

Internal Audit

Interim Progress Report  
2023-24

**Devon and Somerset Fire and  
Rescue Authority  
Audit and Governance  
Committee**

July 2023

Official

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## Introduction

Internal auditing is defined by the Public Sector Internal Audit Standards (PSIAS) which set out the requirements of a ‘Board’ and of ‘senior management’. For the purposes of the internal audit activity within Devon and Somerset Fire and Rescue Authority the role of the ‘Board’ within the Standards is taken by the Authority’s Audit and Governance Committee and ‘senior management’ is the Authority’s Executive Board.

The Internal Audit Service provides independent assurance to the Service’s Senior Officers and Members that governance, risk management and controls are sufficient in ensuring delivery of the Service’s objectives.

This report sets out the progress that has been made against the approved Internal Audit Plan for 2023-24. The Internal Audit plan for 2023-24 was presented to the Audit and Governance Committee in March 2023.

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual report providing an opinion that can be used by the organisation to inform its governance statement.

This progress report provides a summary of work completed to date (Appendices 1 and 2) that will help to inform the annual assurance opinion which will be specified by one of the following descriptions.

Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

## Recommendations

That the Committee:

- reviews the progress made on work to date,
- considers any outcomes from work completed; and
- in turn whether they require any further assurances to be provided.

## Customer Value

### Conformance with Public Sector Internal Audit Standards (PSIAS)

**PSIAS Conformance** - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Governance Committee in March 2023. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) and are undergoing review and revision. The proposed new standards which are likely to take effect in 2024 and this document helps clarity and raise awareness of the audit committee's governance roles and responsibilities in respect of this. [IIA Document – Draft Standards](#).

**Quality Assessment** - The Head of Devon Audit Partnership maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

**External Assessment** - The PSIAS states that a quality assurance and improvement programme must be developed; the programme should be informed by both internal and external assessments.

An external assessment must be conducted at least once every five years by a suitably qualified, independent assessor. For DAP this was recently conducted at the end of 2021 by the Head of Southwest London Audit Partnership, and the Chief Internal Auditor of Orbis (a partnership organisation covering Brighton and Hove, East Sussex, and Surrey County Council).

The assessment result was that *“Based on the work carried out, it is our overall opinion that DAP **generally conforms\*** with the Standards and the Code of Ethics”*. The report noted that *“As a result of our work, a small number of areas where partial conformance was identified. These were minor observations, none of which were significant enough to affect the overall opinion”*. DAP is actively addressing these improvement areas.

\* **Generally Conforms** – This is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards

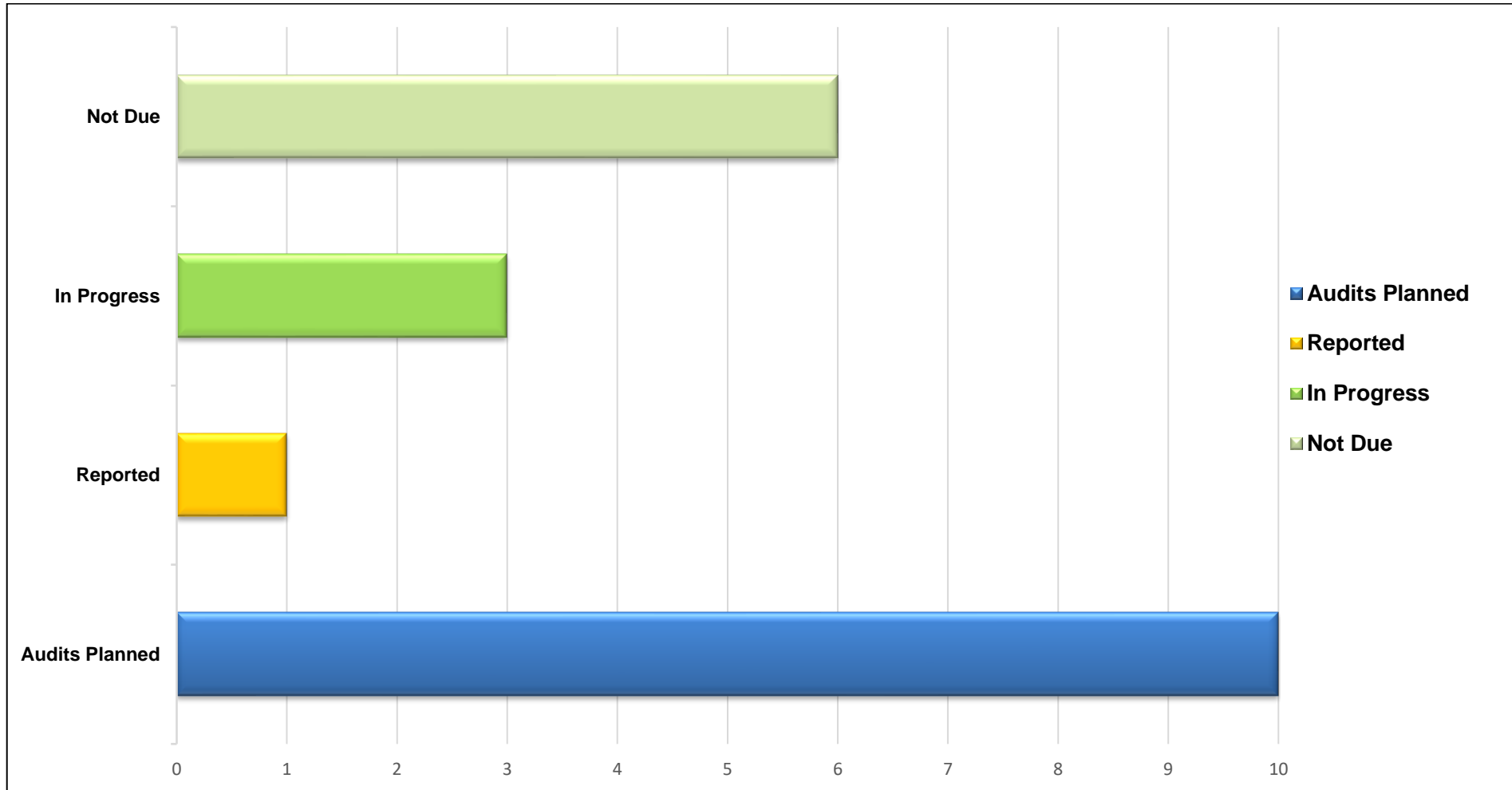
**Improvement Programme** – DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS and quality assurance were included in this development plan and have been completed. This will be further embedded with revision of our internal quality process through peer review. Our development plan is regularly updated, and a status report reported to the DAP Management Board.

### Customer Service Excellence

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during January 2023. This accreditation is a UK-wide quality mark which recognises organisations the prioritise customer service and are committed to continuous improvement.

We have issued client survey forms for our reports, and the results of the surveys returned were very good / positive. The overall result is very pleasing, with near 97% being "satisfied" or better across our services. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.




## Appendix 1 – Progress Chart for Internal Audit Reviews Planned in 2023-24



**Time spent** - We have used in the region of 10% of the 2023-24 planned days (as at the end of June 2023) on starting, completing, and reporting on the Internal Audit Plan for 2023/24, this also includes finalising 2022-23 work.

## Appendix 2 – Summary of Reports and Findings for 2023-24

### Direction of Travel Indicators

Indicator	Definitions
	No Progress has been made. The action plan is not being progressed at this time; actions remain outstanding.
	Progress has been made but further work is required. The action plan is being progressed though some actions are outside of agreed timescales or have stalled.
	Good Progress has/is being made. Good Progress has continued.

Risk Area / Audit Entity	Assurance opinion	Executive Summary / Residual Risk / Audit Comment / Management Response	Direction of Travel Assurance
<b>Medium-Term Financial Strategy / Financial Resilience Plans</b>	<b>Status: Final Reasonable Assurance</b>	<p>The Fire and Rescue Service along with the wider Public Sector face unprecedented financial challenges over the coming years. The Medium-Term Financial Plan (MTFP), along with associated documents such as the Reserves Strategy, Productivity and Efficiency Plan, and draft Target Operating Model, acknowledges these financial struggles. Together provide a framework with which the Service aims to ensure the service is sustainable and efficient, whilst remaining effective in its core requirements to ensure prevention, protection, and response, within the community that it serves.</p> <p>Our review has confirmed that suitable processes are in place for developing and approving the MTFP, and that current plans and associated documents are in place. We confirmed that the Plan is aligned to many, but not all, of the requirements stipulated within the Fire &amp; Rescue National Framework and CIPFA guidance.</p> <p>We understand that the Plan has been, and will be, subject to increased monitoring and reporting to senior management, which indicates awareness amongst senior management of the importance of the Plan and the need to tackle any future funding shortfalls as early as possible.</p> <p>Assumptions made within the Plan appear reasonable, when compared with those of other FRS services.</p> <p><b>Management Response:</b> Actions have been agreed where appropriate to address the recommendations made and are in the process of being implemented.</p>	N/A

Risk Area / Audit Entity	Assurance opinion	Executive Summary / Residual Risk / Audit Comment / Management Response	Direction of Travel Assurance
<b>New People System - Live advice and quality assurance</b>	Status: In Progress	The provision of advice and quality assurance to this project has recently commenced and will be ongoing until the post implementation review. A commentary regarding our findings will be provided at the November 2023 Audit and Governance Committee meeting if relevant.	N/A
<b>Summary of Service Action on External Bodies Reports - HMICFRS</b>	Status: In Progress	This audit commenced in the week of 26 <sup>th</sup> June. A further status update will be reported at the November 2023 Audit and Governance Committee meeting.	
<b>Productivity of the workforce and whole-time crews</b>	Status: In Progress	This audit commenced in the week of 3 <sup>rd</sup> July. A further status update will be reported at the November 2023 Audit and Governance Committee meeting.	
<b>Cyber Governance</b>	Status: Not yet Commenced		
<b>Culture – To also include effectiveness of Grievance, Whistle Blow and Speak Up Procedures</b>	Status: Not yet Commenced		
<b>Fire Contaminants and PPE</b>	Status: Not yet Commenced		
<b>Information Governance Framework</b>	Status: Not yet Commenced		
<b>Key financial systems including Journals</b>	Status: Not yet Commenced		
<b>Health and Safety</b>	Status: Not yet Commenced		

## Appendix 3 – Contact and Confidentiality

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<p><b>Devon Audit Partnership</b></p> <p>The Devon Audit Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at <a href="mailto:tony.d.rose@devonaudit.gov.uk">tony.d.rose@devonaudit.gov.uk</a>.</p>	<p><b>Confidentiality and Disclosure Clause</b></p> <p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.</p> <p>This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.</p>
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