

GFRS Internal Audit Follow Up – Progress Report

December 2020



Distribution

To: Gloucestershire County Council Audit and Governance Committee
GFRS Improvement Board

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Important

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1. Introduction

On 15th June 2018 a letter of complaint was sent by email to the Leader of the Council. There were three strands to the complaint; one concerned the sale of a Gloucestershire Fire and Rescue Service (GFRS) owned vehicle and the previous Chief Fire Officer's (CFO) involvement in the process. The other two concerns were regarding staffing issues. It was agreed that Internal Audit would investigate the sale of the vehicle and Human Resources (HR) would review the remaining two concerns.

Shortly after commencing the investigation, numerous whistleblowing allegations and Freedom of Information Requests (FOIs) in respect of other concerns relating to GFRS governance arrangements, procedures, systems and processes were received. As a result, following Internal Audit review, research, analysis and interviews with key stakeholders including relevant GFRS Officers, Internal Audit co-ordinated the findings and made a number of GFRS-specific and council-wide/cross-cutting recommendations to undertake detailed reviews/audits within each area to determine the level of risk. These reviews/audits were outlined in the Action Plan presented to the Audit and Governance Committee on 12th October 2018 and the last of the audit outcomes were presented to the Audit and Governance Committee on 11th October 2019.

Each published GFRS Internal Audit report contained an action plan detailing audit recommendations, agreed by management, for implementation. A total of 18 audits were undertaken which generated 118 individual audit recommendations (High Priority and Medium Priority). Eleven of the audits were given limited assurance opinions either for risk management, the control environment or both.

A summary of the 18 audits are included at [Appendix 1](#). Definitions for internal audit assurance opinions and recommendation priorities are detailed at [Appendix 2](#).

2. GFRS Improvement Board

Following discussions between the CFO, Assistant Chief Fire Officer (ACFO) and Gloucestershire County Council (GCC) HR at the beginning of August 2019 the GFRS Improvement Board was established.

The remit of the Board includes the GFRS Internal Audit Action Plan outcomes and actions required from Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection 2019/20. In addition, the Board's goal is to consider the wider picture of collective improvement for GFRS.

The main purpose, role and expectation of the Board as per the Board terms of reference is to:

- Maintain oversight to ensure that all the required improvements and quality assurances are achieved by Area Leads in a timely manner;
- Add weight and rigour towards achieving the required outcomes;

- Take an overview of Area Leads' actions (highlights and exceptions) and to address the findings;
- Support Area Leads by removing barriers where progress is hampered by elements outside of their control;
- Review the evidence, by way of Ratification Reports and supporting information supplied by Area Leads, which demonstrates that improvements are embedded within the organisation by the implementation of robust systems, processes, policies and procedures. This will all be reported and monitored through the development of a tracker system that both GFRS and GCC staff (including Internal Audit) will have access to; and
- Be answerable to and to report progress or otherwise to, the following committees for consideration, Scrutiny and ultimately, for final ratification: Gloucestershire Fire and Rescue Service Senior Leadership Team; and Audit and Governance Committee.

The GFRS Improvement Board membership is as follows:

- Cabinet Member for Public Protection, Parking and Libraries;
- Chief Fire Officer (Chair);
- Commissioning Director (GCC);
- Assistant Chief Fire Officers;
- Interim Head of Planning, Performance and Improvement (GCC);
- GFRS Performance and Communications Manager;
- Interim Area Manager;
- Project Manager (GCC Planning, Performance and Improvement);
- GFRS Planning, Strategy and Performance Team members; and
- Additional attendees as called to the meetings (including Internal Audit, HMICFRS and wider GFRS representation).

GFRS Improvement Board meetings have been completed monthly since September 2019.

3. Audit Scope

ARA GFRS Action Plan follow up activity captures actions against Internal Audit recommendations only. HMICFRS recommendation review is excluded from the ARA work and will be monitored by the GFRS Improvement Board with oversight from HMICFRS.

The Internal Audit follow-up activity will review all High Priority recommendations from non-limited assurance reports and all High Priority and Medium Priority recommendations from limited assurance reports to ensure timely implementation of the agreed recommendations.

The audit follow-up approach has been agreed with GFRS to provide the necessary assurances to the GFRS Improvement Board, Gloucestershire County Council's Chief Internal Auditor and the Audit and Governance Committee. This includes:

- To enable efficiency and avoid duplication, ARA will place reliance, where possible, on the GFRS tracker system that is being used by the GFRS Improvement Board to monitor the implementation of the Internal Audit and HMICFRS recommendations;
- Relevant ARA auditors will attend relevant GFRS Improvement Board meetings where progress updates in terms of implementation of recommendations will be presented by GFRS Area Leads. Following additional audit testing and review of evidence, ARA auditors will update the GFRS tracker system within the agreed areas until such time as all the recommendations have been verified as implemented; and
- If new recommendations are made as part of the follow-up activity, these will be added to the tracker system in consultation with GFRS senior management and the same process will be applied to follow up the implementation of those recommendations.

To ensure consistency and management of expectations, ARA has ensured that the original GFRS Action Plan lead auditors have been allocated to deliver the Internal Audit follow up activity.

The CFO and Chief Internal Auditor have agreed for updates as to progress to be presented to the Audit and Governance Committee twice a year (as a minimum) until all actions are confirmed by GFRS Improvement Board as implemented and the position has been verified (through review and testing) by Internal Audit.

This is the second GFRS Internal Audit Follow Up Progress Report to Audit and Governance Committee. The first report was presented to Audit and Governance Committee on 30th October 2020.

4. Key Findings as at December 2020

Follow up process development

The ARA team have worked directly with the GFRS Performance and Improvement Manager and GFRS Planning, Strategy and Performance Team from quarter 4 2019/20 to ensure an appropriate process with accessible audit trail to enable Internal Audit follow up delivery.

GFRS audit trail is accessed via Microsoft Teams. This includes Board papers, the GFRS recommendation tracker and ratification reports with supporting audit documentation per Internal Audit recommendation.

The Board was attended by ARA initially in May 2020, to enable understanding of Board agenda content and approach.

From June 2020 onwards, relevant ARA auditors have attended Board meetings on a monthly basis and have been able to engage in discussions, challenge as appropriate and raise relevant queries. Internal Audit follow up activity on an individual recommendation basis also commenced from June 2020.

Each Board meeting attended by ARA was chaired by the CFO and followed a set agenda including updates from GFRS Area Leads regards specific audit recommendations. It was evident through the meetings that Board members actively queried and challenged the position on each presented recommendation, to ensure assurance provided by the GFRS Area Lead was appropriately evidenced to enable Board formal sign off.

ARA continues to work with the GFRS Performance and Improvement Manager to support further development regards Internal Audit access to audit trail and the audit trail content.

GFRS Improvement Board Recommendations Position Statement

As at 17th December 2020, the Board has signed off 91 (73%) out of the 124 actions (from 118 audit recommendation) total as implemented. These are detailed in the below table:

	GFRS Improvement Board position as at 17th December 2020
Total audit recommendations / actions	118 audit recommendations. 6 recommendations were split out by GFRS into an interim action and a medium term action, totalling 124 actions within the GFRS Improvement Board tracker. The 6 split recommendations were relevant to budget monitoring; budget setting; income and cash handling; disposals; and procurement cards.
Actions confirmed as implemented by the Board	91 (previously 78 as at 6 th October 2020)
Actions in progress	16 (previously 17 as at 6 th October 2020)
Actions in progress with the wider organisation (GCC)	17 (previously 29 as at 6 th October 2020)

Internal Audit's Recommendations Position Statement

As at 17th December 2020, Internal Audit can confirm that in total:

- The 91 actions signed off by Board as implemented are relevant to 86 (73%) audit recommendations out of the 118 recommendation total;
- 12 (10%) recommendations do not require Internal Audit follow up due to being Medium Priority recommendations from non Limited assurance opinion GFRS Action Plan internal audit reports;
- 27 (23%) recommendations (previously 12 recommendations as at October 2020) have been verified by Internal Audit as implemented, with no further action required by GFRS Improvement Board. This includes all recommendations relevant to the GFRS Procurement Cards and GFRS Retirement internal audits;
- 2 interim actions (previously 2 interim actions as at October 2020) have been verified by Internal Audit as implemented, with the medium term action to be completed (in line with the management response to the relevant original review);
- 1 recommendation (GFRS Procurement recommendation 4) requires no further GFRS Improvement Board action, due to being a GCC corporate recommendation to be reviewed by ARA directly with the confirmed GCC lead officer and reported separately to Committee; and
- The ARA lead auditors continue to review and test recommendations marked by the Board as 'Awaiting Approval By Audit'. The goal per recommendation is to ensure that audit trail and testing confirm the recommendation and management response as actioned and embedded.

[Appendix 3](#) details the GFRS audit recommendations verified as implemented by Internal Audit during the period 6th October 2020 to 17th December 2020. [Appendix 4](#) confirms the Corporate recommendations that require implementation following on from GFRS activity as at 17th December 2020.

GFRS Improvement Board outcomes / comments

The Board has now been in place for over a full year and continues to co-ordinate and progress the Internal Audit recommendations.

5. Conclusion/Position as at December 2020

Covid 19 has placed significant pressures on public services and has impacted (and continues to impact) the Council's and GFRS's priorities, objectives and risk environment. Even during this very challenging period, the Board continues to make positive progress and applies a strong drive to complete the implementation of the Internal Audit recommendations with their target to have all recommendations implemented by 2020/21 year end.

Internal Audit recognises the hard work that GFRS continues to place in addressing the audit recommendations in a timely manner, particularly prioritising and focusing on these actions during the pandemic, which has not been an easy task and demonstrates a strong commitment to driving good governance within GFRS.

A further Internal Audit Follow Up Progress Report is scheduled to be presented to the Audit and Governance Committee at the March 2021 meeting.

Appendix 1 – Original GFRS Internal Audit recommendations

GFRS Action Plan internal audits	Assurance Opinions***		Internal Audit recommendations raised*** (including number of recommendations for follow up by Internal Audit)			Date audit findings were reported to Audit and Governance Committee
	Risk Identification Maturity	Control Environment	High Priority	Medium Priority	Total	
GFRS - Gifts and Hospitality and Declarations of Interest	Limited	Limited	3 (3)	2 (2)	5 (5)	25 th April 2019
GFRS Budget Monitoring	Substantial	Satisfactory	4 (4)	0 (0)	4 (4)	25 th April 2019
GFRS Budget Setting	Substantial	Satisfactory	1 (1)	1 (0)	2 (1)	25 th April 2019
GFRS Capital programme	Satisfactory	Satisfactory	0 (0)	4 (0)	4 (0)	26 th July 2019
GFRS Fleet – Commissioning of new vehicles	Limited (with a few Satisfactory aspects)	Limited	4 (4)	3 (3)	7 (7)	26 th July 2019
GFRS Fleet – Disposal of vehicles	Limited	Limited	12 (12)	2 (2)	14 (14)	26 th July 2019
GFRS Fleet – Maintenance and Stores	Satisfactory	Limited	8 (8)	6 (6)	14 (14)	25 th April 2019

GFRS Action Plan internal audits	Assurance Opinions***		Internal Audit recommendations raised*** (including number of recommendations for follow up by Internal Audit)			Date audit findings were reported to Audit and Governance Committee
	Risk Identification Maturity	Control Environment	High Priority	Medium Priority	Total	
GFRS Fleet management – use of pool cars, personal and leased cars and fuel schemes	Limited	Limited	5 (5)	0 (0)	5 (5)	11 th October 2019
GFRS Governance	N/A	N/A	3 (3)	1 (0)	4 (3)	25 th January 2019
GFRS HR and Payroll – Absence reporting procedures	Satisfactory	Satisfactory	3 (3)	0 (0)	3 (3)	26 th July 2019
GFRS HR and Payroll – Expenses and service benefits	Limited	Limited	11 (11)	4 (4)	15 (15)	11 th October 2019
GFRS HR and Payroll – Progression	Limited	Limited	5 (5)	1 (1)	6 (6)	25 th April 2019
GFRS HR and Payroll – Recruitment	Satisfactory	Limited	3 (3)	0 (0)	3 (3)	25 th April 2019
GFRS HR and Payroll – Retirement	Satisfactory	Satisfactory	2 (2)	1 (0)	3 (2)	25 th April 2019
GFRS Income and cash handling	Satisfactory	Satisfactory	3 (3)	5 (0)	8 (3)	26 th July 2019
GFRS Procurement	Limited	Limited	7 (7)	1 (1)	8 (8)	26 th July 2019
GFRS Procurement Cards	Limited	Limited	7 (7)	1 (1)	8 (8)	25 th April 2019

GFRS Action Plan internal audits	Assurance Opinions***		Internal Audit recommendations raised*** (including number of recommendations for follow up by Internal Audit)			Date audit findings were reported to Audit and Governance Committee
	Risk Identification Maturity	Control Environment	High Priority	Medium Priority	Total	
Syrian Refugee Grant	Satisfactory	Limited	4 (4)	1 (1)	5 (5)	11 th October 2019
			Total	85 (85)	33 (21)	118 (106)

***See [Appendix 2](#) for the internal audit assurance opinion and recommendation definitions.

Appendix 2 – Internal Audit assurance opinion and recommendation definitions

ARA Internal Audit assurance opinion definitions:

Assurance Levels	Risk Identification Maturity	Control Environment
Substantial	<p>Risk Managed Service area fully aware of the risks relating to the area under review and the impact that these may have on service delivery, other services, finance, reputation, legal, the environment, client/customer/partners, and staff. All key risks are accurately reported and monitored in line with the Corporate Risk Management Strategy.</p>	<ul style="list-style-type: none"> System Adequacy – Robust framework of controls ensures that there is a high likelihood of objectives being achieved Control Application – Controls are applied continuously or with minor lapses
Satisfactory	<p>Risk Aware Service area have an awareness of the risks relating to the area under review and the impact that these may have on service delivery, other services, finance, reputation, legal, the environment, client/customer/partners, and staff. However some key risks are not being accurately reported and monitored in line with the Corporate Risk Management Strategy.</p>	<ul style="list-style-type: none"> System Adequacy – Sufficient framework of key controls for objectives to be achieved but, control framework could be stronger Control Application – Controls are applied but with some lapses
Limited	<p>Risk Naïve Due to an absence of accurate and regular reporting and monitoring of the key risks in line with the Corporate Risk Management Strategy, the Service area has not demonstrated an adequate awareness of the risks relating to the area under review and the impact that these may have on service delivery, other services, finance, reputation, legal, the environment, client/customer/partners and staff.</p>	<ul style="list-style-type: none"> System Adequacy – Risk of objectives not being achieved due to the absence of key internal controls Control Application – Significant breakdown in the application of control

ARA Internal Audit recommendation priority definitions:

Priority	Description
High	Critical/Major risk exposure which materially impact on the assets, reputation, service delivery and objectives of the organisation.
Medium	Moderate risk exposure that impacts on the assets, reputation, service delivery and objectives of the organisation.

Appendix 3 – Recommendations verified as implemented by Internal Audit during the period 6th October 2020 to 17th December 2020

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Limited Assurance</p> <p>GFRS Fleet Maintenance and Stores</p>	<p>High priority</p> <p>1. Relevant GCC Financial Guidance, including Contract Standing Orders, Financial Regulations and Accounting Instructions should be brought to the attention of Fleet management and any other staff within Fleet that are involved in procurement.</p>	<p>An action plan will be put in place to address the findings and ensure that GFRS Fleet Management has full understanding and oversight of compliance with the required policies, procedures and regulations.</p>	<p>Recommendation implemented.</p> <p>The Workshop Manager - Fleet Management and the Administrator for Logistics and Resources are the GFRS officers responsible for ordering goods and services relevant to fleet. Audit review of GFRS fleet training records confirmed that both officers received relevant training (Accounting Instruction 1, contract standing orders, etc) within 2019/20. The GFRS Finance team have also confirmed that financial training will be provided to other staff when requested by line managers for staff that require it as part of their role (i.e. where additional/new staff take on procurement roles). In addition, the GCC Strategic Procurement team has provided Part 1 of the Pro Contract Training to the Workshop Manager - Fleet Management within 2019/20 with Part 2 to be delivered at the point of audit follow up, having been postponed by GCC owing to Covid.</p> <p>GFRS Fleet Maintenance and Stores recommendation 2 actions also support recommendation 1 as implemented.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Limited Assurance</p> <p>GFRS Fleet Maintenance and Stores</p>	<p>High priority</p> <p>2. Accounting Instruction No.1 should be updated to reflect the GCCs Constitution – Part 4 Contract Standing Orders relating to tendering goods and services.</p> <p>Once updated all GFRS staff who have responsibility for ordering goods and services should be made aware of the requirements.</p>	<p>Accounting Instruction number 1 is currently being updated. Once uploaded onto Staffnet, communication will be issued to GFRS staff.</p>	<p>Recommendation implemented.</p> <p>Accounting Instruction 1(AI1) has been updated within 2019/20 by GCC Strategic Finance and the new version of the document is available to all staff via staffnet (the GCC intranet). Audit review has confirmed the updated version of AI1 is aligned to GCC Constitution part 4 in relation to the expenditure thresholds for quotes and how the procurement should be approached.</p> <p>At the point of audit follow up, the Workshop Manager - Fleet Management and the Administrator for Logistics and Resources are the GFRS officers responsible for ordering goods and services relevant to fleet. Audit review of GFRS fleet training records confirmed that both officers received training on the updated AI1 and Contract Standing Orders in July 2019. In addition to the above, the GFRS Finance and Compliance Manager e mailed the updated AI1 to all GFRS budget holders and budget managers as at September 2019 to ensure wider awareness.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Limited Assurance</p> <p>GFRS Fleet Maintenance and Stores</p>	<p>High priority</p> <p>3. GFRS Fleet should ensure all purchasing is in accordance with GCC's Contract Standing Orders with tendering undertaken and quotes received as required.</p> <p>In addition, ensuring GCC's e-procurement system is utilised in accordance with requirements.</p>	<p>An action plan will be put in place to address the findings and ensure GFRS Fleet Management has full understanding and oversight of compliance with the required policies, procedures and regulations.</p>	<p>Recommendation implemented.</p> <p>This recommendation is partly covered by the evidence for Fleet Maintenance and Stores recommendations 1 and 2 regards relevant Fleet staff training and awareness of accounting instructions related to purchasing.</p> <p>Internal Audit were also provided with evidence from the Strategic Procurement Team and GFRS Fleet Management in regard to the procurement of Driver License check software. This confirmed that a procurement exercise had been undertaken on Pro Contract for the services in line with Contract Standing Order requirements and had been awarded in April 2020 subsequent to the exercise being undertaken. Further evidence was provided demonstrating GFRS working alongside Strategic Procurement in 2020/21 with purchase orders over £5k being entered on the Council's Contract Register.</p> <p>Review of all purchase orders raised for the 2020/21 year to November 2020 against the fleet cost centre 401206 was completed by Internal Audit and three</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			purchase orders were identified to be over the £15k threshold with two of these procured through the Crown Commercial Services framework which was confirmed/evidenced by Strategic Procurement. The final purchase order for tyres was identified to not have been through a procurement exercise as required, however evidence provided confirmed Strategic Procurement are aware of this, have reflected the current position on the contracts register and will be supporting GFRS with the correct procurement process for future orders in this area. Internal Audit will review this action within 2021/22.
<p>Limited Assurance</p> <p>GFRS Fleet Maintenance and Stores</p>	<p>Medium priority</p> <p>4. Business continuity arrangements should be put in place within fleet to ensure business processes (specifically Tranman updates) will still be completed in the event of staff absences. Accounting Instruction No.4 - Inventories should be followed i.e. whenever new items are received and identified they must be entered on the inventory immediately.</p>	<p>An action plan will be put in place to address the findings and ensure that GFRS Fleet Management has full understanding and oversight of compliance with the required policy, procedure and regulations.</p>	<p>Recommendation implemented.</p> <p>Since the time of the original audit, GFRS have begun to implement an updated Tranman system (fleet management system) and this is currently ongoing due to delays caused by Covid19. The current GFRS position on the updated Tranman system meets the recommendation requirements, to ensure that business continuity arrangements are in place for key data entry onto the fleet management system.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			<p>During the original audit it was identified that there were only two staff members trained and able to use Tranman for job cards and stock inputting onto the Tranman system. The main issue was that the team were unable to keep up with the volume of information requiring input onto the Tranman system, with staff periods of leave causing delays or gaps in the inputting of data into Tranman.</p> <p>At the point of audit follow up, five officers (the Workshop Manager, Workshop Supervisor, Administrator for Logistics and Resources, Fleet Management Administrator and the Service Delivery Support Administrator for fleet) have all had training on the use of the new Tranman system. These staff members all use Tranman for the purpose of inputting stock and recording job cards for work completed against vehicles – providing resilience within the service for Tranman actions. The Workshop Manager also confirmed that to ensure segregation of duties, the wider workshop team do not have access to the system and are unable to amend stock files, input or change job cards. The recommendation has therefore been met as there are now business</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			continuity arrangements in place (through appropriate officer training and cover) to ensure that job cards and stock files are maintained and updated in a timely manner.
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Progression</p>	<p>High priority</p> <p>1. Recruitment/promotion for Green Book staff should be in accordance with GCC's Starting Salary Policy.</p>	<p>Head of POD and GCC HR Business Partner to ensure that managers involved in recruitment/promotion are aware of policy and that required permissions are recorded.</p>	<p>Recommendation implemented.</p> <p>Audit review confirmed that the GFRS's Managers Guidance Green Book (through the updated policy guidance, SP003 Section 04-4) contained appropriate links to GCC's Staffnet (e.g. Recruitment process, SAP processes, HR Advice line etc.) and that the Starting Salary Policy is referenced during the recruitment process.</p> <p>GFRS staff have been made aware of the updated policy through the bi-weekly briefing for policy updates issued to all GFRS staff on 30th November 2020 and through alternate communication on 7th December 2020.</p> <p>Relevant managers at GFRS have completed recruitment training with GCC's Recruitment and Resourcing Manager and this training is now standard for all new managers. This position has been verified through audit review of GFRS HR and Payroll – Recruitment recommendation 2.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			<p>By following GCC's recruitment process, the Starting Salary Policy for Green Book staff is highlighted by and integrated within the recruitment and appointment process. In addition, SAP guidance states that when completing a new starter form on SAP it will automatically default to the bottom scale point of the grade. This can be changed manually, however verbal assurance from the BSC Recruitment Team has confirmed that where this occurs it will be flagged by the system and challenged by the Recruitment Team in the BSC.</p> <p>Audit testing of SAP records show that between 1st May 2020 and 7th December 2020 in relation to GFRS Green Book staff there were two new starters and three changes of position. The reviewed records confirm that the starting salary for all five individuals was in compliance with policy.</p>
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Progression</p>	<p>High priority</p> <p>4. All selection, evaluation and appointment decisions should be evidenced and these decisions should be held on the successful candidates' personnel file, in line with the Council's HR document retention schedule.</p>	<p>Ensure process to capture and record all stages of the appointments and progression decisions is known, understood and complied with across the service.</p>	<p>Recommendation implemented.</p> <p>Grey and Green Book managers have attended recruitment training provided by GCC's Recruitment Team and this training is now standard for all new managers (e.g. it has been added to the development pathways for Watch Manager and above).</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			<p>Training slides have been viewed and the Recruitment and Resourcing Manager has confirmed by email that during the training the attendees were advised that all interview and selection notes should be forwarded to the Recruitment Team on completion of a recruitment process.</p> <p>The above position has been verified through audit review and testing of GFRS HR and Payroll – Recruitment recommendation 2.</p> <p>The Ratification Report for this recommendation mentions that following a recruitment process earlier in the year some paperwork was being held back by the recruitment manager whilst all candidates were given feedback. The paperwork has not yet been handed to HR due to Covid restrictions but is being held securely whilst a response is obtained from HR as to how it can be handed over safely. The situation is being monitored by a member of GFRS staff to ensure that the handover is completed as soon as it is possible.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Progression</p>	<p>High priority</p> <p>6. Consideration is given to GCC HR having more corporate oversight of GFRS HR activities.</p>	<p>GCC HR already represented at SLT. Business Partner model strengthened between GFRS and GCC and compulsory inclusion of GCC HR Business Partner in all appointment, progression and transfer processes. Existing discussion to be continued to explore enhancing HR support for the service.</p>	<p>Recommendation implemented.</p> <p>Audit review identified that HR support delivery has been confirmed through a number of routes within 2019/20 and 2020/21 to the point of audit follow up. This includes an agreed proposal from HR for HR review of all GFRS people management documents and policies; HR provision of the Human Resources & Organisational Development Service Offer 2019 document (approved by GCC's Workforce Strategy Board in July 2019) to GFRS; and confirmation of the GFRS HR Partnership Provision in June 2020. The HR support offer is further supported by the Assistant HR Business Partner sitting on the GFRS Senior Leadership Team, as confirmed by the GFRS Improvement Board minutes 24th April 2020.</p> <p>The actions enable increased engagement between HR and GFRS, as well as improved HR oversight of GFRS HR activities on an ongoing basis e.g. through HR officer attendance and participation in the GFRS SLT. Audit comments on GFRS HR and Payroll – Recruitment recommendation 1 also confirm this recommendation as implemented.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Recruitment</p>	<p>High priority</p> <p>1. The level of HR support required from both GFRS and GCC in relation to the recruitment process should be formally agreed and documented.</p>	<p>Review the support requirements relating to recruitment processes as part of the GCC/GFRS integration and business partner model.</p>	<p>Recommendation implemented.</p> <p>Comments as for GFRS HR and Payroll – Progression recommendation 6 (as above).</p> <p>In addition to the above and to support a consistent recruitment approach, recruitment training was provided by GCC's Recruitment & Resourcing Manager to relevant GFRS staff, both Green Book and Grey Book, in September 2019. Evidence to support this includes the training slides and a list of course attendees from the GFRS training system.</p> <p>The Assistant HR Business Partner confirmed a positive direction of travel re. HR engagement - GFRS recruiting managers are increasingly using GCC's e-Recruitment system and are contacting HR on occasions for support and assistance where required. HR staff have also been involved in some of the GFRS recruitment and interviewing processes, especially supporting managers who may be new to the process.</p>
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Recruitment</p>	<p>High priority</p> <p>2. All recruitment selection, evaluation and appointment decision-making should be</p>	<p>Interviewing staff to receive interview training which includes professional administrative practice.</p>	<p>Recommendation implemented.</p> <p>Recruitment training was provided by GCC's Recruitment and Resourcing</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
	<p>evidenced and the decisions should be held on the successful candidates' personnel file.</p> <p>The evaluation paperwork for individuals who are not initially successful, but placed on the reserve list, should be retained for the period of time that they remain on the list.</p> <p>Retention of other documentation should be as per the Council's retention schedule.</p>		<p>Manager in September 2019 to relevant GFRS staff, including both Grey Book and Green Book. Appropriate audit trail was reviewed by ARA to confirm this actioned as delivered. Evidence to support this includes the training slides and a list of course attendees from GFRS' training system and from the Recruitment and Resourcing Manager. The training slides show the content of the training which covers the recruitment process, including the need to send all documentation to the BSC for scanning and retention on the individual's file. This is backed up by an email from the Recruitment and Resourcing Manager confirming that the training included advice that all interview and selection notes should be forwarded to the Recruitment Team. Confirmation was also received by email from GFRS that reserve lists are still maintained and all tests and interview notes are retained. The requirement to undertake recruitment training will be added to the development pathways for Watch Manager and above.</p> <p>Audit testing by ARA sampled two GFRS new starters from a population of 8 within September 2019 and review of their files on SmartOpen confirmed that all expected</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
			documentation had been scanned and saved to the sampled files.
<p>Limited Assurance</p> <p>GFRS HR and Payroll – Expenses and service benefits</p>	<p>Medium priority</p> <p>14. Staff entitled to reclaim medical expenses should do so via an e-form to ensure that the payment is correctly taxed. This will need to be included in any policy updates.</p> <p>Adjustment should be made for payments made to employees where tax has not been made.</p>	<p>Original management response:</p> <p>(As per recommendation 1) GCC and GFRS have commissioned tax advisors to develop HMRC compliant policies.</p> <p>Updated management response approved by Board as at 19th August 2020:</p> <p>GFRS management will be reminded of the correct process and procedure for dental expense claims. A SAP e-form must be completed to ensure the appropriate treatment of income tax and national insurance.</p>	<p>Recommendation implemented.</p> <p>The updated management response has been verified as implemented.</p> <p>Relevant minutes were sighted by Internal Audit - area discussed and approach re-affirmed at GFRS Financial Monitoring Group 7th August 2020. Subsequent to this, the GFRS Finance and Compliance Manager issued an e mail update to GFRS managers within August 2020 (e-mail sighted) to ensure awareness of the correct process and procedure.</p> <p>Audit review within the 2018/19 original audit and the audit follow up identified that expenses of this nature had been claimed by one GFRS officer only, over two transactions within the period of review. Audit can confirm the required tax adjustment has been made for these transactions within the staff member's payslip for September 2020.</p>
<p>Limited Assurance</p> <p>GFRS Procurement</p>	<p>High priority</p> <p>6. GFRS should formally document and approve its policy for mobile</p>	<p>Revised mobile device policy to be produced to include standardised requirements, specification and replacement of devices.</p>	<p>Recommendation implemented.</p> <p>The following actions have been verified by Internal Audit:</p>

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	<p>communication devices or adopt the Council's policy and make available to all staff. In particular the document should detail the mobile phone specification and replacement frequency that is appropriate for the Service and officer requirements.</p>		<ul style="list-style-type: none"> • Mobile phone policy has been updated and approved. • Policy has been sent to existing staff on 4th September 2020 requesting they read and confirm their agreement and understanding of the policy to a dedicated email address owned by ICT. New staff are also being sent the Policy to review, agree and sign as and when they start. • ICT is responsible for chasing individuals if signed declarations agreeing to the Policy are not returned. • The Asset Register has been updated to include who the smart phones have been issued to, returned and whether a signed declaration has been obtained. • Asset stickers are being placed on all smart phones. <p>The Mobile Phone Policy was approved by the GFRS Policy Approval Group on 12th October 2020. As at 11th November 2020, 69 declarations out of 118 officers (58%) have been received and confirmed by GFRS ICT. The ICT Assistant Manager has confirmed that the remaining declarations are being chased and monitored by ICT.</p>

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			<p>A review of the GFRS Mobile Phone Policy by Internal Audit established that it does not detail the mobile phone specification and replacement frequency that is appropriate for the Service and officer requirements. It does state that an iPhone will be used for a smart phone and a Samsung BTAB2710 for a standard phone. In addition it states that mobile phone models and manufacturers are under constant review to 'achieve best value' for money. The procurement for any mobile phone must be procured through the stated process (GFRS Mobile Phone Policy) and must be approved by the relevant SLT member and Head of ICT.</p> <p>Although the mobile specification has not been fully detailed or the replacement frequency, which may be difficult to determine in practice (due the fast paced nature of mobile technology), the procurement and sign off control, if operated correctly, should ensure a correct and balanced operation of mobile phone expenditure and usage.</p>
<p>Limited Assurance Syrian Refugee Grant</p>	<p>Medium priority 4. Purchase orders should be used in the</p>	<p>Since this was highlighted by the audit all expenditure for the Syrian Refugee Resettlement Scheme has been through</p>	<p>Recommendation implemented. GFRS have confirmed that the Vulnerable</p>

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	first instance for expenditure relating to the VPRS grant, as per the GCC guidelines for procurement within Accounting Instruction No.1.	limit cart purchase orders.	<p>Persons Resettlement Scheme (VPRS) purchasing process has been aligned to Accounting Instruction 1 with the ending of the practice of Pink Slip use from mid 2019/20 and the introduction of purchase orders from 1st April 2020. Specifically the introduction of limit cart purchase orders in accordance to the Accounting Instruction 1.</p> <p>Audit review of VPRS expenditure (excluding journals) in the period 1st April 2020 to 1st October 2020 totalling £274,501, confirmed that 93% was purchase order limit carts and 7% retrospective orders. Assurance has been provided by the GFRS VPRS lead (the Improvement, People and Engagement Manager) that the remaining retrospective order areas are being reviewed to enable them to move to limit cart purchase orders within 2020/21.</p>
<p>Non Limited Assurance</p> <p>GFRS HR and Payroll – Absence reporting procedures</p>	<p>High priority</p> <p>3. GFRS management should ensure that when a member of uniformed staff is off sick, the information is recorded on both Gartan and SAP.</p>	<p>Line manager awareness raising and training to take place to ensure compliance with leave policy and processes.</p>	<p>Recommendation implemented.</p> <p>The audit testing reviewed documents provided in the evidence folder on Teams as well as additional evidence requested by Internal Audit. The Medical Absence Policy and Management guidance note were reviewed and it was found that they highlight the need for managers to record</p>

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			<p>absences on SAP and the appropriate GFRS systems. E mail evidence confirmed that the policy had been reviewed by HR; and that there is guidance on Gartan at fire stations and Fire Control and there is also a test site available for practice and to learn the system.</p> <p>Evidence has been provided to confirm that training on Gartan has been added to the pathways on PDRPro for Crew Manager/Watch Manager/Station Manager posts. With regard to training on SAP, managers have to attend GCC SAP training before they are given a SAP logon and system access.</p> <p>To ensure that existing staff are also aware of the requirements for recording absences, an email was provided which has been issued to managers, reminding them to ensure all absences are recorded. Also provided was a copy of the agenda for the monthly GFRS Performance Meetings, which includes absence recording as a standing item.</p>

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Non Limited Assurance</p> <p>GFRS Budget Monitoring</p>	<p>High priority</p> <p>2. All GCC budgets, including those for GFRS, should be risk assessed, based on a standard set of risk indicators, in order to prioritise the scrutiny and monitoring of the high risk budgets to enable efficiencies.</p>	<p>Original management response: GCC Finance to strengthen the existing risk assessment carried out for each budget holder to ensure it is meaningful and ensure the Business Partner gets sight of the final assessment so challenge can be given. Once the assessment has been reviewed by the Finance Business Partner it will be shared with the GFRS HoF to provide operational knowledge that may require the risks being adjusted and agree a final version.</p> <p>The final version will be taken to the SLT on a quarterly basis and adjusted with new information as and when required and joint ownership will be allocated between both Strategic Finance and GFRS finance.</p> <p>Updated management response approved by Board as at 19th August 2020: GCC Finance to review the existing risk assessment carried out for each budget holder to ensure it is meaningful and ensure the Business Partner gets sight of the final assessment so challenge can be given. The final version will be taken to the Management Team Meeting of Finance Business Partners and Finance Director on an annual basis and/or when a significant change in risk arises.</p>	<p>Recommendation implemented.</p> <p>Following Board review and consideration (to ensure appropriate implementation of the audit recommendation), the recommendation management response was updated by Board as at 19th August 2020 and verified by Internal Audit.</p> <p>Evidence reviewed for the updated management response confirmed:</p> <ul style="list-style-type: none"> - Budget risk assessment exercise completed by GFRS/Finance Business Partner for the 2020/21 budgets; and - Finance Management Team Agenda seen for 1st October 2020 which included Budget Management Risk Assessments as agenda item 5.

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Internal Audit review outcomes
<p>Non Limited Assurance</p> <p>GFRS HR and Payroll – Retirement</p>	<p>High priority</p> <p>3. In the unlikely eventuality that GFRS staff cannot, in a reasonable development timeframe, access GCC's e-forms, a review of the SAP leaver form needs to be undertaken by the Business Service Centre (BSC) to ensure that an action reason available for selection by GFRS staff on the form corresponds to the actions available for input to SAP by the BSC Administrators.</p>	<p>(Action as for GFRS HR and Payroll – Retirement recommendation 1) SAP leaver process to be reviewed to include GFRS terms, conditions and processes where possible.</p>	<p>Recommendation implemented.</p> <p>Evidence in the form of emails between GFRS and BSC confirm that the reasons for retirement which were available for selection on the GFRS leaver form have been compared to the reasons available on the SAP e-form. It has been agreed which options are applicable to GFRS staff and both forms have been amended to ensure consistency (i.e. that they contain the same reasons).</p> <p>There is only one individual at GFRS who is responsible for completing the forms and it had therefore been agreed that the Station Manager (SM) in Response would also be trained in this process, to provide resilience. The SM's role will also be to complete a quarterly quality assurance process on the forms to ensure that they have been completed correctly. A screenshot from PDRPro confirms that the relevant training for this this role has been completed by the appropriate SM.</p>

Appendix 4 – Corporate recommendations that require implementation following on from GFRS activity as at 17th December 2020

GFRS Action Plan internal audit	Recommendation reference and priority	Management's response	Audit review outcome
<p>Limited Assurance</p> <p>GFRS Procurement</p>	<p>High priority</p> <p>4. A review of the second line of defence role and responsibilities should be undertaken to establish whether the Council's current procurement oversight, challenge, support and monitoring function(s) is adequate to achieve the principles and application of an effective and robust three lines of defence model. The results of this review should then be implemented.</p>	<p>For below OJEU threshold, a review will be undertaken and recommendations made on improving controls. Discussions have already taken place between Finance, Commercial and BSC on this. The sourcing pool principle will be reviewed and updated and appropriate training given to staff.</p>	<p>Recommendation progressed and escalated by GFRS Improvement Board, due to being a GCC corporate action.</p> <p>Recommendation action ownership re-allocated to the GCC Assistant Director of Strategic Procurement as at December 2020.</p> <p>To be reviewed by ARA directly with the confirmed GCC lead officer, monitored and reported separately to Audit and Governance Committee.</p>