regular CIPFA Audit Committee Updates to the Audit and Risk Committee.

Audit and Risk Committee – Terms of Reference

We submitted the Audit and Risk Committee Terms of Reference for annual review at the March 2019 meeting of the committee.

Internal Audit Plan 2019/20

We submitted the Internal Audit annual plan for 2019/20 to the committee for approval at the March 2019 meeting.

Internal Audit Annual Report 2018/19

We presented the Internal Audit annual report for 2018/19 to the committee for comment and approval at the June 2019 meeting.

Internal Audit Charter

We submitted the Internal Audit Charter to the committee for annual review at its January 2019 meeting.

Audit and Risk Committee Annual Report

Assistance was provided in the preparation of the Annual Report of the Chair, on the work of the Audit and Risk Committee.

Counter Fraud

We continue to lead on the Cabinet Office’s National Fraud Initiative and their other associated fraud related activity (such as the Annual Fraud Survey), on behalf of the authority and to provide the main point of contact for any investigations into potential fraudulent activity.

5 **Service quality questionnaire (SQQ) feedback**

Overall Satisfaction with Audit Services	Average Score
	No SQQs received to date

Scores range between 1 = Poor and 5 = very good. We have a target of achieving an average score of **4 = good**.