

# DEVON & SOMERSET FIRE & RESCUE AUTHORITY



<b>REPORT REFERENCE NO.</b>	<b>APRC/14/01</b>
<b>MEETING</b>	<b>AUDIT &amp; PERFORMANCE REVIEW COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>7 MAY 2014</b>
<b>SUBJECT OF REPORT</b>	<b>2013-14 INTERNAL AUDIT YEAR END REPORT</b>
<b>LEAD OFFICER</b>	<b>Audit and Review Manager</b>
<b>RECOMMENDATIONS</b>	<b><i>That the report be noted.</i></b>
<b>EXECUTIVE SUMMARY</b>	<p>This document sets out the 2013-14 Internal Audit Year End Report for consideration and discussion.</p> <p>The 2013-14 Year End report combines the work of the DSFRS Audit &amp; Review Team and the Devon Audit Partnership to provide one comprehensive Internal Audit report.</p> <p>The report details the progress against the approved 2013-14 Internal Audit Plan and provides assurance statements for the audits completed.</p>
<b>RESOURCE IMPLICATIONS</b>	Nil.
<b>EQUALITY RISKS AND BENEFITS ASSESSMENT (ERBA)</b>	Not applicable.
<b>APPENDICES</b>	Nil.
<b>LIST OF BACKGROUND PAPERS</b>	<p>Audit &amp; Review 2013-14 Plan</p> <p>Audit &amp; Review Service Policy</p>

## **1. INTRODUCTION**

- 1.1 The 2013/14 Internal Audit Plan was approved by the Audit and Performance Review Committee on the 8 May 2013. The Plan sets out the combined scope of internal audit work to be completed by the Audit & Review Team and the Devon Audit Partnership.
- 1.2 The Audit & Review Team and the Devon Audit Partnership are accountable for the delivery of the Plan and the policy includes the requirement to report progress to the Audit and Performance Review Committee at least three times per year.
- 1.3 All Internal Audit reports, Plans and Service Policy are available on the intranet and can be accessed using the following link:  
<http://intranet/Departments/SPRD/RiskandReview.asp>
- 1.4 The key objective of this report is to provide the Audit and Performance Review Committee with an end of year report against the Plan.

## **2. ASSURANCE STATEMENTS**

- 2.1 One of the key roles of Internal Audit is to provide independent assurance as to how effectively risks are managed across the organisation.
- 2.2 The following assurance statements have been developed to evaluate and report audit conclusions:

### **★★★★ High Standard**

The system and controls in place adequately mitigate exposure to the risks identified. The system is being adhered to and substantial reliance can be placed upon the procedures in place. Only minor recommendations aimed at further enhancing already sound procedures.

### **★★★ Good Standard**

The systems and controls generally mitigate the risk identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising from the audit and the recommendations made serve to strengthen what are mainly reliable procedures.

### **★★ Improvements Required**

In our opinion there are a number of instances where controls and procedures do not adequately mitigate the risks identified. Existing procedures need to be improved in order to ensure that they are fully reliable. Recommendations have been made to ensure that organisational objectives are not put at risk.

### **★ Fundamental Weakness Identified**

The risks identified are not being controlled and there is an increased likelihood that risks could occur. The matters arising from the audit are sufficiently significant to place doubt on the reliability of the procedures reviewed, to an extent that the objectives and/or resources of the Authority may be at risk, and the ability to deliver the service may be adversely affected. Implementation of the recommendations made is a priority.

### 3. PROGRESS AGAINST THE 2013-14 PLAN

Audit Area	Progress	Assurance Statement
Audit & Review Team		
P-Cards	Final Report	★★★ Good Standard
Fleet Development (Carried over from 2012-13)	Final Report	★★ Improvements Required
Protection	Final Report	★★★ Good Standard
Performance Information	Final Report	★★ Improvements Required
Area Command – Additional Retained Hours / Payments	Final Report	★★ Improvements Required
Driver Training	Final Report	★★ Improvements Required
Emergency Planning (Resilience)	Final Report	★★★ Good Standard
Specialist Rescue	Final Report	★★ Improvements Required
HR – Welfare	Final Report	★★★ Good Standard
Operational Assurance	Draft Report	
Emergency Call Incident Support	Draft Report	
Fire Fighter Safety	Draft Report	
Devon Audit Partnership		
Key Financial Systems:		
Main Accounting System (including Creditors and Debtors)	Final Report	★★★★ High Standard
Treasury Management	Final Report	★★★★ High Standard
Fixed Asset Register	Final Report	★★★ Good Standard
Payroll	Draft Report	
ICT:		
ICT Audit Plan	Completed	
ICT Organisational Controls	Draft Report	
Strategic Fire Control Project	Draft Report	

- 3.1 Following a request from the Executive Board, the 2013-14 Internal Audit Plan was amended to include a Fire Fighter Safety Audit. The audit was undertaken using the days that had originally been assigned to Process Management, Area Training and Operational Assets – Production and Income Generation. The change to the plan is more aligned to organisational priority and was approved by the Committee on 28 November 2013.
- 3.2 The Audit & Review Team are pleased to report that all audits have progressed to at least Draft Report by the end of the current financial year.

#### **4. ADDITIONAL WORK COMPLETED**

4.1 The Audit & Review Team and the Devon Audit Partnership have also completed the following additional pieces of work that were not included in the original plan:

- Annual Statement of Assurance – The Audit & Review Team is responsible for the completion of the DSFRS Annual Statement of Assurance. A combined report has been produced and published that ensures the Accounts and Audit (England) Regulations 2011 and CLG requirements are met.
- EFQM – The Audit & Review Team has played a key role in co-ordinating the EFQM organisational assessment evidence document in preparation for the light touch external assessment completed in June 2013.
- Operational Assessment (OpA) – The Audit & Review Team has played a key role in co-ordinating the OpA assessment evidence document in preparation for the Peer Assessment in September 2014.
- Capital Funding Grant - The Audit & Review Team is responsible for auditing the Capital Funding Grant and signing the return to CLG to confirm that the grant has been used in accordance with guidelines.
- Annual Stock Take - The Audit & Review Team have completed a review and validation of the annual stock takes completed at Chelston Stores, Chelston Workshop and Crownhill Workshop.
- States of Jersey FRS Fire Call Handling Audit – Following a request from the Chief Fire Officer, States of Jersey Fire & Rescue Service it was agreed that Devon and Somerset Fire & Rescue Service would complete an audit of the States of Jersey Fire & Rescue Service Emergency Call Handling procedures within the combined control centre.
- Co-Responder Analysis – Following a request from the Response & Resilience Manager, the Audit & Review Team have completed a cost analysis of the Co-Responder scheme to support the Corporate Plan Implementation.
- Central Command Review – Following a request from the Central Command, the Audit & Review Team have completed a review of the command structure to analyse how it effectively supports the delivery of core activities (Prevention, Protection, and Response).
- Job Share Review – Following a request from Central Command East Group Support Team, a review of the controls around the operational job share posts has been completed.
- Estates Maintenance – Following a request from the Property Maintenance Manager, a review of the controls around the new Maintenance Team activities has been completed.
- Shepton Mallet Pilot – Following a request from the Somerset Command, the Audit & Review Team have provided on-going support to the Shepton Mallet Pilot.
- Glastonbury Festival review – Following a request from the Somerset Command, a review of the 2013 Glastonbury Festival has been completed.
- Incident Command Unit (ICU) Investigation – Following a request from the HR Manager, the Devon Audit Partnership has completed a review of the controls underpinning the ICU procurement contract.

- ISO27001 – The Audit & Review Team is providing on-going support to the Information Assurance Project in relation to the auditing requirements for the ISO27001 accreditation.
- National Fraud Initiative (NFI) Data Matching – The Audit & Review Team co-ordinate the NFI data matches.
- On-going Audit Advice and Guidance – The Audit & Review Team provide on-going audit advice and guidance in relation to all Internal and External Audit matters.

## **5. AUDIT & REVIEW RECOMMENDATIONS**

- 5.1 As part of the Audit & Review process, best practice recommendations are captured in an action plan for each piece of audit work completed. All recommendations are reviewed with service leads and agreed management actions are discussed and recorded to improve the current process.
- 5.2 To ensure that all agreed actions are effectively monitored, the Audit & Review Team has built and communicated the Audit Recommendation Tracker. This has been made available to all Devon and Somerset Fire and Rescue Service (DSFRS) employees to enable agreed management actions to be continually reviewed.
- 5.3 To date in 2013-14, 153 recommendations have been agreed and recorded on the Audit Recommendation Tracker. Time has been built into the 2014-15 plan to ensure all agreed actions are followed up.
- 5.4 In previous years (2010 – 2013) a total of 632 recommendations were agreed and recorded on the Audit Recommendation Tracker. The Audit & Review Team are pleased to report that they have seen evidence of actions being implemented; the following progress has been noted:
- 316 Actions Completed
  - 199 Actions in Progress
  - 70 Actions are Outstanding
  - 21 Actions are Closed (Original recommendation superseded)
  - 26 Actions are Due to be Followed up
- 5.5 All outstanding and in progress audit recommendations have been fed into the 2014-15 Corporate Planning process and where still relevant, have been captured in service plans.

## **6. AUDIT & REVIEW FOLLOW UPS**

- 6.1 The Audit & Review Team is committed to following up all finalised Internal Audit work.
- 6.2 The Audit Recommendation Tracker has been designed and rolled out to ensure that all agreed management actions can be monitored effectively.

6.3

The Audit & Review Team is also committed to completing formal follow up reviews of all audits completed. This enables the Committee to track the impact of actions and performance against identified risks. To date the following progress has been made:

**2013/14 Follow Ups (Original Audit Completed in 2012-13)**

<b>Audit Area</b>	<b>2012-13 Assurance</b>	<b>2013-14 Assurance</b>
Contract Management	★★ Improvements Required	★★★ Good Standard
Risk Management	★★ Improvements Required	★★ Improvements Required
Road Safety	★★ Improvements Required	★★ Improvements Required
BA Training	★★★ Good Standard	★★★ Good Standard
Home Safety – Implementation of Risk Based Strategy	★★★ Good Standard	★★★ Good Standard
Equality Risks and Benefits Assessment (ERBA)	★★ Improvements Required	★★ Improvements Required
Defusing	★★★ Good Standard	★★★★ High Standard
Operational Risk Information System (ORIS) – Phase 1	★★★ Good Standard	★★★ Good Standard
Non-Operational Equipment Inspection and Maintenance Testing	★★ Improvements Required	★★ Improvements Required
Programme Management	★★ Improvements Required	★★★ Good Standard
Fire Control Resource Mobilising	★★ Improvements Required	To be completed May 2014
Flexi Duty System	★★ Improvements Required	To be completed May 2014

6.4

**Risk Management**

Since the original audit, good progress has been made towards improving the systems for managing risk across the organisation. A new off the shelf system called DATIX has been procured; initially for use by the Organisational Safety Assurance Team, but was identified to include risk management capabilities. The new system is currently being configured and populated and will:

- Provide a Corporate and Service-wide Risk Register framework which will be accessible to all identified risk managers and teams.
- Provide a risk based performance dashboard at each risk management perspective, strategic, programme, project and operational (day to day) levels.
- Automate an embedded escalation process.

- Automate an embedded action planning process.

As a result of the rollout of the new system it is anticipated that the following controls will be implemented:

- Formal and periodic review at EB / SLT level.
- Populating the control measures by working more closely with the Audit & Review Manager.
- Standard Service reporting templates will include a risk section, detailing risk scores and controls.
- A periodic corporate risk management report will be presented to APRC.

Upon review; the majority of original recommendations have either been incorporated into the new system or are pending its roll out. At the time of the audit follow up, the assurance level remains as ★★ Improvements Required with a view to completing another audit in the future to test against the new system once embedded.

## 6.5 **Road Safety**

Since the original audit, good progress is being made to improve the level of control over the systems and processes for managing road safety activities. However, at the time of the audit follow up, the Road Safety Strategy and supporting process framework were still in development. As these are 2 key underpinning controls, the assurance level remains as ★★ Improvements Required.

## 6.6 **Equality Risks Based Assessment (ERBA)**

Since the audit, resource changes have had an impact on team capabilities and output more recently, has been focused on the coordination and development of the Services Core Values and the delivery of the classroom style learning for all managers with supervisory responsibilities.

The audit follow up has identified that while some improvement has been noted, the assurance level remains as ★★ Improvements Required. It is acknowledged that the ERBA process (and assurance level) is impacted by the way service policy documents are managed, a current area for organisational improvement.

## 6.7 **Non-Operational Equipment Inspection and Maintenance Testing**

Since the audit, some progress has been made to improve the controls in managing inspection and testing requirements, however, the majority of actions are still in development pending the delivery of the Services asset management framework. As a result of this the assurance level remains as ★★ Improvements Required.

## 7. **AUDIT & REVIEW PERFORMANCE**

- 7.1 To evaluate the performance of the Audit & Review Team, an Internal Audit Feedback Questionnaire is sent out at the end of the audit for the service / audit lead to complete. All completed returns are used to evaluate perceived performance of the Audit & Review Team and identify areas where the Team could improve.

Performance is scored out of 5:

5 = **Excellent** / 4 = **Good** / 3 = **Adequate** / 2 = **Unsatisfactory** / 1 = **Very Unsatisfactory**

7.2 To date 63% of feedback forms have been received. Overall customer feedback received has averaged 4.6 which indicate high levels of customer satisfaction.

## **8. KEY AUDIT FINDINGS – Good Practice Examples**

### **8.1 Key Financial Systems**

The work completed by the Devon Audit Partnership demonstrates that DSFRS have an effective control framework for managing the key financial systems. This includes:

- Main Accounting System
- Creditors
- Debtors
- Treasury Management
- Fixed Assets

### **8.2 P-Cards**

The Audit & Review Team are pleased to report that upon review, DSFRS was found to have a good level of control underpinning the use of P-cards. There has been a reduction in spends that can be linked in part to the successful embedding of corporate contracts.

### **8.3 Protection**

In accordance with the National Framework (July 2012), FRAs are required to have a management strategy and a risk-based inspection programme to enforce the provisions of the Fire Safety Order which must form part of each FRAs Integrated Risk Management Plan (IRMP).

DSFRS launched a revised strategy in June 2010 which requires a fire safety check (FSC) to be carried out to high risk premises; the result of which determines whether a full fire safety audit (FSA) is needed.

The Audit & Review Team are pleased to report that the new strategy was found to be effectively rolled out across the organisation.

### **8.4 Emergency Planning**

The Emergency Planning Team plays a key role in DSFRS's resilience and continuity arrangements. Through professional knowledge / experience and the on-going commitment to the Local Resilience Forums the Emergency Planning Team help to ensure emerging risks are identified and managed. This ensures that front line operational activity can continue with minimal disruption and DSFRS's meets its statutory requirements.



The Emergency Planning Team also plays a key role in managing the risk to Fire Fighter safety. The team are responsible for the collection, security and communication of highly sensitive risk critical information. The flow of this information into front line crews ensures that incidents can be managed in accordance with agreed protocol while safeguarding crews from known risks.

The Audit & Review Team are pleased to report that the controls to support the main Emergency Planning activities are on the whole, suitably robust.

## 8.5 **Welfare**

DSFRS have published a Welfare Policy which states that the Service 'recognises the importance of the Health, Safety and Welfare of all its employees and is committed to supporting their physical and psychological welfare'. By recognising this importance and promoting good health amongst its employees, the Service will benefit from healthy employees, increased productivity and a reduced risk in employee grievance over health issues.

Upon review, DSFRS were found to offer a wide range of welfare related services and benefits which compared well when benchmarked against other FRS's. An effective Staff Supporter framework was also found to be in place to provide an additional resource to support the Welfare Officer.

The Audit & Review Team are pleased to report that the current welfare services and benefits in place across DSFRS demonstrate the organisational commitment to staff and their welfare.

## 8.6 **Defusing**

The Audit & Review Team are pleased to report that the defusing process continues to demonstrate a good level of control with the controls further strengthened since the original audit.

The Audit follow up procedure has resulted in the overall audit assurance statement improving from a 'Good Standard' to a 'High Standard'.

## 9. **KEY AUDIT FINDINGS – Areas for Improvement**

### 9.1 **Additional Retained Hours / Payments**

The origins of the additional Retained Duty System (RDS) payments were found to go back to an old Devon FRS Retained Authority Report dated 25<sup>th</sup> September 2001. This committee paper approved the weekly payment of 10 hours (6 for station admin, 4 for equipment maintenance and testing) for additional RDS activities.

Between April 2011 and March 2013, DSFRS paid a total of £1,767,628 on RDS additional other duties. This can be broken down into the following annual spends:

- 2011-12 - £889,877
- 2012-13 - £877,751

The RDS additional other duties is made up of 14 different activity types; including station administration, training administration, vehicle/equipment administration, station cleaning and maintenance, project work, PPD preparation and completion, partnership working meetings, medical, IRS completion and reporting, Fire Investigation, meetings, debriefs, CFS Hot Strikes and other.

The Gartan system has been used to process RDS payments since January 2011 (with historic data backdated to August 2010). The implementation of the Gartan system has brought many benefits to DSFRS, including improved management information and administration efficiencies.

The audit has identified clear inconsistencies in Additional RDS Payments across similar DSFRS stations. The inconsistencies can be seen as an indicator that clear processes / systems do not underpin additional other duties. There is the opportunity to further review and set clearly defined budgets to enable spend to be more consistent across the retained stations.

Based on 2012-13 costs, the average hourly rate for additional other duties was found to be £13.99. The following table illustrates the estimated costs and savings based upon applying varying budgets (between 10 and 16 hours per station, per week) for additional other duties:-

Budgeted Hours	Cost	Saving
10	£560,160	£317,591
11	£616,176	£261,576
12	£672,192	£205,560
13	£728,207	£149,544
14	£784,223	£93,528
15	£840,239	£37,512
16	£896,255	-£18,504

It is acknowledged that the original Devon FRS report issued in 2001 is now out of date and RDS duties have evolved including the preparation time and completion of PPDs. The original report did not differentiate any differences between 1 and 2 pump retained stations, nor activity rates. However, the table clearly demonstrates the financial savings that can be generated through effective budget setting and management. This will also need to be balanced against the risk of disengaging staff and retaining RDS employees.

The Audit & Review Team identified the following areas where it was considered that management actions should be focused:

- There is insufficient corporate guidance that clearly sets out DSFRS's expectations for the hours that can be claimed for additional retained activities.
- The audit identified significant inconsistencies in spends across the DSFRS stations. For example in 2012-13:
  - 23% of stations claimed up to 10 hours per week, while 12% of stations claimed over 25 hours for additional other duties.
  - The highest 2 pump station claimed £30,789, compared to the lowest at £7,926.
  - The highest 1 pump station claimed £23,744, compared to the lowest at £2,566.

- The Gartan system has the functionality to enable budgets to be assigned against each 'other duty' activity for each station. This functionality is currently not being utilised and would support managers to monitor spends against agreed budget.
- Upon review there was little evidence to demonstrate that additional RDS payment spends have been regularly monitored and benchmarked to identify any trends or inconsistencies.
- The number of activity reports submitted for authorisation on Gartan was found to be significant. In 2012-13, the number of RDS payments requiring approval was in excess of 181,000 including approximately 36,000 for additional 'other duties'. Audit testing identified numerous examples where payments were 'bulk authorised' with little apparent scrutiny.
- The audit also identified an issue with the recording of data, it should be noted that the quality of data is largely poor due to frequent miscoding between main and sub categories. The absence of clearly set budgets does not encourage Gartan users to accurately record activities.
- There would appear to be the opportunity to include some of the additional payments within a wider salary budget. This would have the combined benefit of reducing the administration of these payments and creating a more attractive / enhanced RDS salary retainer.

The Audit & Review Team are pleased to be able to report that a working party has been set up to progress all of the issues raised in the audit report. The working party includes representatives from RDS Stations, Middle Managers, HR, Finance, Area Admin and Audit. The first meeting was held on the 28<sup>th</sup> March with positive feedback received and issues progressed.

## 9.2 **Specialist Rescue**

Specialist Rescue (SR) is a term that provides an enhanced range of equipment, skills and knowledge in dealing with a wide range of human or animal rescues in unusual and technically challenging incidents including:-

- Fast flowing and deep water
- Mud, sand and ice
- Widespread flooding
- Heights (e.g. cliffs, cranes and buildings)
- Confined spaces (e.g. mine shafts and sewers)
- Large animal rescues

DSFRS implemented a specialist rescue model across three Wholetime stations and the Urban Search & Rescue Station 60 in January 2010. The four stations have increased capabilities to enable them to deliver more technical rescues.

The Specialist Rescue Strategy has been developed to ensure that the most appropriate trained and equipped resources are used in response to operational incidents. SR capability provides a layered approach, designed to integrate easily within training and operational environments whilst maintaining safe systems of work.

Whilst DSFRS undertake a wide range of SR activities to ensure local communities are kept safe, the supporting controls affecting service delivery were found to be weak. The Audit & Review Team identified the following areas where it was considered that management actions should be focused:

- Operational Asset Management has been recognised as an area for improvement across DSFRS, this has impacted upon Specialist Rescue. SR equipment is recorded on the organisational asset register MIQUEST. Upon review, data entry was found to be ad-hoc and key financial information and life cycle data appears to be incomplete.
- A clear SR training package has been developed, however current TQMP training records appear to be incomplete and do not clearly demonstrate that SR Operatives have been fully trained. Some courses have been amended in the last few years changing from a single to modular format which have had an impact on course code audit trails. The Audit & Review Team have identified a potential shortfall of 465 training records.
- DSFRS cannot currently demonstrate that Specialist Rescue competencies / maintenance of skills are effectively recorded and monitored. SR Core Competence Reports do not reflect the training course requirements described in the Specialist Rescue Operative, Supervisor & Instructor Training Policy and a lack of framework has resulted in inconsistencies across the four stations with regard to how they are managing the requirement to maintain their skillset.
- On average, each station has approx. 600 individual items of SR equipment which includes the requirement to complete after use and monthly tests. All items should be coded with a unique FKV number and reconciled to a testing regime to demonstrate the tests are being carried out. A sample test determined that just 11% of selected equipment was traced through to complete testing records. The volume of equipment appears to be unmanageable and is further hindered by illegible etching of the FKV number on certain items of equipment. All stations confirmed their understanding and moral need to complete after use tests; however none were able to demonstrate that completed tests have been recorded.
- There are no clear systems in place for DSFRS to measure SR activity. There were also found to be discrepancies between different data sets including the fire control, performance management and incident recording systems. Further work is required to cleanse the data before performance can be effectively monitored.

### 9.3 Performance Information

The Performance Analysis Team is responsible for collating, reviewing, analysing and reporting performance information. Following a recent organisational re-structure, the Performance Analysis Team now forms part of a wider Data Hub whose key role is to provide management with invaluable information to support and inform important decisions made about how DSFRS operates.

In the current economic climate, the information collected by the Data Hub is of vital importance in ensuring that DSFRS resources are used in the most efficient way possible to enable DSFRS to fulfil its vision of acting to protect and save.

Performance Management has been recognised as an area for improvement across DSFRS. Performance information plays a key role in the overall performance management framework.

The Audit & Review Team identified the following areas where it was considered that management actions should be focused:

- It would appear that historically, a similar level of information has been reported and discussed at all organisational levels. A more robust and segmented performance information framework would enable indicators to be set at each stakeholder group. There should be a clear performance hierarchy (Strategic, Tactical, and Operational) where all levels should contribute towards the execution of the organisational mission, strategy and goals.
- The EFQM Excellence Model Assessment has identified that, 'the range of performance indicators currently reported are not totally relevant or balanced and the key indicators / measures have not been identified or prioritised. The performance framework and measurement system are not fully developed to meet the business need for clear and accessible data to support decision making.' A balanced scorecard is one such approach that the Performance Team could take to improve the current framework.
- The Performance Analysis Team recognised that QA / data checking is a current area of weakness within the team. The audit has clearly identified differences in the data sets between the key databases. It is the view of the Audit & Review Team that a clear QA framework should be developed and embedded as a priority. Once a framework is in place, the Performance Analysis Team will be able to perform QA checks as part of a planned work routine that has been designed around work capacity.
- It is the view of the Audit & Review Team that the new web based client and the development work that has been completed to date have seen significant improvements to the PIMS performance information system. However, the Audit & Review Team are under the impression that PIMS is an underused tool across the organisation. Once the new performance information framework has been designed, the next challenge for the team is to promote and train staff in the use of PIMS to support management activities. It is hoped that a clearer performance information framework will enable greater understanding and buy in from staff across the organisation to commit to the use of PIMS to help deliver improved performance.

9.4 All issues have been discussed with the Lead Officers and the Audit & Review Team is pleased to report that suitable action plans have been agreed to improve the management of the risks identified.

9.5 The agreed actions will be monitored as part of the audit follow up procedure. Once the agreed management actions have been implemented and embedded, the Audit & Review Team would be in a position to award improved levels of assurance.

## **11. CONCLUSION & RECOMMENDATIONS**

11.1 Based on the work we have completed and our knowledge from previous years, the systems in operation within Devon and Somerset Fire & Rescue Service demonstrate a good level of internal control.

11.2 Budget pressures are causing many Public Sector Organisations to review operational and administrative practice and staffing levels. This inevitably has an impact on internal control arrangements and we would urge the service to consult with us to assess the internal control and risk management implications of any proposed changes.

- 11.3 The Audit and Review Team would like to use this report to thank all staff who have worked with us in delivering the audit programme for their willingness to engage positively in the audit process.
- 11.4 It is recommended that the report be noted.

**PAUL HODGSON**  
**Audit & Review Manager**