

REPORT REFERENCE NO.	AGC/24/20
MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	29 NOVEMBER 2024
SUBJECT OF REPORT	INTERNAL AUDIT 2024-25 PROGRESS REPORT
LEAD OFFICER	HEAD OF DEVON ASSURANCE PARTNERSHIP
RECOMMENDATIONS	<p><i>That the Committee:</i></p> <ul style="list-style-type: none"> • <i>reviews and considers the outcomes of the work completed as set out in this report and indicates whether it requires any further assurance.</i>
EXECUTIVE SUMMARY	<p>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.</p> <p>This report sets out the progress that has been made against the approved Internal Audit Plan for 2024-25.</p>
RESOURCE IMPLICATIONS	N/A
EQUALITY RISKS AND BENEFITS ASSESSMENT (ERBA)	The contents of this report are considered compatible with existing human rights and equalities legislation.
APPENDICES	A. Interim Progress Report 2024-25
BACKGROUND PAPERS	<p>The Audit Plan for 2024-25 was agreed by the Audit & Governance Committee in March 2024. It is set out in the Audit Plan report which can be found at the following link.</p> <p>Appendix A to Report AGC249.pdf</p> <p>There have been no previous Progress Reports this financial year.</p>

1. INTRODUCTION

- 1.1. The Internal Audit Plan forms the principal work of the Internal Audit Service and is a significant source of assurance of the effectiveness of the internal control environment.
- 1.2. The aim of this report is to update the Committee on progress in delivery against the 2024-25 plan.

2. DELIVERY OF THE AUDIT PLAN

- 2.1. An update on delivery of the internal audit plan is detailed at Appendix A.

3. NEXT STEPS

- 3.1. The progress made against the agreed Audit Plan will be reported back to Audit & Governance Committee at regular intervals.

JO McCORMICK

Deputy Head of Devon Assurance Partnership

TONY ROSE

Head of Devon Assurance Partnership

Internal Audit

Interim Progress Report 2024-25

Devon and Somerset Fire and Rescue Authority Audit and Governance Committee

November 2024

Official



devonassurancepartnership
Support, Assurance and Innovation



APPENDIX A TO REPORT AGC/24/20

Tony Rose
Head of Devon Assurance Partnership

Jo McCormick
Deputy Head of Devon Assurance Partnership

Lynda Sharp-Woods
Audit Manager

Introduction

This report provides a summary of the performance against the Internal Audit plan for the 2024/25 financial year to date, highlighting the key areas of work undertaken and summarising our main findings and recommendations aimed at improving controls, and provides our current Annual Assurance Opinion on the overall adequacy and effectiveness of the Authority's Internal Control Environment. The Internal Audit plan for 2024-25 was presented and approved by the Audit Committee in March 2024.

The level of risk associated with each of the areas in Appendix 1 has been determined either from the Fire Authority's Risk Register (FARR), or the Audit Needs Assessment (ANA) carried out at the planning phase. Where the audit was undertaken at the request of client it has not been risk assessed. Assurance and recommendations should be considered in light of these risk levels and the impact this has on achievement of corporate / service goals.

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 that will help inform the annual assurance opinion.

The Accounts and Audit (Amendment) (England) Regulations 2015 introduced the requirement that all Authorities need to carry out an annual review of the effectiveness of their internal control system and need to incorporate the results of that review into their Annual Governance Statement (AGS), published with the annual Statement of Accounts. The Fire and Rescue National Framework for England (May 2018) sets out the requirement for fire and rescue authorities to publish an annual Statement of Assurance. The Authority has agreed that the most appropriate way to manage both the National Framework and the Accounts and Audit (England) Regulations 2015 requirements is through the creation of one assurance report entitled 'Annual Statement of Assurance'.

The Audit and Governance Committee, under its Terms of Reference contained in the Devon and Somerset Fire and Rescue Authority Constitutional Governance Framework is required to consider the Chief Internal Auditor's reports, to review and approve the Internal Audit programme, and to monitor the progress and performance of Internal Audit.

Expectations of the Audit and Governance Committee from this progress report

Audit and Governance Committee members are requested to consider:

- the assurance statement provided for the Authority within this report;
- the basis of our opinion and the completion of audit work against the plan;
- changes to the plan and the scope and ability of audit to complete the audit work;
- audit coverage and findings provided;
- the overall performance and customer satisfaction on audit delivery.

In review of the above the Committee are required to consider the assurance provided alongside that of the Senior Leadership Team, Corporate Risk Management and external assurance including that of the External Auditor.

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Overall Interim Opinion Statement

Based on work performed to date during 2024-25, our experience from the previous year, the Head of Internal Audit's Interim Opinion on the adequacy and effectiveness of the Authority's internal control framework is one of "Reasonable Assurance".

Our audit planning process is both risk based and agile, as such our resources, and consequently our interim and annual reports will inevitably focus upon higher risk areas.

The Authority's internal audit plan for the year includes specific assurance, risk, governance, and value-added reviews which, with prior years audit work, provide a framework and background within which we assess the Authority's control environment.

The reviews to date in 2024-25 have informed the Head of Internal Audit's Interim Opinion. If significant weaknesses have been identified, these will need to be considered by the Authority in preparing its Annual Statement of Assurance as part of the 2024-25 Statement of Accounts.

In carrying out reviews, Internal Audit assesses whether key, and other controls are operating satisfactorily and an opinion on the adequacy of controls is provided to management as part of the audit report. All final audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified. Implementation of action plans rests with management, and monitoring of actions is reported to the Audit and Governance Committee by the Assistant Director, Corporate Services.

This statement of opinion is underpinned by:

Internal Control Framework

The control environment comprises Authority's policies, procedures and operational systems and processes in place to establish and monitor the achievement of the Authority's objectives; facilitate policy and decision making; ensure economical, effective, and efficient use of resources, compliance with established policy, procedure, law, and regulation; and safeguard the Authority's assets and interests from losses of all kinds. Core financial and administrative systems are reviewed by Internal Audit in accordance with the agreed Internal Audit Plan.

Risk Management

The Corporate Risk Register captures and describes the most significant risks, both internally and externally, facing the Service with a focus on cross-cutting risks and major projects and is reported to the Executive Board monthly and Audit and Governance Committee on a bi-yearly basis. The risk management process includes the identification, assessment and recording of risks together with mitigating activities.

We audited Risk Management in 2021-22 and provided a 'Substantial' Audit Opinion. Recommendations made were tracked by the Service.

We presented on IT Risk Management at ALARM for the Service in 2022-23.

We provided advice on Counter Fraud Risk Management within the Service in 2023-24.

Governance Arrangements

In both 2023-24 and the current year, we are providing an assurance role to the Programme Management Board. Our advice is primarily real-time however we have made one recommendation relating to Board frequency in our interim statement as detailed in Appendix 1.

Elements of our work within the Digital Maturity Assessment will support enhancements to existing governance arrangements.

We have an upcoming audit related to 'Director of Finance and Corporate Services Role Responsibilities' which will consider authority and delegations.

We support the Assistant Director, Corporate Services and the Head of Organisational Assurance in providing the internal audit function and related governance activities.

Performance Management

Progress against His Majesty's Inspectorate of Constabulary & Fire & Rescue Services (HMICFRS) areas for improvement action plan are regularly reported to the Executive Board and the Committees of the Fire Authority.

Performance information is reported to the Executive Board, People Committee and the Community Safety Committee.

Internal Audit report actions are tracked and reported to the Executive Board and the Audit and Governance Committee.

Data is also shared on the Service website.

Budget performance is monitored by the Executive Board and the Resources Committee.

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.

Summary Assurance Opinions

High Level Summary Audit Plan					Client and Audit Governance	Devon and Somerset Fire and Rescue Service additionally commissions other Internal Audit support and services when required, including value added and other activities
Service Delivery	Service Delivery Support	Corporate Services	Finance			
Prioritised Risk Areas	No planned audits	Digital Maturity Assessment (Limited Assurance)	Key Financial Systems (Q4)	Audit Plan Preparation		
		Prevention and Protection (Limited Assurance)		Programme Management (Reasonable Assurance)		Audit Plan Reporting
		Health and Safety (Q4)	Director of Finance and Corporate Services Role Responsibilities (starts December 2024)	Audit Plan Coordination		
		Business Continuity (Q4)		Audit Committee Attendance		
				Progress Reporting		
				Annual Reporting		
				Advice		

Value Added and Other Activities – commissioned as required	
Compliance Support	ISO9001 Pre Assessment, Grant Certification, Control Framework Advice, Consultancy Work
Governance Support	Governance Advice, Information Governance Advice, Project Assurance, Consultancy Work
Fraud Prevention and Investigation	Criminal Investigations, Fraud Training and Awareness / Information and Counter Fraud Updates, Fraud Risk Assessment, Data Matching, Anti-Fraud, Bribery and Corruption Policy / Strategy and Response Plans
<ul style="list-style-type: none"> Criminal Investigations - All investigators are fully Accredited Counter Fraud Specialists (ACFS). The team have undertaken thousands of criminal fraud investigations and have successfully overseen the prosecution of many fraud cases. Fraud Training and Awareness - The team can provide awareness training and support for staff and managers to minimise its exposure to fraud risks. Fraud Risk Assessment - The DAP risk assessment allows an organisation to be confident that it understand and manage the fraud threats it faces. Data Matching Initiatives - The CFST can take a data set and match them against other internal data sets to look for red flags and/or indicators of fraud and error in accordance with the Data Protection Act. Anti-Fraud, Bribery and Corruption Policy / Strategy and Response Plans - The CFST created and continue to monitor Anti-Fraud, Bribery and Corruption Policy / Strategy and Response Plans for multiple partners. Information and Counter Fraud Updates - CFST provide information and Counter Fraud updates to keep pace with developments. 	

Assurance Map

The Institute of Internal Auditors provides a summary of the benefits of Assurance Mapping:

- An assurance map brings an organisations risk appetite to life. At the same time as highlighting assurance gaps, it also shows where there is duplication or too much assurance. It is a simple way of aligning assurance resource, risk and internal control.
- It improves awareness of the control environment by looking across the organisation rather than at individual reports which can lead to siloed thinking.
- It drives positive behaviours by enabling robust discussions about risk, educating on the value of assurance and aiding collaboration between functions.
- Collectively, the assurance community of an organisation often has a more powerful voice when it works together; an assurance map is a practical platform benefiting all parties.

The Authority are undertaking to develop a professional standards approach aligned to the Fire Standards. We are advised that this includes mapping HMI actions to the [Fire Standards](#) criteria and moving from a compliance position against each of the Standards to a three lines of assurance assessment.

The nineteen approved Fire Standards are titled Code of Ethics, Communication and Engagement, Community Risk Management Planning, Data Management, Digital and Cyber, Emergency Preparedness and Resilience, Emergency Response Driving, Fire Control, Fire Investigation, Internal Governance and Assurance, Leading the Service, Leading and Developing People, Operational Competence, Operational Learning, Operational Preparedness, Prevention, Procurement and Commercial, Protection, and Safeguarding.

The Authority is developing an Assurance Framework with Dashboard reporting. We have been requested, where possible, to link 2024-25 and future audits or recommendations to the relevant Fire Standard criteria to support the Authority in mapping their assurance.

Once developed, the Assurance Framework information will support the creation of future Audit Plans.

We have mapped the 2023-24 audit work and within the map linked these audits to the Fire Standards. As this provides a historical view of assessments, it only represents the position at the time of the audit work, and should be considered against recommendation tracking progress that is reported to the Audit and Governance Committee.

The completion of the 2023-24 summary map for individual audit assignments provides the Authority with information to support the development of the Assurance Framework. It does not include 3rd line assurances that the Authority may be obtaining in each of these areas except in relation Internal Audit. The Table below details our assessments against each area audited in 2023-24 and has been shared with the Head of Organisational Assurance who is leading the development of the Assurance Framework.

Devon and Somerset Fire and Rescue Summary Assurance Map



Audits Completed 2023 - 24 Internal Audit Plan

Audit Heading	FARR	Fire Standards	Objective / Priority	Internal Control Measures				Management controls			Financial, Corporate and Governance - 2nd line defence						Independent Assurance - 3rd line defence	Regulators
				Core systems controls inc. IT system, parameters	Input processing and output controls	Fraud and error prevention	Authorisation, supervision and segregation	Performance & Financial management reports	3rd Party and Business continuity, Disaster recovery	Strategies and business plans inc. Benchmarking	Financial / Monitoring, reconciliation, reporting, Statutory Returns	Functional & Service compliance reviews	Quality control checks (H&S, Info Governance)	Security inc IT systems & physical	Governance structures and processes (inc. financial & other policy)	Corporate risk management / assurance		
Service Action on External Reports		Code of Ethics Internal Governance and Assurance Leading the Service Leading and Developing People Safeguarding	To promote, establish, and maintain a positive organisational culture, ensuring all staff can safely report cultural issues and that any reported issues are effectively investigated.					G				G	G	G			G	A
Productivity of Whole Time Crews		Operational Preparedness Prevention Protection Safeguarding	To ensure that wholetime firefighting crews are utilised efficiently and effectively, maintaining competencies, and undertaking prevention, protection and response duties, to ensure value for money and maximum benefit to the wider community.		A	A	A	A				A				A		
New People System	CR050	Leading and Developing People	Implementation of a new People Services System, focussing on Human Resources and Organisation Development, in line with the project														G	G
Medium Term Financial Plan		Leading the Service	The primary objective for the area under review is to develop a robust and deliverable Medium Term Financial Plan in accordance with requirement established within the Fire and Rescue National Framework for England 2018.	G				G		G		G					G	
Key Financial Systems	CR050	Leading the Service	The management and provision of effective accounting, financial and payroll support services.	G	G	A	G	G				G					G	
Fire Contaminants and PPE	CR075	Operational Preparedness	To develop and implement an effective plan addressing recommendations made in the UCLAN report titled 'Minimising firefighters' exposure to	G													G	G
Cyber Governance CAF Assessment		Digital and Cyber	The Cyber Assessment Framework (CAF) assessment is part of the National Cyber Programme. It is intended that the gap analysis across Fire and Rescue Services will be used as a way to improve cyber resilience across the sector. It is part of a wider programme of work being driven by Cabinet Office to understand the risks and to drive transformational improvement across critical sectors.	A				A	A	A	A	A					A	A
Culture		Code of Ethics Leading the Service Leading and Developing People Safeguarding	To promote, establish, and maintain a positive organisational culture, ensuring all staff can safely report cultural issues and that any reported issues are effectively investigated.		G								A				G	
Information Governance Framework	CR065	Data Management	To ensure that the wider service is compliant with relevant legislation, has effective records management, and maintains suitable information security.	G		A						G			A		G	

Audit Coverage and performance against plan

This progress report compares the work carried out with the work that was planned through risk assessment and reported at Audit and Governance Committee in March 2024.

It presents a summary of the audit work undertaken, includes an interim opinion on the adequacy and effectiveness of the Authority’s internal control environment and summarises the performance of the Internal Audit function. The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

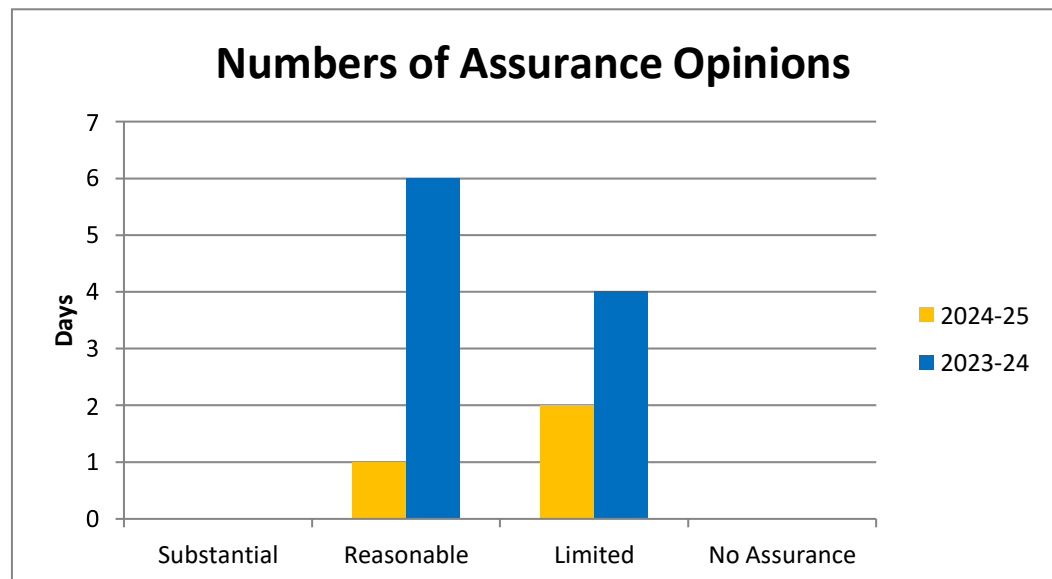
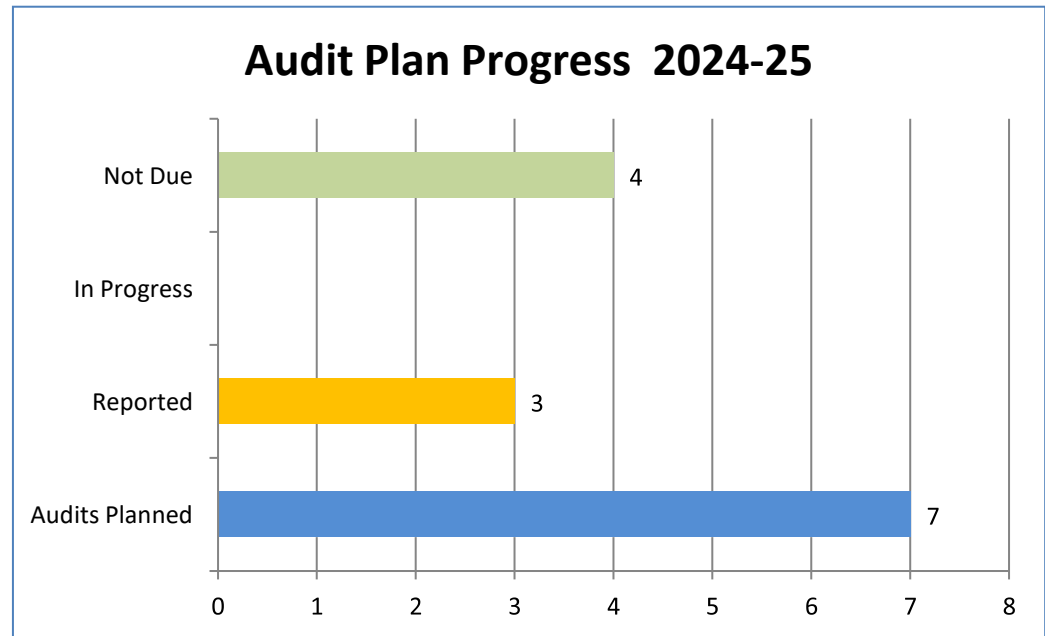
- a comparison of internal audit activity during the year with that planned, placed in the context of internal audit need, and
- a statement on the effectiveness of the system of internal control in meeting the Authority’s objectives.

A number of audits are scheduled for later in the year as detailed in the Audit Plan. We have provided an interim report and assurance level for the Programme Management work, but this work will continue and a final report and assurance level provided at the end of the year.

The bar charts right show the status of audit progress against the plan and the numbers of assurance opinions to date compared with the previous year total. The charts demonstrate that progress is in line with expectations. There have been no in year changes to the plan to date.

There has been a growing trend in the sector towards more flexible audit plans to enable internal audit to be more responsive to changing risks, in turn maximising resource focus to clients’ needs as and when needed – Agile Auditing. This principle has several benefits with ever changing priorities and related risks. We endeavour to ensure that sufficient coverage across the Authority is maintained to ensure that we can provide an assurance opinion.

This report provides a summary of the key issues reported and being addressed by management. Appendix 1 to this report provides a summary of the audits undertaken to date in 2024-25.







Appendix 1 – Summary of audit reports and findings for 2024/25

Risk Assessment Key


- ANA - Audit Needs Assessment risk level as agreed with Client Management
- Client Request – audit at request of Client Senior Management


Direction of Travel Assurance Key

-  action plan agreed with client for delivery over appropriate timescales & is progressing.
-  action plan agreed and is being progressed though some actions are outside of agreed timescales or have stalled.
-  action plan not fully agreed, or we are aware progress has stalled or yet to start.
* report recently issued; assurance progress is of managers feedback at debrief meeting

CORPORATE SERVICES		
Risk Area / Audit Entity / Assurance Opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
<p>Programme Management (FARR – N/A)</p> <p>Status: Draft</p> <p>Reasonable Assurance</p>	<p>The findings of this audit link to the ‘Communication and engagement’; ‘Data Management’; ‘Digital and Cyber’; ‘Internal Governance and Assurance’; ‘Leading the Service’; ‘Leading and Developing People’; ‘Procurement and Commercial’ Fire Standards and support management in organisational assurance mapping against the Fire Standards developed by the Fire Standards Board.</p> <p>Based upon our attendance at the Programme Board and review of supporting information and evidence, we are of the opinion that at this stage the People Services Systems Project, whilst effectively managed, is likely to experience slippage. However risks, issues and associated mitigations and remedial actions are subject to regular review and an agreement was reached that the go-live date be moved to October which demonstrates the effectiveness of the Board. Expected Project Management frameworks, practices and records are in place, supported by a Governance structure which includes a good level of cross representation. The frequency of the planned meetings is as expected, acknowledging the need for two cancellations due to low member attendance.</p> <p>The New Finance System Project is in its infancy, with an introductory meeting between DSFRS representatives and the supplier in August 2024, and a formal project ‘kick-off’ meeting on 26th September 2024. The project is within the governance arrangements of the Corporate Services Programme Board and included within the associated highlight reports.</p> <p>We have provided a ‘Reasonable Assurance’ level for both the People System and Finance System projects. We have made a small number of recommendations although primarily our advice, guidance and assurance is provided in real time in line with the associated remit of the projects / programme timelines.</p> <p>In addition to the assurance role, we have also provided initial advice and guidance to the Programme Manager within the Strategic Business Change Team, in a review of the governance structure at a P3M level to drive continuous improvement, and improve efficiency and effectiveness.</p> <p>Management Response: Draft Report is agreed. Management responses are being determined.</p>	

CORPORATE SERVICES

Audit Report		
Risk Area / Audit Entity / Assurance Opinion	Residual Risk / Audit Comment	Direction of Travel Assurance
<p>Digital Maturity Assessment (FARR – CR084)</p> <p>Status: Draft</p> <p>Limited Assurance (mapped as ‘Developing’ under the DMA framework)</p>	<p>The findings of this audit link to the ‘Code of Ethics, ‘Communication and Engagement’, ‘Data Management’, ‘Digital and Cyber’, ‘Internal Governance and Assurance’, ‘Leading the Service’, and ‘Leading and Developing People’ Fire Standards and support management in organisational assurance mapping against the Fire Standards developed by the Fire Standards Board.</p> <p>The Digital Maturity Assessment (DMA) along with the related deep dives into ‘Data’, ‘Digital Literacy’, and ‘Strides in Cyber’, and the cross correlation to the Cyber Assessment Framework (CAF) self-assessment the service undertook in 2023-24, have established an assessed level of digital maturity within the service against the six dimensions of the DMA model (Customer; Culture; Sustainable Operating Model; Capabilities; Data; and Technology) and their sub-attributes critical for business and transformation success. A number of strategic and operational changes are already ongoing within the Service, and these, along with some proposed areas for consideration, will support the Service in improving its digital maturity level.</p> <p>Overall we would assess the Service as ‘Developing’ (the organisation has started to adopt digital channels. There is growing awareness of the importance of digital transformation, and some departments are beginning to embrace digital initiatives. Digital tools are being introduced to automate certain processes, though many remain manual. The organisation is investing in digital skills development, with training programs and initiatives to build digital competencies. Data collection is more systematic, and basic analytics are being used, with an emerging focus on data quality and governance. The technology infrastructure is being upgraded, with investment in modern tools, though legacy systems and application still pose challenges). The six dimensions of the DMA model have been individually assessed culminating in the overall assessment level above. The DMA process involved a questionnaire to staff based around the model, the responses to which have been analysed and summarised, and included in the overall assessment. In addition, the deep dives into ‘Data’, ‘Digital Literacy’, and ‘Cyber’ were undertaken through interviews with key staff. The Cyber progress has been based on responses provided to the previous audit undertaken in 2021-22, establishing a current status against the previously agreed management actions, thereby indicating progress made.</p> <p>We recognise the significant work that has been undertaken particularly strides made in Cyber and that work remains ongoing to develop the Service’s digital maturity. Progress has particularly been made in cyber training, awareness and governance and cyber response planning across the organisation. A large majority of previously agreed actions are either completed or ongoing.</p> <p>The Service is confident in its ability to drive improvements and move in an upward trajectory through the assessment levels. We would suggest an initial focus on ‘digital literacy’ focussing on upskilling, and on a number of areas within the ‘Data’ dimension particularly related to data strategies, investment in data and associated upskilling to support Service wide management information and enhancements to associated decision making.</p> <p>Management Response: Draft Report is agreed. Management responses are being determined.</p>	

SERVICE DELIVERY		
Risk Area / Audit Entity / Assurance Opinion	Audit Report	Direction of Travel Assurance
	Residual Risk / Audit Comment	
<p>Prevention and Protection (FARR – CR079)</p> <p>Status: Draft</p> <p>Limited Assurance</p>	<p>The findings of this audit link to the ‘Protection’, ‘Prevention’, and to a lesser degree ‘Safeguarding’, Fire Standards and support management in organisational assurance mapping against the Fire Standards developed by the Fire Standards Board.</p> <p><u>Prevention</u> The service has made significant progress this year in addressing long standing issues, in particular those relating to the backlog of Home Fire Safety Visits, which has seen a reduction from 7217 to the current figure of 716. The remaining backlog is still significant however and will need to be addressed. As the service transitions from its business continuity phase back to business as usual, and the flow of new referrals increases, the service will also need to ensure it maintains sufficient impetus to prevent future backlogs.</p> <p>Factors which contributed to the previous backlog of Home Fire Safety Visits, in particular the underlying ICT systems, continue to be a concern and are often viewed as an obstacle rather than an enabler. Plans are underway to address these issues, primarily by migrating to alternative software platforms which offer improved functionality.</p> <p>The Partnerships Team effectively manage relations with the active partners, of which records show there are currently 386. Agreements are held with these partners, however some improvements and or updates to the register of partners is needed.</p> <p>Under business as usual, referrals are received from partner organisations as well as other blue light services. Internal referrals are also made, for instance to the Safeguarding Team following a HFSV. Some improvements to the associated processes could be made, and with regard to safeguarding referrals, additional training is being developed.</p> <p>There is a good degree of oversight of this area, with performance reports produced monthly and quarterly, the latter including a number of key performance indicators is presented to the Community Safety Committee.</p> <p><u>Protection</u> Oversight of this area is similar to that of Prevention, with monthly and quarterly reports being produced. The most recent report to the Community Safety Committee in September 2024 (with data up to June 2024) showing that all but one performance indicator was either exceeding, or near target. More recent data from August 2024 now shows that the remaining indicator is also now near target.</p> <p>Robust processes are in place for carrying out Fire Safety Audits, however to ensure that all current buildings are covered, it is necessary to finalise and implement a new Risk Based Inspection Programme.</p> <p>We were unable to confirm whether ICT and data issues raised during a previous data audit, had been addressed. These were linked to the underlying systems which have not changed since the previous audit, and we therefore consider that the issues identified at that time, are likely to remain.</p> <p>Management Response: Draft report received. Initial Management responses determined. Final report being agreed.</p>	

Appendix 2 - Professional Standards and Customer Service

Conformance with Public Sector Internal Audit Standards (PSIAS)

Conformance - Devon Assurance 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 Audit Committee in March 2024. This is supported through external 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 have been undergoing review and revision. The proposed new standards will take effect in the public sector in April 2025 and provide clarity and raise awareness of the audit committee's governance roles and responsibilities. [2024 Global Internal Audit Standards \(theiia.org\)](https://theiia.org)

Quality Assessment - the Head of Devon Assurance 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 is currently being conducted by an IIA qualified ex Assistant Director of an Audit Partnership.

The previous 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 are included in this development plan which is ongoing. Our development plan is regularly updated and links to our overall strategy, both of which are reported to the DAP Management Board and DAP Committee.

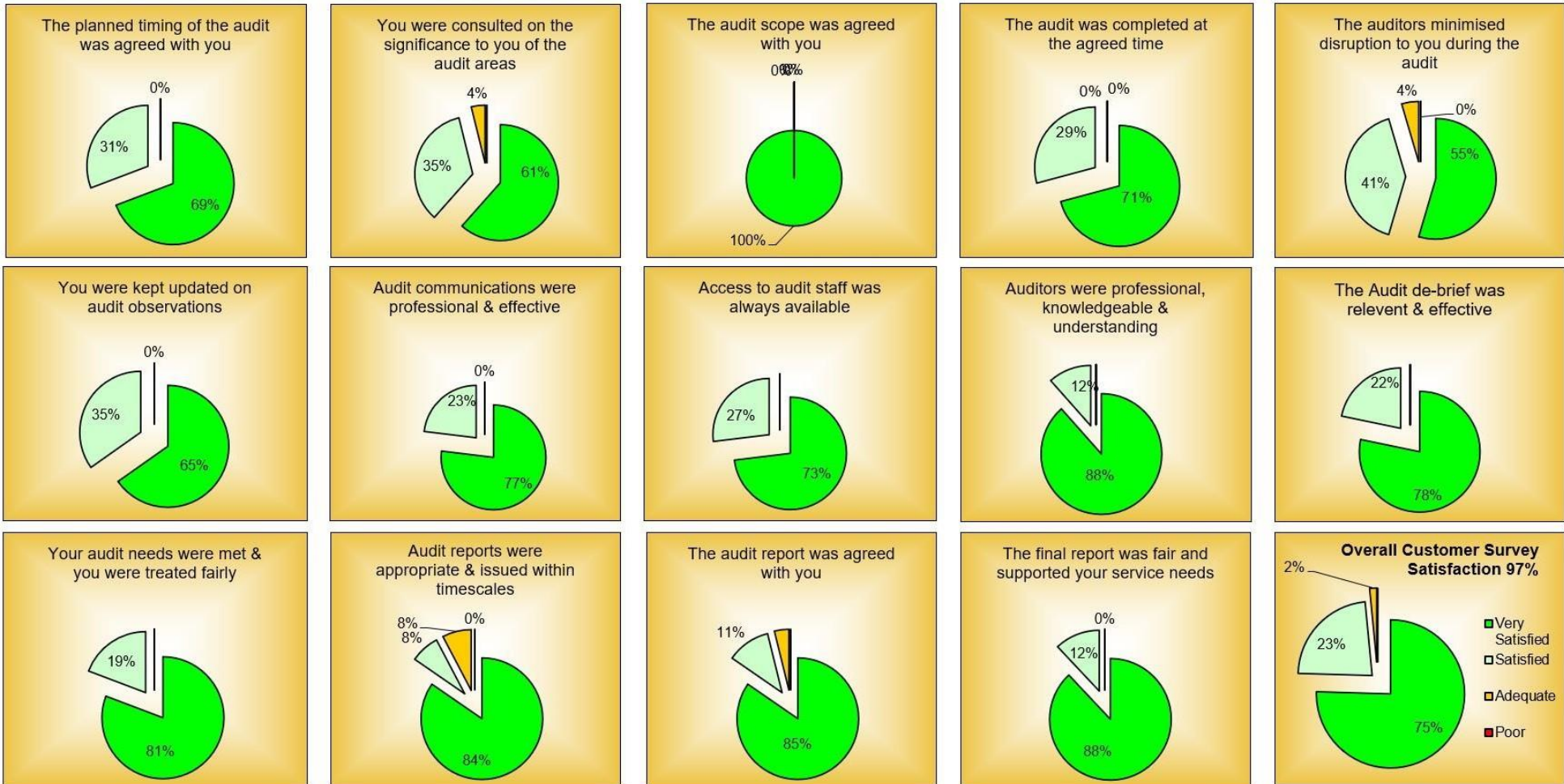
Customer Service Excellence (CSE)

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during 2024. This accreditation is a UK-wide quality mark which recognises organisations that prioritise customer service and are committed to continuous improvement.

During the year to date we have issued client survey forms for some of 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 3

Customer Survey Results April 2024 - August 2024



Appendix 4 – Audit Authority



Appendix 5 - Annual Statement of Assurance

The conclusions of this report provide the internal audit assurance on the internal control framework necessary for the Committee to consider when reviewing the Annual Statement of Assurance.

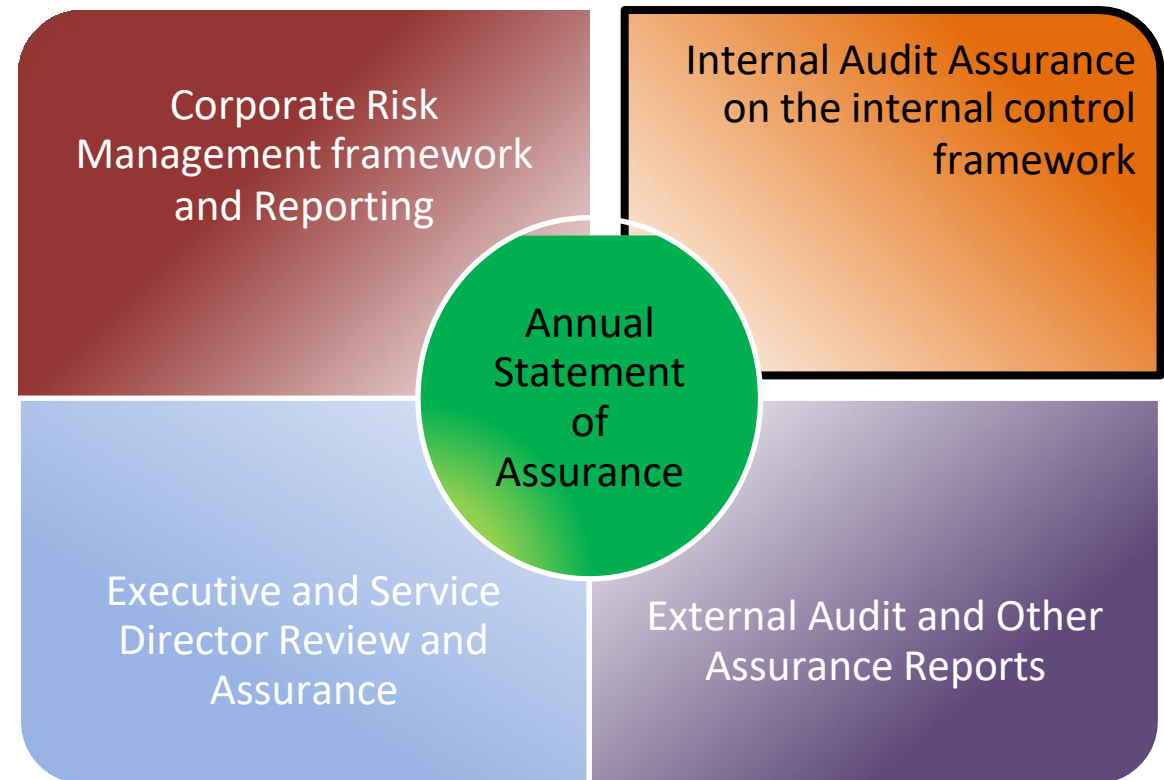
The Annual Statement of Assurance provides assurance that

- the Authority's policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:-

- be prepared by senior management and signed by the Chief Fire Officer and Chair of the Audit and Governance Committee;
- highlight significant events or developments in the year;
- acknowledge the responsibility on management to ensure good governance;
- indicate the level of assurance that systems and processes can provide;
- provide a narrative on the process that has been followed to ensure that the governance arrangements remain effective. This will include comment upon;
 - The Authority;
 - Audit and Governance Committee;
 - Risk Management;
 - Internal Audit;
 - Other reviews / assurance.

Provide confirmation that the Authority complies with CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*. If not, a statement is required stating how other arrangements provide the same level of assurance



The Committee should satisfy themselves, from the assurances provided by the Corporate Risk Management Framework, Executive and Internal Audit that the statement meets statutory requirements and that the management team endorse the content.

Appendix 6 - Basis for Interim Opinion

The Chief Internal Auditor is required to provide the organisation with an opinion on the adequacy and effectiveness of its accounting records and its system of internal control in the Authority.

In giving our opinion, it should be noted that this assurance can never be absolute. The most that the Internal Audit service can do is to provide assurance, formed from risk-based reviews and sample testing, of the framework of governance, risk management and control.

This report compares the work carried out to date with the work that was planned through risk assessment; presents a summary of the audit work undertaken; includes an interim opinion on the adequacy and effectiveness of the Authority's internal control environment; and summarises the performance of the Internal Audit function against its performance measures and other criteria.

The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year to date. It gives:

- a statement on the effectiveness of the system of internal control in meeting the Authority's objectives;
- a comparison of Internal Audit activity during the year with that planned and;
- a summary of the results of audit activity.

The extent to which our work has been affected by changes to the audit plan are detailed on page 6.

The overall audit assurance will have to be considered in light of this position.

In assessing the level of assurance to be given the following have been taken into account:

all audits completed during 2024-25 to date, including where applicable those audits carried forward from 2023-24;

any follow up action taken in respect of audits from previous periods;

any significant recommendations not accepted by management and the consequent risks;

the quality of internal audit's performance;

the proportion of the organisations audit need that has been covered to date;

the extent to which resource constraints may limit this ability to meet the full audit needs of the Authority;

any limitations that may have been placed on the scope of internal audit.

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Devon Assurance Partnership

The Devon Assurance Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high-quality assurance service provider. We work with our partners by providing a professional assurance services 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.

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 Tony.d.Rose@devon.gov.uk

Confidentiality and Disclosure Clause

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 Authority, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

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.