Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: 9 November 2022

Report title: Internal Audit Report – Update on Progress of Audit Recommendations

Lead Member: Councillor David Carroll

Report sponsor: Mark Hemming – Director of Finance and Assets

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Action: Noting.

Recommendations: That the progress on implementation of recommendations be noted.

Executive summary: The purpose of this paper is to update Members on the progress of the implementation of audit recommendations made as at 10 October 2022.

Any further progress against outstanding recommendations will be verbally presented to the Overview and Audit Committee on 9 November 2022.

In total there are 96 recommendations to report on the status of which are classified as follows:

Implemented – 62/96 (65%)

In-progress - 5/96 (5%)

Past Due date (In-progress) – 29/96 (30%)

Internal Audit continues to actively monitor implementation of all outstanding recommendations throughout the year.

Financial implications: The audit work is contained within the 2022/23 budget.

Risk management: There are no risk implications arising from this report.

Legal implications: There are no legal implications arising from this report.

Privacy and security implications: There are no privacy and security implications arising from this report.

Duty to collaborate: Not applicable.

Health and safety implications: There are no health and safety implications arising from this report.

Environmental implications: There are no environmental implications arising from this report.
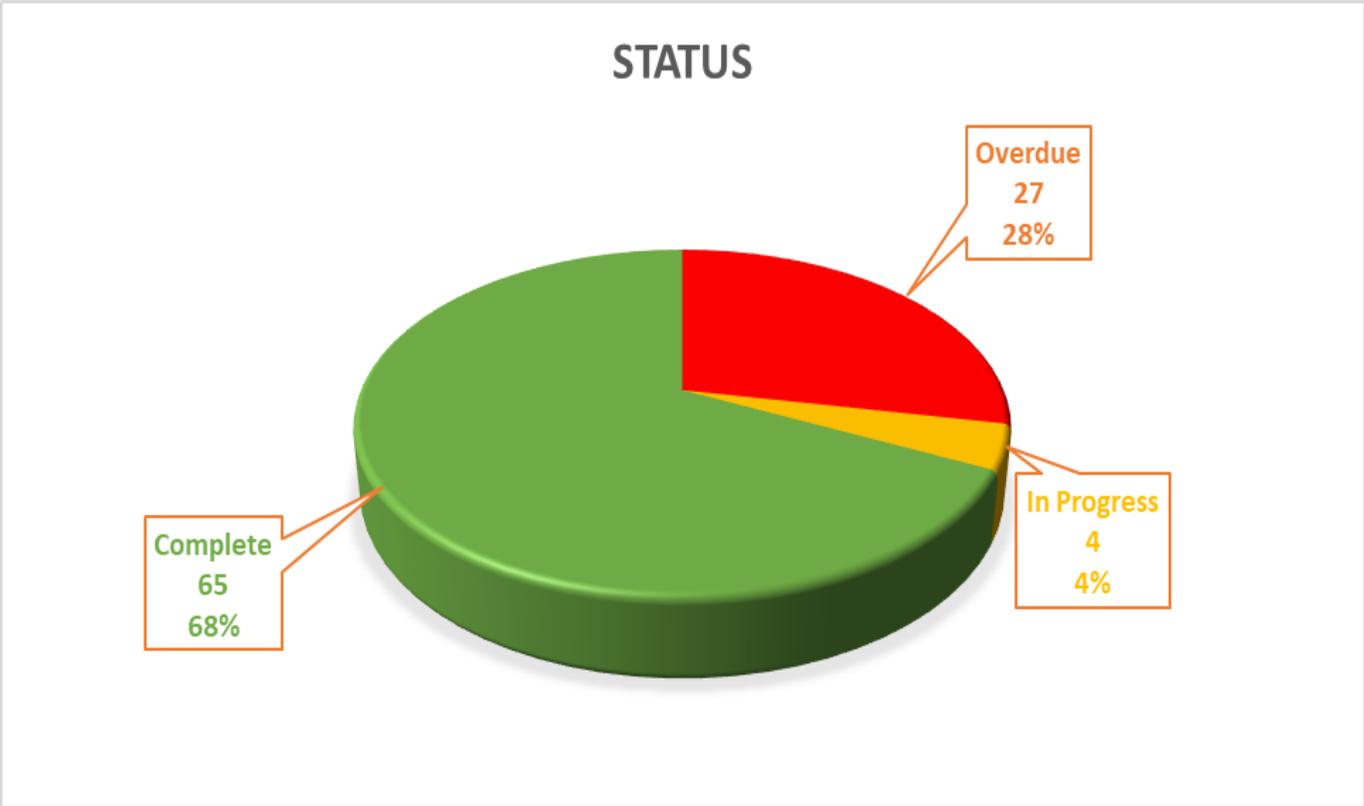
Equality, diversity, and inclusion implications: There are no equality and diversity implications arising from this report.

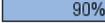**Consultation and communication:** Not applicable.

Background papers:

Appendix	Title	Protective Marking
A	Status of Audit Recommendations – October 2022	Not applicable

Appendix A – Status of Audit Recommendations

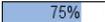STATUS

Overdue
27
28%

In Progress
4
4%

Complete
65
68%

BMKFA Overdue Audit Actions

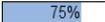| Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
BMKFA 2021 2110 Asset Management System (5) Recording of Assets – Overdue tests	**Finding:** Fire crews must undertake regular stock checks and tests of equipment at fire stations and on appliances (vehicles). The frequency of these tests and inventory checks depends on the individual asset's testing schedule, usually dictated by the PIT number assigned to the asset. Results of tests and inventory checks should be recorded on Redkite by crews using either a handheld scanner or computer. Review of the report of tests due at Beaconsfield Fire Station run from Redkite found that 286 of the 288 tests listed had passed the due date as of 12 November, with one due date listed as being 13 February 2014 and 118 listed as having due dates of 2019 or earlier. A similarly high number of overdue tests were noted for Aylesbury Fire Station as of 3 November 2020. All 179 tests were overdue when viewed against the listed due date. Through discussion with the Station Commander, we were unable to establish whether these tests had been carried out or whether this was a system issue or data quality issue. A sample of 20 assets listed on Redkite was examined to confirm whether equipment tests and inventory checks were carried out promptly and accurately recorded on Redkite. The period covered was from November 2019 to November 2020. Of the 20 assets tested: • In 11 cases, assets were not tested in line with the frequency required by tests loaded onto Redkite. • In four cases, the most recent test was not carried out within a timely manner of the previous test. • In one case, no inventory checks or tests had been carried out since March 2018. In two other cases, an inventory was carried out promptly. However, no tests were carried out on the equipment since 2018 or earlier. In one of these cases, the most recent test was listed as being carried out in October 2014. • One asset was not found during an inventory check. **Risk:** If tests are not carried out periodically and promptly in line with the testing schedule loaded into Redkite for the asset, there is a risk that defective or missing equipment is not detected, increasing the risk that equipment is obsolete or unsafe or that stock levels are not sufficient. **Action:** Review of testing frequencies and recording of all equipment on Red Kite. Additional training for the operational crew in the recording of tests.	30-Jul-2021	High Priority	Station Commander Research & Development	75%	Update from Station Commander Research & Development 17/10/2022: A review of all equipment manuals published to the internal intranet has been completed. Training on uploading / amending existing pages on intranet has now been completed. New/updated equipment manuals will be uploaded to intranet by the end of Oct 2022. Work has started on reviewing the equipment manuals shared across the Thames Valley (Resilience Direct) which are either in use in BFRS or need adding to the BFRS intranet and once complete these will be added to the intranet. The review of the equipment manuals has included the checking and verifying of information contained including the testing frequencies of equipment.
BMKFA 2122 2215 Blue Light Hub Post Project Evaluation (2) Governance Framework -	**Finding** The Executive Committee report from 15 September 2021 states, "The West Ashland build is now complete. The final account, including retention fees, is yet to be finalised. The Authority will also be looking to recover some of the increased costs from the professional design team. The forecast variance for West Ashland total project costs is expected to be offset by additional capital receipts and contributions which will result in a net variance of circa £1m against the forecast expenditure and risks previously reported to Committee".	30-Sep-2022	High Priority	Director of Finance & Assets	50%	Update from Director of Finance and Assets 17/10/2022: Following further internal discussion, the updated process will be incorporated into the updated Property Strategy covering 2023 to 2028. The new due date for this audit action will

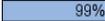| Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
Amount of Contingency	As stated on 19 September 2018 Executive Committee meeting minutes, "There was no contingency originally as the planned BIM process would not have required any. This is now allocated at £100k given that a number of the adverse variance issues have already presented themselves in the period since construction began and are therefore accounted for elsewhere in this document." The contingency allocated of £100k is <1% of the initial £13.1145m budget. The January 2020 Learning Points created by the former Director of Finance and Assets indicates that "Every major public sector construction project overspends. Include a general contingency of at least 15%". **Risk** If the contingency is not adequate, there is a risk that insufficient funds are available for the project delivery. This could result in reputational damage and/or financial loss. **Action** The contingency value for future projects will be set at a level much greater than 1% of the overall value. Guidance on setting an appropriate level of contingency will be added to updated budget/project management guidance.					now become 31 March 2023.
BMKFA 2122 2215 Blue Light Hub Post Project Evaluation (10) 2018/19 Follow Up Recommendations – Risk Registers	**Finding** Additionally, risk registers should include all present risks. We reviewed each risk in the Project Risk Registers and Transition Activities Risk Register obtained and did not identify any specific risks relating to poor performance of the HUB. **Risk** If all relevant risks are not included within a risk register, there is a risk that further preventative actions are not identified to mitigate the risk in a timely manner, leading to an increased likelihood of the event occurring/escalating. **Action** Recommendations from this audit regarding risk to be incorporated into future major projects. This will be reflected in updated budget/project management guidance.	30-Sep-2022	High Priority	Director of Finance & Assets	50%	Update from Director of Finance and Assets 17/10/2022: Following further internal discussion, the updated process will be incorporated into the updated Property Strategy covering 2023 to 2028. The new due date for this audit action will now become 31 March 2023.
BMKFA 1819 1947 Project Management BLH (2) The Hub Performance	**Finding** During the Audit it was confirmed that the HUB have had difficulties with technical support; which has had an impact of the timeliness of design work, changes or updates and which in turn has led to delays in providing information that is required by Kingerlee – the construction firm. The Quantity Surveyor maintains a schedule of delays caused by the HUB and the associated costs. It was confirmed that any financial implications that arise as a result of the HUB's poor performance could potentially be recoverable. However Audit found that whilst these potentially recoverable costs are reflected in the Budget Monitoring Financial Statements, they are not separately identified as attributable to any party as this will be the subject of negotiation between all parties depending on final outcomes at the conclusion of construction. The risk of HUB poor performance has been recorded in the risk register. It was confirmed that the Director for the HUB Professional Services has been made aware of potentially recoverable costs and the issues that were causing poor performance have been addressed. **Risk** Where the impact of poor performance is not completely and accurately reflected in the budget and/or risk register, this may lead to project overspend as the budget will not be forecasting all expected costs. **Action** The necessary actions to deal with potential financial loss arising from delays on the part of HUB	31-Oct-2019	Medium Priority	Director of Finance & Assets	90%	Update from Director of Finance and Assets 17/10/2022: The claims specialist has completed their initial high-level report. Further work will now be undertaken to substantiate the value of the claim.

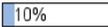| Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
	have already been addressed during 2018 and a significant improvement has been seen. The current delay in the construction programme (5-6 weeks) has not altered for some months. Both the HUB and Kingerlee have a responsibility to mitigate any delay as much as possible and with some 8 months of construction still to take place at the time of writing (Feb 2019) they must both maintain the opportunity to do so. Only at post construction and during the period when the final account will be negotiated and agreed, will any financial loss due to delays or failures be attributed. The Director of HUB's parent company (Integral UK Ltd) has been in discussions with both DFA and Property Manager and he is well aware of the potential claim the Authority may have in due course. The financial statements produced by the QS do show all costs (i.e. worst case) but do not at this stage set out which potentially claimable costs are attributable to which parties. The Authority's officers will continue to maintain dialogue with senior representatives at both the HUB and Kingerlee over any potential situation (either worsening or improving) that may lead to a claim.		Medium Priority			
BMKFA 2021 2115 Core Financial Controls (2) Payroll – Flow of information from HR to Payroll during Leaver and Change of Role processes	**Finding:** Following a leaver's notification receipt, HR enter leaver data on iTrent, with a Leaver notification email then sent to the Payroll mailbox. This process should be completed swiftly and before the Payroll cut-off date to ensure that recurring payments to the leaver are promptly removed. Examination of a sample of 10 employees who left the Fire Authority's employment between April and November 2020 found that four leaver notifications were received by Payroll after the leave date. Three of these were received after the payroll cut off for that month. In one case this led to the creation of an overpayment. Discussion with the Payroll and Benefits Manager established that the Leaver process changed during 2019-20. Line managers no longer advised Payroll directly of Leavers. The amended process involves line managers advising HR and HR passing Leaver information on to Payroll. Following iTrent permission changes, Payroll can no longer process Leavers if HR does not have the capacity to or in the event of late leavers after the Payroll cut-off. The result of these process changes is that information reaches Payroll last, sometimes after the employee has already left the organisation, reducing Payroll's ability to address the risk of overpayments. To mitigate overpayments, Payroll manually adjusts pay within the record whilst it is still live. Payroll is more reliant on manual intervention and affects their timeliness in reporting to HMRC. Examination of a sample of ten On-Call and Overtime payments made to staff between April and November 2020 found one case where a request was submitted via email. This was due to a discrepancy with a change in role and a change in Terms and Conditions for the employee. Not all of the necessary managers were involved in this process, and contractual changes were not communicated effectively. This resulted in an overpayment. Corrective action was taken by the employee's line manager and Payroll. **Risk:** If Payroll is not provided with complete and timely information to process Leavers and role changes, there is a risk that Leavers and pay implications of role changes are not actioned on iTrent before Payroll being run, leading to the creation of an overpayment and financial loss to the Fire Authority. **Action:** End to end process mapping will be undertaken across HR, Payroll and the Resource Management Team in order to identify areas where processes can be streamlined, and all control weaknesses can be addressed.	31-May-2022	Medium Priority	Head of Human Resources	50%	End to end process mapping has been completed and the draft process maps are currently being reviewed.

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BMKFA 2021 2119 GDPR (4) Retention and Destruction	**Finding:** The Records Retention and Disposal Information Asset Register procedure states that information stewards are responsible for ensuring the timely archiving and/or destruction of records and advising the Information Owners where it is believed a retention timescale should be amended following legislation or business needs. The Information Governance and Compliance Manager is responsible for maintaining and reviewing records management processes. The retention schedules for departments and stations are defined within the ROPA. The Authority relies on stewards to ensure that electronic data is disposed of per the retention schedule. However, there is no mechanism in place to ensure this takes place. **Risk:** If no adequate processes are in place to ensure lawful retention schedules and/or destruction of electronic records, there is a risk of accidental and/or unlawful alteration, destruction, or authorised personal data disclosure. **Action:** Agreed. A mechanism to review data disposals inline with the retention schedules will be formalised and monitored.	31-Dec-2021	Medium Priority	Director of Legal & Governance	75%	Update from Director of Legal & Governance, 10/10/2022: Awaiting confirmation of scoping and costs from the preferred provider of a bought-in solution
BMKFA 2021 2120 Resource Management System (2) Joiners, Movers and Leavers Policy/Procedure	**Finding:** The Authority does not have a formalised user access management process outlining the processes/controls when a user joins, moves or leaves the organisation and the relevant user access requirements. We noted that: • When a joiner or mover requires new access or a change in access, a ticket is raised in the Vivantio service desk. Within this ticket, a 'child ticket' is sent to the Resource Management Team (RMT) to create/amend the user's access. • This ticket does not capture sufficient information for the RMT operator to provide access. • Often users will be provided access and then request further access as this has not been initially provided. Therefore, access being granted is an iterative process. • The lack of information on the ticket reduces the effectiveness of the audit trail. • Previously, when a user left the organisation, residual access could be left on the account, this is due to there being no formal procedure when revoking access. • The process has slightly changed whereby an operator will look at the user account to check what access they have before removing it. **Risk:** Unauthorised access to company resources may lead to loss and compromise of data. **Action:** A review of the processes will be undertaken, supported by the end-to-end process mapping within the Internal Audit Plan for 2021-22.	31-Dec-2021	Medium Priority	Group Commander Resourcing & Projects	98%	Update from Group Commander Resourcing & Projects: I have been the new Group Commander within resourcing since May 2021. All processes and procedures have been developed over the past year with existing staff and an array of new staff. To be marked as complete pending evidence of updates processes.
BMKFA 2021 2120 Resource Management System (3) Generic	**Finding:** We inspected the user account list on FSR and noted that seven generic accounts exist on the FSR application as follows: • Five of these accounts have the username 'bucks_demoffX' where X is a number between 1-5. The use and rationale of these accounts was not provided by management;	31-Dec-2021	Medium Priority	Group Commander Resourcing & Projects	70%	Update from Group Commander Resourcing & Projects: An internal Bucks Fire project gets underway in Jan 2022, this project will work closely with FSR

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Accounts	• One account with the username 'rmtcrashtestdummy' which similarly, was not rationalised; • One account has the username 'usardog'. It was noted that this account is created for the canine unit that the Urban Search and Rescue (USAR) team utilise. • It was further noted that the 5 'demoffX' accounts had never logged into FSR, the 'crashtestdummy' account was last accessed in May 2020. **Risk:** There could be a loss of accountability of user performed actions. Unauthorised access to company resources may lead to loss and compromise of data. **Action:** A review of user accounts to be undertaken and redundant generic accounts to be removed.		Medium Priority			reference permissions within FSR. Current and required permissions will be both reviewed and created. As part of this work redundant generic accounts will be reviewed along with a change management process. Once it's been established what user permissions we require these permissions will be reviewed as appropriate or highlighted through change control. Action on-going Jan/Feb 2022 Resource Management Team (RMT) are working closely with FSR regarding additional permissions and new user accounts/role profiles. Work started in Jan 2022 and we are on target to complete by end of March 2022.
BMKFA 2021 2120 Resource Management System (4) Change Management - Testing	**Finding:** The vast majority of change controls are operated by the Vendor. Irrespective, an internal change control process exists at the Authority. Changes are to be raised through the Vivantio service desk by a change initiator and must include key information However, we noted that: • The Authority does not have access to a test environment for FSR; • Changes are developed and tested by the Vendor; • Functional requirements and subsequent tender review for the application highlighted a question over access to a test environment to perform user acceptance testing (UAT) when a change is being made to the application; • Changes pass through over 1000 automated tests that are ran on the application to ensure that the change does not impact anything on the application, the change then has specific testing to ensure it is performing the functionality as per the design. • The Authority does not obtain any assurance from the vendor surrounding the change management process and is thus wholly reliant on the vendor for this. **Risk:** There is a risk that implementation of changes which are not aligned with business requirements and/or impact on the continued operation of the production application. Implementation of developments containing bugs or not matching the business' requirements. **Action:** Change management process to be reviewed and fully documented (see also Finding 5).	31-Dec-2021	Medium Priority	Group Commander Resourcing & Projects	99%	Update from Group Commander Resourcing & Projects: This is constantly evolving due to the flexible approach to all crewing within BFRS. The service has a Managing Business Change procedure which has to be adhered to. Action to be closed following receipt of Managing Business Change procedure.
BMKFA 2021 2120 Resource Management System (5) Change Management	**Finding:** All changes are required to pass through the change management process with a request for change (RfC) document completed for each change. The Authority was unable to provide any documentation around the selected changes for inspection. Therefore, we were unable to determine if the change management process had been followed for the selected changes. This included cost benefit analysis and CAB minutes of discussion.	31-Dec-2021	Medium Priority	Group Commander Resourcing & Projects	10%	Due to a change of personnel the revised date for this action is now December 2021.

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
– Internal Tracking and Assessment	**Risk:** There is a risk of implementation of changes that contain bugs, misaligned with business requirements or impact on the continued operation of the production application. Development changes are misclassified, create unforeseen cost and/or are not assessed for business need and risk. **Action:** Change management process to be reviewed and fully documented (see also Finding 6).					
BMKFA 2021 2120 Resource Management System (6) Backups – Disaster Recovery Testing	**Finding:** Backups and the associated disaster recovery procedures are controlled and operated by the Vendor. Although it was determined that backups are being conducted on the FSR application and that the Vendor are trained to conduct disaster recovery tests, no evidence was available to inspect to demonstrate a disaster recovery test had been performed. We recognise that this is often an annual exercise and FSR has only been in effect at the Authority since April 2020. **Risk:** There is a risk of partial or complete loss of data. Unavailability of systems and lack of business continuity. **Action:** A disaster recovery will be undertaken to test business continuity in this area.	31-Dec-2021	Medium Priority	Group Commander Resourcing & Projects	99%	At any time there should be a minimum of 2 team members from FSR trained and authorised to perform a catastrophic infrastructure failure recovery. The qualified and trained team members must test emergency contact procedures. FSR monitor several critical application metrics 24/7. These include, but are not limited to: 1. Requests per seconds 2. Available database connections 3. Error rate 4. Background worker queues 5. Integrations with third party systems (e.g. Control room management software) Whenever one of these metrics goes outside the acceptable range, on-call engineers are automatically alerted. A post mortem is created after every incident, with a root cause analysis, lessons learnt, and improvement actions. Checklists and runbooks are updated accordingly to improve the mitigation and response to future incidents. Database Backups: FSR perform two types of database backups: 1. Snapshot backups. This type of backup is performed every 12 hours. During this backup, the entire database is stored as a single file. This file is then encrypted and saved to an Amazon S3 EU data centre. We keep 30 days of these backup files. Backups are protected against deletion using S3 Version Management. 2. Streaming backups. This type of backup is performed continuously. Data is stored at an Amazon S3 EU data centre in encrypted format. In case of a catastrophic failure, these backups are at most a few minutes behind. Action to be closed following receipt of evidence of a recent disaster recovery test.

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BMKFA 2122 2234 Procurement Governance and Compliance (7) Contract Performance Monitoring	**Finding** We tested a sample of five procurements and noted that in two cases where procurements were conducted in partnership, the contracts required performance monitoring meetings no less than every six months. However, we found that in one case (TW Pumping Appliances), no such meetings had taken place since the procurement team of the lead authority, Oxfordshire County Council was no longer extant. In the remaining case (Water Hygiene Monitoring & Related Services), we were provided with certificates showing the performance of the contract by the supplier, but no formal meetings were taking place. **Risk** If predetermined meetings are not adhered to, the Authority will have limited oversight regarding the performance of a contract. Subsequently, it may be exposed to non-compliant suppliers/service providers, meaning the Authority does not achieve value for money. **Action** Performance monitoring meetings should be undertaken by the contract owner rather than the Procurement Team. Guidance on managing the performance of contracts will be included in procurement guidance to be disseminated to other departments (see also Finding 1).	30-Sep-2022	Medium Priority	Procurement Manager	75%	Update from Procurement Manager 06/10/2022: Contract Management Framework 2022-2025 approved by SMB August 2022 – this part is complete. Contract Management Training Package in Draft, expected to complete internal testing and commissioning to BFRS HEAT training portal by December 2022
BMKFA 2122 2234 Procurement, Governance and Compliance (1) Strategy, Policy, and Procedures	**Finding** The new Strategy should also be version controlled, so it includes the following information: • Date of the last review; • Which officer/board conducted the review; and • The date of the following review. The current Procurement Strategy (2015 – 2020) has now expired. It does not contain a version control. There is a draft copy of the new procurement strategy set to be approved in 2022, but this has not been formalised. We noted that the Authority operated throughout 2021 without an effective Strategy. The 2015 – 2020 Strategy did not include any procedural guidance related to procurement, including information for contractor resilience which could be disseminated to other departments. It is the department's responsibility to conduct these checks. An up to date set of procedural guidance should be drafted covering the entire procurement process, including key points such as contractor resilience checks and approval; this could be added to the Authority's Finance Policy. **Risk** If key strategies and procedural guidance relating to procurement are not kept up to date, there is a risk that an ineffective and/or consistent approach could be taken, resulting in significant financial loss for the Authority. **Action** 1. Procurement Strategy 2022-2025 to be presented to the Fire Authority for approval 2. Procedural guidance related to procurement, including information for contractor resilience to be produced and disseminated to other departments	30-Sep-2022	Medium Priority	Director of Finance & Assets; Procurement Manager	90%	Update from Procurement Manager, 06/10/2022: Standing Orders progressing through internal governance process. • Approved at BTB • Approved at SMB • Due to O&A November 2022 • Final approval at Fire Authority meeting December 2022 On target to be complete internal governance approval process by December 2022
BMKFA 2122 2228 PMO Assurance (3) Projects Over Budget/Time	**Finding** The Head of Transformation, Technology and PMO confirmed that the Authority does not currently have an official process for extensions and instead held informal conversations with project managers. They encourage RAG ratings for updates within a project regarding budgets and timescales. However, going beyond estimated figures does not require approval. We were informed	30-Jun-2022	Medium Priority	Head of Technology, Transformation & PMO	75%	Update from Head of Technology, Transformation & PMO, 17/10/2022: We continue to remind people to document and sign off any changes to their project.

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
Request Approval	that this was due to the PMO being in its infancy. **Risk** If there is no formal process to request additional budget requirements and timescale extensions, the budget may be exceeded without the Authority's notice and approval, putting unnecessary pressure on the Authority's overall budget. **Action** Refresh and relaunch the change control process relating to projects.		Medium Priority			The training has been delayed linked to BMKFA 2122 2228 PMO Assurance (2) The PMO's Standardisation of Project Processes
BMKFA 2122 2228 PMO Assurance (4) Expenditure records	**Finding** From reviewing the document templates and project lifecycle we were provided with it was clear that there was no formal documentation where in which project managers should be recording expenditure. We were also informed this was a responsibility of the project managers and a consistent approach from the PMO was not evident. **Risk** Where project expenditure is not formally recorded in documentation, the risk arises that projects will go over budget more frequently as spending may not be sufficiently tracked. This could have severe financial implications to the Authority. **Action** Work with the Finance Team to ensure that the current budget monitoring process can feed into the project management process.	30-Jun-2022	Medium Priority	Head of Technology, Transformation & PMO	99%	Update from Head of Technology, Transformation & PMO, 17/10/2022: This action is complete. Project budget & actual spend is now added to the project reporting with any changes to budget spend coming via the change control process. Financial Updates are standing item on the Business Transformation Board agenda.
BMKFA 2122 2215 Blue Light Hub Post Project Evaluation (1) Governance Framework	**Finding** The agenda and papers from the Fire Authority meeting held on 7 June 2017 outline the delivery plan for the Blue Light Hub project. It also details who the project will be managed by. A Governance Arrangements document was developed, which provides a basis to manage and control the project implementation. However, we established that key tasks for the project team were not defined in a schedule of activities. Besides the 7 June 2017 paper delivery plan, there was no formalised project governance framework. **Risk** If a formalised project governance framework is not in place, there is a risk that project objects, including time scales and budgets, are not met, leading to financial loss to the Fire Authority. **Action** When future projects of this scale are undertaken a formalised governance framework will be agreed. This will be reflected in updated budget/project management guidance. This finding also links to Finding 4, as the type of governance will be determined by the risk sharing arrangements.	30-Sep-2022	Medium Priority	Director of Finance & Assets	50%	Update from Director of Finance and Assets 17/10/2022: Following further internal discussion, the updated process will be incorporated into the updated Property Strategy covering 2023 to 2028. The new due date for this audit action will now become 31 March 2023.
BMKFA 2122 2228 PMO Assurance (1) PMO Key Performance Indicators	**Finding** The Head of Transformation, Technology and PMO confirmed that the Authority does not currently have KPIs in place to report against concerning the PMO but confirmed that this was something they would be interested in implementing. **Risk** If there are no KPIs in place, the authority could miss identifying instances of poor performance and fail to address problems leading to repeated mistakes in future projects. **Action** KPIs for the PMO will be developed and these will be reported to the Senior Management Team periodically.	30-Jun-2022	Medium Priority	Head of Technology, Transformation & PMO	75%	Update from Head of Technology, Transformation & PMO, 17/10/2022: Two PMO measures are now part of the Service Performance measures. Q1 presented to the Exec and Fire Authority in Oct'22. The PMO dashboard that shows Projects RAG status, Projects passing stages, Key Risk and issues are presented monthly to the Business Transformation Board and Strategic

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
						Management Board. Further KPI's have been delayed in sign off but will be completed this calendar year.
BMKFA 2122 2228 PMO Assurance (2) The PMO's Standardisation of Project Processes	**Finding** The Head of Transformation, Technology, and PMO provided the Authority's guidelines around a project's process to ensure consistent and effective delivery. This included a detailed PMO presentation, a project life- cycle and various templated documents available for project managers. Furthermore, evidence was provided of an eLearning package and a page on the Fire Authority's intranet for PMs to review, explaining the process. In its design, the PMO's outlined a clear framework for consistency and successful delivery of projects. However, testing a sample of projects commencing after the PMO's creation outlined inconsistencies in the process they should follow and discrepancies regarding which documentation was completed for each project. The findings are as follows: ● 1/3 projects is without a completed project mandate; ● 2/3 projects are without a completed business case; ● 1/3 project is without a completed PID; ● 3/3 projects are without a completed risk register which is key to reviewing the risks and controls in place within a project; ● 3/3 projects are without a completed project plan, resulting in a lack of progress monitoring during the life of a project; ● 3/3 projects are without a highlight report that updates management on key areas such as managing risks and their impact; and ● 3/3 projects are without evidence of stakeholder communication for any of the projects that have commenced after creating the Authorities PMO function, despite stakeholders being outlined within the early project documentation. Furthermore, we were informed that Property capital projects do not follow the process outlined within the PMO's lifecycle document. Consequently, they did not have evidence of the key documentation such as mandates, PID, business case and risk registers. These are key documents for successful project delivery and should be evident across all types of projects. **Risk** If project managers fail to follow the standardised process set out by the PMO and neglect certain documentation which should be completed, best practice will not be consistently followed throughout the Authority. This could result in the failure to deliver projects to the standard expected. **Action** 1. Launch Project Management e-Learning package. 2. Document a Property capital project process. 3. Introduce a PMO KPI relating to following the project process as part of finding 1.	30-Jun-2022	Medium Priority	Head of Technology, Transformation & PMO	50%	Update from Head of Technology, Transformation & PMO, 17/10/2022: Project Management eLearning package is ready to rollout. Launch plan to be agreed. • A Capital project process has been drafted and will be added to the Property strategy when it is refreshed later this year. • A KPI relating to following project process is captured in the draft KPI's in action BMKFA 2122 2228 PMO Assurance (1) PMO Key Performance Indicators.
BMKFA 2021 2120 Resource Management System (7)	**Finding:** We noted that periodic user access reviews are not undertaken by the Resource Management Team at the authority when managing users access. Although a review of user access was completed in July 2020, there are no plans for this to continue.	31-Dec-2021	Low Priority	Group Commander Resourcing & Projects	10%	User access is to be reviewed once the permissions / role profile project has been completed – March 2022. I don't require all user access to be reviewed every 6 months, only

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
User Access Reviews	**Risk:** There is a risk of inappropriate access to the Authority's resources. **Action:** User access to be reviewed every six months.		Low Priority			when/if a staff member changes their role within the service which may include additional or less access. Due to be completed in April 2022.
BMKFA 2021 2120 Resource Management System (8) Password Configuration	**Finding:** Fire service rota does not use traditional password configuration to manage passwords at a group level. FSR uses an 'entropy plugin' to set password configurations for all users which are set at 40 bits. Although 40 bits of entropy is considered 'reasonable' in regard to network and company passwords, full control over password parameters cannot be implemented as FSR (the application) does not allow for editing of password configuration. **Risk:** There is a risk of unauthorised access to company resources due to weak password configuration, which increases the likelihood of a brute force attack. **Action:** Potential updating of the password configuration to be discussed with the supplier.	31-Mar-2022	Low Priority	Group Commander Resourcing & Projects	0%	Update from Group Commander Resourcing & Projects: This action is still outstanding.
BMKFA 2122 2203 HR People Management (3) Performance and Monitoring – Monitoring of performance indicators	**Finding** Concerns about staff performance are raised in employee appraisals, processing times are recorded in process notes for new starters and there is a Service Level Agreement in place for the HR Operations and Organisational Development service desks that includes delivery times for common requests and actions. However, there is no evidence to show that processing times are measured and monitored periodically. **Risk** If performance indicators are not in place there is a risk that instances of poor performance are not identified and rectified in a timely manner, leading to increased instances of key HR tasks not being performed accurately and/or in a timely manner. **Action** HR service level agreements (SLA) to be reviewed and reports run on a quarterly basis to monitor improvements and lead to efficiencies. Any areas where SLA's not met to be addressed in a timely manner.	31-May-2022	Low Priority	Head of Human Resources	50%	Update from Head of Human Resources 10/10/2022: Part completed. HR Operations Manager continues to review the HR service desk on a daily basis to ensure service levels are adhered to. The HR Operations team action and close the tickets in a timely manner. Any areas of concern are addressed between the HR Operations Manager and the HR Operations team member. Improvements in customer service and processes are implemented on an ongoing basis, in consultation with service users. SLA have not been reviewed recently due to competing priorities and no issues of concern being raised. Reports not run on a quarterly basis at present for the same reason.
BMKFA 2122 2215 Blue Light Hub Post Project Evaluation (6) Implementation Strategy and Project Delivery- Resources	**Finding** Additionally, there was a change of the Director of Finance and Assets in 2020. Ideally, this individual would have been present throughout the project to provide continuity from the top level. We were informed that the resources available to the Property Manager did not impact the project's outcomes. However, it made an impact on the individual's workload. Prior to occupation of the building, additional resources were allocated to the project from across the organisation to ensure a successful transition to the new station. **Risk** There is a risk that those who manage project deliverables in an operational setting do not have the necessary resources and training to manage them.	30-Sep-2022	Low Priority	Director of Finance & Assets	50%	Update from Director of Finance and Assets 17/10/2022: Following further internal discussion, the updated process will be incorporated into the updated Property Strategy covering 2023 to 2028. The new due date for this audit action will now become 31 March 2023.

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
	Action Consideration to be given to allocating additional resources to major projects in the future. Guidance on this to be included in updated budget/project management guidance.		Low Priority			
BMKFA 2122 2228 PMO Assurance (5) Centralised System	**Finding** The Head of Transformation, Technology and PMO confirmed there was no centralised system for the storage of project documentation. There was evidence of a project dashboard, presented on an excel spreadsheet, which summarised the progress of all projects underway and in the review stage. This stated some key dates, the names of PMs and progress updates. However, there is no evidence of a system where documents can be accessed for each project. This would be beneficial from an audit trail perspective and allow PMs to follow previous projects' processes and learn from their mistakes. **Risk** Without a centralised system to store and access project documentation, there are missed opportunities to share important lessons learned across the organisation and avoid re-occurrences. **Action** Review the options available and launch a centralised system to store/review/access project documentation.	30-Sep-2022	Low Priority	Head of Technology, Transformation & PMO	0%	Update from Head of Technology, Transformation & PMO, 17/10/2022: This has not yet been started but will be part of the scope of reviewing our Performance management system requirements
BMKFA 2122 2234 Procurement Governance and Compliance (2) CSOs - Version Control	**Finding** BMKFA should ensure that the CSOs are version controlled, including: • Date of the last review; • Which officer/board conducted the review; and • The date of the following review. The Authority has a set of Contract Standing Orders (CSOs). An updated version is being drafted with a provisional submission date and approval in February 2022. However, the current set of CSOs does not contain a version control, so we could not ascertain if they were up to date or when the last review occurred. **Risk** If the CSOs are not version controlled, there is a risk that an outdated or wrong approach may be taken during the procurement process leading to substantial financial loss and non-compliance. **Action** Version control to be added to CSOs when the updated version is submitted to the Fire Authority for approval.	30-Jun-2022	Low Priority	Director of Finance & Assets	90%	Update from Director of Finance & Assets 17/10/2022: The updated Standing Orders are being presented at the meeting of the Overview and Audit Committee on 9 November 2022
BMKFA 2122 2234 Procurement Governance and Compliance (5) Contract Register	**Finding** We noted that the register did not include the name of the officer responsible for the contract in the register of contracts over £5,000, as required by Standing Order 2.2(g). As per regulation 31 of the Local Government Transparency Code 2015, it is only legally required for the Authority to state the local authority department instead of the officer responsible. We found that the department was included in the Authority's contract register. The Procurement Manager suggested that listing the officer was unfeasible given that officers in the authority often change departments. **Risk** If CSOs relating to the ownership of contracts is unclear, the responsibilities associated with the performance of a contract may be unclear, resulting in improper management of the agreement, and queries regarding specific agreements may be ineffectively communicated. **Action** This will be reviewed as part of the forthcoming update to CSOs.	30-Jun-2022	Low Priority	Director of Finance & Assets	90%	Update from Director of Finance & Assets 17/10/2022: The updated Standing Orders are being presented at the meeting of the Overview and Audit Committee on 9 November 2022

Audit Title & Management Action	Description	Due Date	Priority	Action Owner	Action Progress	Latest Note
BMKFA 2122 2234 Procurement Governance and Compliance (6.1) Compliance with CSO 8.1 (c)	**Finding** In two cases where the procurement was conducted under a partnership, a comparative assessment was made for the applicants regarding technical competence and financial health. However, no evaluation was made of the health and safety record of the potential service providers as per Standing Order 8.1(c) "Where the total value of the contract is more than £50,000, Officers must ensure that potential candidates are asked to provide sufficient detail to check their health and safety record". **Risk** If CSOs related to the assessment of a contractor's health and safety standards are ignored, The Authority may procure services from suppliers with health and safety standards below that expected or required by the Authority, potentially leading to non-compliance with standards that the Authority is required to adhere to. **Action** Standing Orders to be reviewed and guidance on the updated Orders and compliance to be added to guidance to be issued to Officers.	30-Sep-2022	Low Priority	Procurement Manager	90%	Update from Procurement Manager, 06/10/2022: Standing Orders progressing through internal governance process. • Approved at BTB • Approved at SMB • Due to O&A November 2022 • Final approval at Fire Authority meeting December 2022 On target to be complete internal governance approval process by December 2022
BMKFA 2122 2234 Procurement Governance and Compliance (6.2) Compliance with Contract Standing Orders	**Finding** CSO 6.1(l) states that an officer must "retain evidence that the above steps (6.1(a)-(l)) have been carried out for examination by internal or external auditors;". In all three cases tested that were not conducted in partnership, evidence had not been retained regarding various steps required before letting a contract as per CSO 6.1, including estimation of the value of the contract, ensuring there is sufficient budgetary provision, and taking into account the outcome from any strategic service review. **Risk** Where a clear audit trail is not maintained, the Authority may be in non-compliance with document/evidence retention regulations, and effective review and lessons learned exercises related to the suitability of the procurement, as well as the performance of the procurement team more generally is not possible. **Action** Standing Orders to be reviewed and guidance on the updated Orders and compliance to be added to guidance to be issued to Officers.	30-Sep-2022	Low Priority	Procurement Manager	90%	Update from Procurement Manager, 06/10/2022: Standing Orders progressing through internal governance process. • Approved at BTB • Approved at SMB • Due to O&A November 2022 • Final approval at Fire Authority meeting December 2022 On target to be complete internal governance approval process by December 2022