



# ESSEX FIRE AUTHORITY

## **Governance – Delivery and Monitoring of Strategic Plans and Objectives**

**FINAL**

**Internal Audit Report: 6.16/17**

**4 April 2017**

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<b>Debrief held</b>	23 February 2017	<b>Internal Audit team</b>	Dan Harris, Head of Internal Audit
<b>Draft report issued</b>	13 March 2017		Suzanne Lane, Senior Manager
<b>Responses received</b>	4 April 2017		Anand Mistry, Assistant Manager
			Joan Haase, Senior Auditor
<b>Final report issued</b>	4 April 2017	<b>Client sponsor</b>	Glenn McGuinness, Deputy Director of Finance
		<b>Distribution</b>	Glenn McGuinness, Deputy Director of Finance

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# 1 EXECUTIVE SUMMARY

## 1.1 Background

An audit of Governance – Delivery and Monitoring of Strategic Plans and Objectives, at Essex Fire Authority has been carried out as part of the approved internal audit plan for 2016/17 to provide assurance that effective systems are in place to set and manage medium and long term objectives, plans and strategies.

The Authority adopted the Essex Fire Authority Strategy 2016 to 2020: Leading the way to a safer Essex in September 2016. The strategy is broadly based on the Fire and Rescue National Framework for England and includes the outcome of the public consultation held in January 2016 which resulted in a preferred option being selected in June 2016.

The implementation of the Strategy is managed operationally by the Acting Chief Fire Officer through the Programme 2020 Board which includes all the members of the Service Leadership Team. Essex Fire Authority (the Authority) and its Committees provide the oversight function for the implementation of the Strategy and receive updates from the Programme Board on progress made at each of their meetings.

2017/18 will see the commencement of multiple projects within Programme 2020 to meet the medium and long term objectives of the Authority. This will require the Authority to maintain effective and efficient systems to manage implementation throughout the period to ensure that objectives, plans and the overall strategy are delivered within the established timeframes.

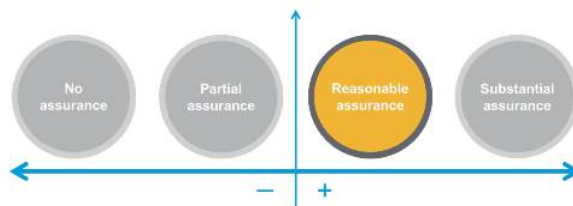
Following the Assent of Policing and Crime Act 2017, the Authority has a requirement to increase their collaboration with organisations such as the Police and Crime Commissioners. If these changes result in a change to Governance structures, the Authority will need to consider the actions and how these should be carried forward.

## 1.2 Conclusion

We have concluded that controls in place are adequately designed. However, we have identified a number of areas where improvement could be made. This was mainly around the format and the quality of reporting provided to the Authority, Committees and Programme 2020 Board covering the implementation of Programme 2020.

### Internal Audit Opinion:

Taking account of the issues identified, the Authority can take reasonable assurance that the controls in place to manage this risk are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



## 1.3 Key findings

The key findings from this review are as follows:

We confirmed that the minutes of the Authority included well documented, clear decisions around the approval and implementation of the Programme 2020 Strategy.

We reviewed the terms of reference for the Audit, Governance and Review Committee, the oversight group responsible for reviewing processes in place to deliver effective corporate governance arrangements and confirmed that they included an appropriate level of detail. We reviewed the minutes from the last three Committee meetings and confirmed that the activities of the Committee reflected their terms of reference.

We reviewed the Essex Fire Authority Strategy 2016 to 2020: Leading the way to a safer Essex tabled at the Authority meeting on 15 February 2017. We confirmed it included the strategic priorities and themes of the Service and contained a high level implementation plan in the form of a Gantt chart.

We reviewed the minutes of the Programme 2020 Advisory Group, an influencing forum established as a result of the Cultural Review by Irene Lucas CBE in 2015. The purpose of the Group is to get a broad range of views from an expert panel to help transform the organisation. We noted that information supplied to the Group was consistent with that provided to the Programme 2020 Board. We confirmed that minutes were well documented and areas identified by the Advisory Group were used to inform discussion at the Programme 2020 Board.

We reviewed the reports detailing updates on progress on Programme 2020 that were tabled to the Authority by the Programme 2020 Board for September 2016, December 2016 and February 2017. We noted that the September 2016 and December 2016 reports were for information only, but the February 2017 report invited challenge from the Authority and included progress on key projects.

We reviewed the accompanying minutes for the tabled reports for September 2016 and December 2016 and confirmed that discussion was held and clarification sought on project progress. We were unable to review the minutes from the February 2017 meeting as these were not yet available at the time of the audit fieldwork.

### **Reporting to the Programme Board**

The Programme 2020 Board is the key operational group responsible for coordination and implementation of Programme 2020. We reviewed the reporting used to inform the Service Leadership Team on project status and noted a number of areas that required improvement to ensure that there was no slippage to implementation:

- Projects numbers be included for easy identification against plan;
- Planned target dates for each project be included;
- Add current status of projects i.e. delayed, on time;
- Extension or delay to project is quantified by adding expected delivery;
- Milestones achieved/ missed since last report;
- Gantt chart showing current status of all projects is presented at every meeting to corroborate the narrative report.

It is important that reported information given on each project is in a clear consistent format that highlights any issues for quick identification and can be tracked against planned implementation. There is a risk that project slippage may impact on interdependent projects and delay the overall implementation. **(Medium)**

### **Reporting to the Authority and Committees**

We reviewed the reporting from the Programme 2020 Board to the Authority and Committees on the progress of the implementation of the Service Strategy. We confirmed that narrative information supplied in the reporting was consistent; however, it did not give information of progress against the overall plan. The quality of reporting could be improved by including in the report the Gantt chart programme plan from the published strategy, showing tracking of actual performance against planned performance.

The accompanying narrative report could then explain any highlighted areas of slippage and the consequences that this may have on the implementation. There is a risk that the current reporting does not give the Authority sufficient information on performance against project timeframes to give assurance that the implementation is on time and on budget. **(Medium)**

We have also agreed five low priority actions with management which are detailed in sections 2 and 3 of this report.

## 1.4 Additional information to support our conclusion

Risk	Control design*	Compliance with controls*	Agreed actions		
			Low	Medium	High
An effective system in place to set and manage medium and long terms objectives, plans and strategies.	0 (11)	7 (11)	5	2	0
<b>Total</b>			<b>5</b>	<b>2</b>	<b>0</b>

\* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

## 1.5 Progress made with previous audit findings

Date of previous audit	Low	Medium	High
Number of actions agreed during previous audit	3	1	0
Number of actions implemented/ superseded	1	1	0
Actions not yet fully implemented:	2	0	0

As part of this review we followed up progress in implementing previously agreed actions to in the Governance Audit Report dated 27 April 2016. Of the one medium and three low priority management actions followed up, we confirmed that two have been implemented in full and two are in progress. A summary of progress made can be found in Section Four of this report.

## 2 ACTION PLAN

### Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
<b>Risk: An effective system in place to set and manage medium and long terms objectives, plans and strategies.</b>					
1.1	<p>We identified:</p> <ul style="list-style-type: none"> <li>One duty in the Financial Regulations that was not included in the Policy and Strategy Committee Terms of Reference.</li> <li>Four instances where duties in the Audit, Governance and Review Committee Terms of Reference were not confirmed in the Financial Regulations.</li> </ul>	Low	The Authority will carry out an annual review of the delegations in the Financial Regulations to ensure consistency with the Terms of Reference for the Policy and Strategy Committee and the Audit, Governance and Review Committee.	May 2017	Finance Director and Treasurer

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
1.2	<p>We reviewed the Constitution Book and noted that there had been updates made to the document that has not been approved by the Authority.</p> <p>We further identified some minor anomalies and areas for improvement.</p>	Low	<p>The Authority will review, update and approve the Constitution Book to include:</p> <ul style="list-style-type: none"> <li>• Version number;</li> <li>• Track changes table;</li> <li>• Next review date;</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• Review will be carried out of governance structure diagram for accuracy;</li> <li>• Reference to the Audit Subcommittee will be removed.</li> </ul>	June 2017	Clerk & Deputy Monitoring Officer to the Essex Fire Authority
1.3	From review of the minutes of the Policy and Strategy Committee we identified that the Committee reviewed the financial accounts and the external audit report which is not in their Terms of Reference.	Low	The Authority will review the Terms of Reference of the Policy and Strategy Committee to ensure that they reflect the current areas of oversight provided and avoid duplication.	June 2017	Clerk & Deputy Monitoring Officer to the Essex Fire Authority
1.4	We identified that the Terms of Reference for the Programme Board does not include the frequency of meetings, number for a quorum and reporting structure escalation of issues to governance.	Low	The Service will ensure that the Terms of Reference for the Programme Board is updated to include the frequency of meetings, number for a quorum and reporting structure for governance.	April 2017	2020 Programme Manager

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
1.5	We reviewed the progress report used to inform progress to the Programme 2020 Board and noted a number of areas for improvement.	Medium	<p>The Service will review the reporting on progress supplied to the Programme 2020 Board and include the following:</p> <ul style="list-style-type: none"> <li>• Projects numbers be included for easy identification against plan;</li> <li>• Planned target dates for each project be included;</li> <li>• Status of projects is added, for example on track, delay in initiating project etc.;</li> <li>• Extension or delay to project is quantified by adding expected delivery;</li> <li>• Milestones achieved/ missed since last report (this would be in additions to the update on progress).</li> <li>• Gantt chart showing current status of all projects corroborating the narrative report.</li> </ul>	April 2017	2020 Programme Manager
1.6	We identified that there has been no reporting provided to the Policy and Strategy Committee on progress made against implementation of the Strategy.	Low	The Service will ensure that regular progress updates are tabled at the Policy and Strategy Committee meetings in respect of Strategy 2016 to 2020: Leading the way to a safer Essex implementation.	April 2017	2020 Programme Manager
1.7	From review of reporting of the progress against implementation of the strategy by the Audit, Governance and Review Committee we found that there was no reference to target timeframes or whether the projects were on time.	Medium	<p>The Service will ensure that when reporting to the Authority and its Committees on the progress of implementation of the Strategy that it contains sufficient detail for meaningful review.</p> <p>This will include progress against target completion dates and a copy of progress against the Gantt chart programme plan.</p>	April 2017	2020 Programme Manager



### 3 DETAILED FINDINGS

This report has been prepared by exception. Therefore, we have included in this section, only those risks of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
<b>Risk: An effective system in place to set and manage medium and long terms objectives, plans and strategies.</b>						
1.1	<p>The Essex Fire Authority (The Authority) delegates financial authority and powers to the Service in the following key documents:</p> <p>The Financial Regulations - this provides the framework for managing the Authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf. All financial and procurement activities must be carried out in accordance with the Regulations.</p> <p>The Scheme of Delegations to Officers – this delegates the powers and duties of the Authority to the following officers:</p> <ul style="list-style-type: none"> <li>– The Chief Fire Officer,</li> <li>– The Treasurer of the Essex Fire Authority,</li> <li>– The Director of Workforce Development,</li> <li>– The Clerk.</li> </ul> <p>It states the delegated powers for each named Officer and their associated limitations. It defines the Protocol on the use of delegated powers, which states decisions must be made by Committee,</p>	Yes	No	<p>From our review of the Financial Regulations against the Terms of Reference for the Committees and Sub Group</p> <p>We found the following inconsistencies:</p> <ul style="list-style-type: none"> <li>• One duty in the Financial Regulations that was not included in the Policy and Strategy Committee Terms of Reference.</li> <li>• Four instances where duties in the Audit, Governance and Review Committee Terms of Reference were not confirmed in the Financial Regulations.</li> </ul> <p>It is important that there is a consistency between the delegated authority in the Financial Regulations and the duties described in the terms of reference, there is a risk that actions assumed to be within the remit of a Committee do not have the appropriate backing from the Authority.</p> <p>We confirmed that the other three Committees and Sub Group had no related duties that required inclusion in the Financial Regulations.</p>	Low	The Authority will carry out an annual review of the delegations in the Financial Regulations to ensure consistency with the Terms of Reference for the Policy and Strategy Committee and the Audit, Governance and Review Committee.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	<p>Subcommittee or Officer, and if necessary referred back to the Authority for approval.</p> <p>The Authority has four committees in their governance structure:</p> <ul style="list-style-type: none"> <li>• The Policy and Strategy Committee;</li> <li>• The Audit, Governance and Review Committee;</li> <li>• The Principal Officer Human Resources Committee;</li> <li>• The Joint Standards Committee; and</li> <li>• Cultural Review Sub Group (reporting to the Human Resources Committee)</li> </ul>					
1.2	<p>The Terms of Reference for all Committees are maintained within the Constitution Book.</p> <p>The Committees responsible for monitoring the implementation of the Strategic Priorities and Strategic Themes are the:</p> <ul style="list-style-type: none"> <li>• Audit, Governance and Review Committee whose terms of reference include: <ul style="list-style-type: none"> <li>– To review processes in place to deliver effective corporate governance arrangements;</li> </ul> </li> <li>• Policy and Strategy Committee whose</li> </ul>	Yes	No	<p>Our review of the Constitution Book identified that the current version was effective from 26 January 2016. We were aware that changes have been made post January 2016 which require subsequent approval from the Authority.</p> <p>In addition, we identified the following anomalies in the Constitution Book</p> <ul style="list-style-type: none"> <li>• Audit Sub-committee still referenced in the document;</li> <li>• The Joint Standards Committee is not included in the Governance Structure diagram.</li> </ul> <p>We further noted the document does not include:</p>	Low	<p>The Authority will review, update and approve the Constitution Book to include:</p> <ul style="list-style-type: none"> <li>• Version number;</li> <li>• Track changes table ;</li> <li>• Next review date ;</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• Review will be carried out of governance structure diagram for accuracy;</li> </ul> <p>Reference to the Audit Subcommittee will be removed.</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	<p>terms of reference include:</p> <ul style="list-style-type: none"> <li>– To consider the overall strategic aims and objectives of the Authority and make recommendations to the full Authority as appropriate.</li> </ul>			<ul style="list-style-type: none"> <li>• A version number;</li> <li>• A track changes table;</li> <li>• Date for next review.</li> </ul> <p>It is important that the Constitution Book is accurate and that any changes are recorded and appropriately authorised. There is a risk that there are unauthorised changes which do not align with the Authority interpretation of the authority delegated to the Officers and Committees.</p>		
1.3	<p>The Policy and Strategy Committee is made up of ten elected members from Essex County Council, Southend District Council and Thurrock District Council with proportional representation from each political party.</p> <p>The Committee meets at least quarterly and has a quorum of five.</p>	Yes	No	<p>We assessed the Terms of Reference for the Policy and Strategy Committee and confirmed it included duties, membership, meeting frequency and quorum requirement in line with expectations.</p> <p>We reviewed the minutes for September 2016, November 2016 and January 2017 and confirmed that agenda items were within the remit of the Committee with the exception of:</p> <ul style="list-style-type: none"> <li>• Review of external audit report;</li> <li>• Review of financial accounts.</li> </ul> <p>It is important the Committees remain within their terms of reference to negate the risk of duplication of duties or the wrong forum making decisions.</p>	Low	The Authority will review the Terms of Reference of the Policy and Strategy Committee to ensure that they reflect the current areas of oversight provided and avoid duplication.
1.4	<p>The implementation of the Strategy is managed via the Service's Programme 2020 Board, an operational group which is made up of the Service Leadership Team (SLT).</p> <p>The Acting Chief Fire Officer has</p>	Yes	No	<p>We noted that the terms of reference for the Board do not state the frequency of meetings, number for a quorum and reporting structure for governance is not included.</p> <p>It is important to define the requirements for decision making and the reporting structure to</p>	Low	The Service will ensure that the terms of reference for the Programme Board is updated to include the frequency of meetings, number for a quorum and reporting structure for governance.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	<p>assigned roles to Service Leadership Team Directors for implementation of the Strategy as follows:</p> <ul style="list-style-type: none"> <li>• Service led – Assistant Chief Fire Officer</li> <li>• Community focused - Assistant Chief Fire Officer</li> <li>• A kind culture – Transformation Director</li> <li>• Financially sustainable – Financial Director and Treasurer (Section 151)</li> </ul>			<p>ensure that decisions have the appropriate level of approval and issues identified are escalated to the right level of governance within the Service.</p>		
1.5	<p>The Programme 2020 Board meets monthly to manage the projects which form part of the overall Programme 2020 Plan.</p> <p>A Project Progress Report is tabled at each meeting as part of the overall agenda. This report along with the minuted discussion is used to inform reporting to the Audit, Governance and Review Committee and the Authority.</p>	Yes	No	<p>We reviewed the minutes from August 2016, October 2016 and January 2017 and confirmed that:</p> <ul style="list-style-type: none"> <li>• There was correlation between the minutes and reports presented at the meetings;</li> <li>• Actions were identified and transferred to an action log to be followed up at each meeting.</li> </ul> <p>We noted that from January 2017 that the reporting against project progress improved, however key information was lacking projects ID's, planned target dates, current status, expected delivery for delayed projects, milestones achieved/ missed since last report and an overall Gantt chart showing current status of all projects.</p> <p>The Programme Board is the key governance group for the implementation of Programme 2020. It is important that reported information given on</p>	Medium	<p>The Service will review the reporting on progress supplied to the Programme 2020 Board and include the following :</p> <ul style="list-style-type: none"> <li>• Projects numbers be included for easy identification against plan;</li> <li>• Planned target dates for each project be included;</li> <li>• Status of projects is added, for example on track, delay in initiating project etc.;</li> <li>• Extension or delay to project is quantified by adding expected delivery;</li> <li>• Milestones achieved/ missed since last report (this would be in additions to the update on progress).</li> <li>• Gantt chart showing current status of</li> </ul>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
				each project identifies current status, timeline are clearly documented, implications for project delays are included and understood to ensure that there is no slippage in implementation.		all projects corroborating the narrative report.
1.6	<p>The Acting Chief Fire Officer identified that the Audit, Governance and Review Committee and the Policy and Strategy Committee were the appropriate forums for reporting in the report to the Audit, Governance and Review Committee on 5 October 2016, which was approved by the Authority in September 2016.</p> <p>The Acting Chief Fire Officer's report uses the information from the Programme 2020 Board to inform reporting to the Committees.</p>	Yes	No	<p>We reviewed the minutes for the Audit, Governance and Review Committee held in July 2016, October 2016 and January 2017. We found that there was an agenda item for Programme 2020 for progress updates on Strategy implementation presented at each meeting.</p> <p>We reviewed the minutes for the Policy and Strategy Committee held in September 2016, November 2016 and January 2017. We found that there was no agenda item or discussion in respect of the progress against Strategy 2016 to 2020: Leading the way to a safer Essex.</p> <p>We noted in the Programme 2020 – Progress Report to the Audit, Governance and Review Committee October 2016 that reporting should be to both Audit, Governance and Review Committee and the Policy and Strategy Committee as agreed in the Authority meeting on the 7 September 2016.</p> <p>There is a risk that information in relation to strategy progression is not disseminated and appropriately challenged by all relevant Committees in line with the expectations of the EFA.</p>	Low	The Service will ensure that regular progress updates are tabled at the Policy and Strategy Committee meetings in respect of Strategy 2016 to 2020: Leading the way to a safer Essex implementation.
1.7	The Audit, Governance and Review Committee and the Policy and Strategy Committee meet quarterly and are Committees identified as receiving progress updates on the implementation	Yes	No	We assessed the quality of reporting covering Strategy implementation to the Audit, Governance and Review Committee by the Programme 2020 Board in July 2016, October 2016 and January 2017 to confirm it was sufficient and consistent and	Medium	The Service will ensure that reporting to the Authority and its Committees on the progress of implementation of the Strategy contains sufficient detail for meaningful review. This will include

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	of the Strategy.			<p>noted that there was no reference to target timeframes or whether the projects were on time to give context to performance.</p> <p>It is important that the Committee receives meaningful information that assists in interpretation of the current status of the strategy implementation.</p> <p>There is a risk that issues identified are not fully communicated to the Committee and they are potentially uninformed about the current status of the strategy implementation.</p> <p>We reviewed the accompanying minutes for the tabled reports July 2016 and October 2016 and confirmed that discussion was held and clarification sought on the tabled reports.</p> <p>We confirmed that update reports were not provided to the Policy and Strategy Committee. This has been raised as a management action – please refer to 1.6.</p>		progress against target completion dates and a copy of progress against the Gantt chart programme plan.
1.8	<p>The Programme 2020 Board prepares reporting for presentation at the Authority meetings.</p> <p>This includes performance made against the strategic priorities made up of the strategic themes of :</p>	Yes	No	<p>We reviewed the reporting presented to the Authority for September 2016, December 2016 and February 2017 to ensure they contained adequate and consistent information.</p> <p>We found that a Gantt chart of planned implementation timeframes for delivery was not provided as part of the report, nor was there inclusion of performance delivery against target delivery dates.</p>	Medium	Refer to management action 1.7

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	<ul style="list-style-type: none"> <li>• Prevention;</li> <li>• Protection;</li> <li>• Response (Emergency);</li> <li>• People and Leadership; and</li> <li>• Public value and collaboration.</li> </ul>			<p>It is important that reporting against milestones is regularly reported now that the programme is in implementation phase.</p> <p>There is a risk that they may be slippage in the implementation of project that the Authority is not made aware of which may impact on delivery of the overall strategic objectives.</p>		

## 4 FOLLOW UP ON MANAGEMENT ACTIONS

We have followed up on management actions identified in our Governance Report issued 27 April 2016

Ref	Management Action	Original Date	Original Priority	Audit findings	Current Status	Updated management actions	Priority issued	Revised date	Owner responsible
1.1	The Authority will update the governance structure chart to reflect the current governance arrangements.	May 2016	Low	Audit Subcommittee has been removed from the Constitution Book.	Implemented	N/A	N/A	N/A	N/A
1.3	The Authority should implement action logs to add robustness to the process of raising actions at the authority's key governance forums, provide a clear audit trail of actions set and allow for ease of monitoring.	May 2016	Low	The establishment of a Decision Log has been completed but the use of the Log as part of the Committee meetings is still being implemented.	Action Progressing	The Authority should implement action logs to add robustness to the process of raising actions at the authority's key governance forums, provide a clear audit trail of actions set and allow for ease of monitoring.	Low	June 2017	Clerk & Deputy Monitoring Officer to the Essex Fire Authority
1.4	The Authority will ensure that training logs are retained for each of its Members and that where training sessions are missed that they are followed up with non-attendees. In addition the Authority will produce a formal training programme for Members.	May 2016	Medium	We confirmation that the Service have contracted SOLACE (Society of Local Authority Chief Executives) to develop a programme of Member and Officer development. We confirmed that there is	Implemented	N/A	N/A	N/A	N/A



Ref	Management Action	Original Date	Original Priority	Audit findings	Current Status	Updated management actions	Priority issued	Revised date	Owner responsible
				evidence that workshops have taken place, Members have attended and a schedule of future workshops is planned.					
1.5	An annual review of the EFA and subcommittee's effectiveness will be introduced to ensure that the forums have achieved their annual objectives and have adhered to their Terms of Reference.	October 2016	Low	This had not been completed. The annual review will be completed by all Committees prior to the Annual General Meetings held in June 2017.	Action Progressing	An annual review of the EFA and subcommittee's effectiveness will be introduced to ensure that the forums have achieved their annual objectives and have adhered to their Terms of Reference.	Low	June 2017	Clerk & Deputy Monitoring Officer to the Essex Fire Authority

# APPENDIX A: SCOPE

## Scope of the review

To evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion. The scope was planned to provide assurance on the controls and mitigations in place relating to the following risks:

### Objective of the risk under review

An effective system in place to set and manage medium and long terms objectives, plans and strategies.

When planning the audit, the following areas for consideration and limitations were agreed:

### Areas for consideration:

- The Financial Regulations and Scheme of Delegations are consistent with the Terms of Reference for Committees;
- Strategic plans and objectives had been set and approved by the Authority and responsibilities for monitoring and reporting delegated to subcommittees, reflected within their Terms of Reference and minutes.
- Responsibility for delivery and monitoring of the objectives had been effectively assigned to appropriate individuals and oversight sits with an appropriate Committee.
- The Terms of Reference were reasonable covering membership, frequency and quoracy of meetings and enabled the identified groups to effectively discharge their statutory duties and delivery of objectives.
- There was evidence in papers and minutes that adequate information within reports was supplied to enable decision making at Committee level including challenge and agreement of action which was followed up.
- Assurance on performance against strategies, plans and objectives were reported up to the relevant Committee and Authority including what action was being taken against poor performance where there is challenge.

### Limitations to the scope of the audit assignment:

- This review covered the period from 1st April 2016. The review did not aim to cover all aspects of governance. It aimed to provide assurance that the key governance processes were in operation as included within the areas for review. As such this review should not be considered to provide assurance over the whole governance process.
- We have not included in our review the objective setting process or ensure accuracy of reporting against these.
- We have not reviewed the strategies planning and objective setting process.
- We have not assessed the effectiveness of the Governance arrangements.
- Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss of fraud does not exist.

## APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Glenn McGuinness                      Assistant Director of Finance
- Shirley Jarlett                              Clerk & Deputy Monitoring Officer to the Essex Fire Authority
- Roy Carter                                  Deputy Clerk & Deputy Monitoring Officer to the Essex Fire Authority
- Ben Pilkington,                           Assistant Director of Programme 2020
- Kerry Barker                                Programme Support Officer
- Louise Kotze                                Personal Assistant

### Benchmarking

We have included some comparative data to benchmark the number of management actions agreed, as shown in the table below. In the past year, we have undertaken a number of audits of a similar nature in the sector.

Level of assurance	Percentage of reviews	Results of the audit
Green (substantial assurance)	50%	
Amber (reasonable assurance)	50%	X
Amber (partial assurance)	0%	
Red (no assurance)	0%	
Management actions	Average number in similar audits	Number in this audit
	5	7

# FOR FURTHER INFORMATION CONTACT

Suzanne Lane, Senior Manager

[Suzanne.lane@rsmuk.com](mailto:Suzanne.lane@rsmuk.com)

07720 508148

**rsmuk.com**

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