

## Risk Management Group Internal Audit Progress Monitoring Report

### Report of the Chief Fire Officer

For further information about this report please contact Paul Raymond, Chief Fire Officer, on 01743 260201 or Ged Edwards, Planning and Performance Manager, on 01743 260208.

### 1 Purpose of Report

This report provides an update on the monitoring of recommendations made by Internal Audit, which is undertaken by the Risk Management Group (RMG). It specifically covers details about the progress made against outstanding recommendations.

### 2 Recommendations

Members are asked to note:

- a) The progress that has been made against the outstanding recommendations; and
- b) That the RMG will continue to monitor progress against all recommendations, reporting to this Committee on a regular basis.

### 3 Background

'Internal Audit' is a tool, available to senior management and Members. It provides an independent judgement on the level of confidence they can have that the policies and procedures in place to control various aspects of the Service considered to be higher risk, for example finance, are operating in a way that reduces those risks.

It, therefore, follows that any recommendations made by the Fire Authority's Internal Auditors, as a result of the audits officers have directed them to undertake, should be implemented in an appropriate and timely manner.

Recognising that each potential deficiency identified in our procedures is likely to result in a different level of risk exposure, Internal Audit rates each of their recommendations to assist the Service in deciding the priority for any remedial work.

These categories are shown below:

**Fundamental**

Immediate action is required to address major control weaknesses that could lead to material loss.

**Significant**

Action is needed to address a control weakness, where systems might be working but errors may go undetected.

**Requires Attention**

Action is needed to improve existing controls or improve efficiencies.

In March 2008, this Committee agreed a process for dealing with recommendations that fall out of these audits, to ensure that officers are dealing with all matters effectively.

The Committee will consider directly any **“Fundamental”** recommendations.

**“Significant”** and **“Requiring Attention”** recommendations will be considered initially by the RMG and any delays or failures in implementing these recommendations will be brought to the Committee.

This process has been used by the RMG since it was initially agreed. Members will be pleased to note that there have been no ‘Fundamental’ recommendations since this monitoring process was implemented. The Service now operates a robust internal system of checking and challenging with those officers having responsibility for each of the recommendations. This has built on the work reported to this Committee previously.

## 4 Outstanding Recommendations

As at 15 August 2012 the Service has **40 “Significant” and 26 “Requires Attention”** recommendations outstanding. Included in these figures are the outstanding Information Technology recommendations, which will now be monitored through the RMG.

It is worthy of note that, even though activities to address recommendations may be put in place with immediate effect, it is normal for them to remain “live” for a period of time, often in excess of twelve months, to allow Internal Audit to verify that new processes are fully embedded. This gives rise to the apparent static number of outstanding recommendations.

The RMG is committed to ensuring that these and future recommendations are addressed in a prompt and timely manner to ensure that associated risks are mitigated as soon as possible.

## **5 Financial Implications**

There are no direct financial implications arising from this report.

## **6 Legal Comment**

There are no legal implications arising from this report.

## **7 Equality Impact Assessment**

This report records progress against various recommendations made by Internal Audit and it, therefore, has no direct impact on people. It has been assessed against the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and this has shown that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

## **8 Appendices**

There are no appendices attached to this report.

## **9 Background Papers**

There are no background papers associated with this report.