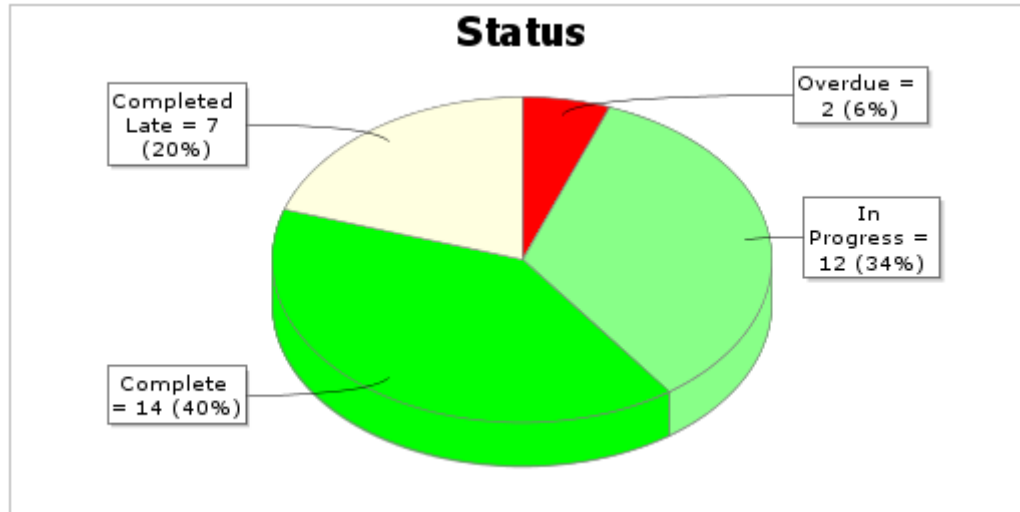**Annex A: Update on progress of audit recommendations – October 2019**
Generated on: 13 October 2019

Title	Priority	Due Date	Description	Assigned To	Latest Note
Fleet Management (1a) Tranman Review	**Medium Priority**	31-Aug-2017	**Finding** In discussion with the Fleet Manager it was confirmed that the latest Tranman training was delivered circa. December 2015 through a one day training event. This training event covered a large amount of materials in a short period of time and meant that a number of key topics were not covered in their entirety or in sufficient detail to fully absorb the information to the required standard. Since the training was delivered there have also been a number of staff changes, resulting in three members of staff, from a five person team who use the Tranman system, never being taught the full system and how to use the software from the software provider. This has led to potential under-utilisation of the software and some inconsistencies in the use of the system potentially compromising data integrity and alignment of processes. In addition it was noted that there are current reporting issues through the Crystal Reporting function, which added to the potential inconsistencies in the use of the system means reporting functions cannot be fully relied upon to provide up to date and valid information to base decisions upon. Audit acknowledges that the reporting issue is currently being investigated by Tranman. **Risk** Where training is not provided on a periodic basis, staff may adopted inappropriate, ineffective, and / or out dated working practices. **Action** Tranman to carry out a review of the current system and its utilisation and offer options for further utilisation of the current system, available 'upgrades' and system improvements. This information can then be analysed to ascertain the most appropriate action.	Fleet Manager, JF	The fleet management project is moving forward, but very slowly. Since the last update we have visited another fire service for a demonstration of the latest version of Tranman including how they have implemented a number of 'paperless' forms and functions. We are currently in the process of securing the necessary funding and approval for the upgrade and improvements.

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Fleet Management (1b) Training and Utilisation of Tranman	**Medium Priority**	30-Apr-2018	**Finding** In discussion with the Fleet Manager it was confirmed that the latest Tranman training was delivered circa. December 2015 through a one day training event. This training event covered a large amount of materials in a short period of time and meant that a number of key topics were not covered in their entirety or in sufficient detail to fully absorbed the information to the required standard. Since the training was delivered there have also been a number of staff changes, resulting in three members of staff, from a five person team who use the Tranman system, never being taught the full system and how to use the software from the software provider. This has led to potential under-utilisation of the software and some inconsistencies in the use of the system potentially compromising data integrity and alignment of processes. In addition it was noted that there are current reporting issues through the Crystal Reporting function, which added to the potential inconsistencies in the use of the system means reporting functions cannot be fully relied upon to provide up to date and valid information to base decisions upon. Audit acknowledges that the reporting issue is currently being investigated by Tranman. **Risk** Where training is not provided on a periodic basis, staff may adopted inappropriate, ineffective, and / or out dated working practices. **Action** Identify training requirements, system improvements and possible upgrades for implementation in 2018/19 (depending on funding requirements).	Fleet Manager, JF	The fleet management project is moving forward, but very slowly. Since the last update we have visited another fire service for a demonstration of the latest version of Tranman including how they have implemented a number of 'paperless' forms and functions. We are currently in the process of securing the necessary funding and approval for the upgrade and improvements.
Property Management (1) Red Kite Functionality	**Low Priority**	31-Mar-2020	**Finding** Review of 10 Reactive Works jobs on Red Kite, identified two red rated jobs which were closed within 24 hours of the job being open, this cannot confirm whether it was made operationally safe within the four hour timeframe. There were also two Amber Rated jobs, one of which was closed within 72 Hours and the other 144 hours. **Risk** Where the Authority are unable to hold record events as they become operationally safe, there is a lack of information available to confirm whether these internal targets are being consistently met. **Action** As part of the latter phase of the BASI project it is intended to review the current asset management systems utilised by the Authority, part of this review will examine the case for improving the functionality of existing systems working with the suppliers to develop them accordingly. This work is currently scheduled for early 2019.	Property Manager, GW	In-progress, not yet due.
Core Financial Controls (2) Creditors	**Medium Priority**	31-Dec-2019	**Finding** A sample of 20 purchasing card transactions over the period April to December 2017 was reviewed by Audit and testing identified the following purchases that were not in line with the guidelines • Evening meals which included alcohol • Small, regular purchases from coffee shops.	Principal Accountant, AH	Expenses policy has been updated and presented to BTB in May 2019. BTB requested some minor amendments before they put forward to the appropriate

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			Expenditure made on purchasing cards is checked by Finance staff and monies recouped, such as alcohol purchases, where necessary. However, the Purchasing Card Guidelines and the Expenses Policy do not include any rules surrounding spend on hospitality. **Risk** If staff are unaware of what the guidelines are for expenditure on hospitality and what expenses are allowable there is a risk that inappropriate purchases will be made leading to Finance staff time being spent on recouping the monies. **Action** Purchasing Card Guidelines and Expenses Procedure to be updated to clarify rules surrounding spend on hospitality. The review of the Expenses Procedure and related guidance has commenced and alignment with and relevant section of the Purchasing card guidelines will be ensured.		board for approval. Next BTB will be in September and likely to be approved by the end of the financial year. Due Date amended from 31 December 2018 to 31 December 2019.
Core Financial Controls (3) Debtors	**Medium Priority**	31-Dec-2019	**Finding** A sample of 25 invoices raised between April and December 2017 and a sample of five current debts was reviewed to confirm that supporting documentation was held for each invoice raised, invoices were paid on time and that any outstanding debts are chased seven days after the due date in accordance with Financial Instructions. However the following exceptions were noted from the testing undertaken: • Four current debts were subject to the standard debt recovery process, for two of these debts the chasing letter was sent out to debtors more than seven days after the due date (14 days and 11 days respectively). For one of these debts no first reminder was held on Integra. • Two of the five debts tested were older than 30 days. These were both being chased by way of email reminders from Finance and had not been referred to Legal Services as required by the Financial Instructions. **Risk** If debts to the Fire Authority are not managed and actively pursued in line with the Financial Instructions, there is a risk that money owed to the Fire Authority may not be recovered **Action** Financial Instructions and Debt Management Policy to be updated to clarify that the Chief Finance Officer may choose to refer debts to legal, rather than implying that they are automatically referred after 30 days.	Principal Accountant, AH	This only requires the word 'may' added onto the Financial Instructions and therefore would not be practical to only make this amendment and send for approval. Financial Instructions as a whole likely to be updated latter part of this year and therefore should be completed by December 2019. Due Date changed from 30 November 2018 to 31 December 2019.
Core Financial Controls (4) Payroll	**Medium Priority**	01-Apr-2020	**Finding** It was found six of the 25 had claimed for watch overtime. Of these six, although the FB22 had been checked twice by HR, comparison of the examination of the FB22 to the iTrent payslip found that; for one of the six, the number of hours on the payslip did not match those on the FB22. A total of 4.5 hours were listed on the payslip whilst the FB22 recorded 5.5 hours. **Risk** If the details on iTrent are incorrect there is a risk that the error will not be identified leading to a delay in correcting variations.	Payroll & Benefits Manager, SE	Update from 30 September 2019: The FB22s are gradually being phased out for Operational Staff. Only Watch based Op's Staff on Station are currently still using FB22s.There have been delays in developing the pay aspect to FSR due to developmental and implementation issues with the

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			Action The FB22s are being phased out through automation from April 2018, commencing with support services staff. For operational staff the phase out date links with the go live date for the new Resource Management System.		mobilising aspect, development focus has been on this aspect for the initial 6 months. Opportunity has also been taken to automate our Bank Shift process during this phase – booking and pay output. This has helped test some of the more complex rules required for day to day pay processing and as a consequence has broadened the scope against which will utilise FSR for pay processing. There was a review meeting on 25th September 2019 where it was sought to push the Payroll development side into a 3 month intensive parallel run phase for Q3 moving to a 3 month live run with no FB22s ahead of the roll into FY 2020-2021. This is supported by the GC for Resourcing and the BASI project manager. Due date has changed from 31 March 2019 to 01 April 2020.
Core Financial Controls (1) Financial Control – Contract Standing Orders	**Low Priority**	31-Mar-2020	**Finding** Contract Standing Orders were reviewed by Audit. It was found that these are dated October 2017 and were approved at O&A Committee on 27 July 2017. The OJEU limits stated are for the year commencing 1 Jan 2016; these limits have since been changed, however this has not been updated within the Fire Authority's Contract Standing Orders. **Risk** If the limits OJEU are not up to date there is a risk that an incorrect process is used for the tendering of contracts. **Action** Contract Standing Orders will be reviewed on a regular basis. The OJEU limits will be included within the Standing orders as a hyperlink to ensure they are always up to date.	Director of Finance & Assets, MH	

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Project Management BLH (2) The Hub Performance	**Medium Priority**	31-Oct-2019	**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 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.	Head of Resources & Assets, DS	Ongoing until final accounts agreed by all parties.
Project Management BLH (3) Project Risk Management	**High Priority**	30-Nov-2019	**Finding** From a review of the project risk register audit found the following: • Risks were not being updated regularly, such that the risk scores did not change over a period of time; • Financial and time impact assessments were not recorded for all risks;	Head of Resources & Assets, DS	The Head of Resources and Assets provides some resilience as that officer also has extensive experience of the project and aided by the technical expertise

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			• Mitigating actions were not identified for some risks; • Risks identified were not being adequately managed with financial and time implications not being considered. For example; the weather was identified as a risk, however there was no evidence of further consideration for the potential time delays on the project, safety, financial implications, and damage to materials etc. In addition, Internal Audit noted that the Property Manager is key in overseeing the delivery of the project and holds significant knowledge and information about the project relating to all stakeholders. In the event of any unforeseen events that may render the Property Manager unavailable and unable to be on-site to oversee the project, there are currently no arrangements for an officer from the Fire Authority to provide that resilience. **Risk** Where risks are not effectively managed there is a risk that the Authority may have inappropriate actions to manage events that may occur, resulting in delays in the project, leading to financial and reputational damage. Furthermore, if key roles in the project are not adequately supported, there is a risk that vital project knowledge may be lost where resilience arrangements are not in place. **Action** The audit comments are primarily around construction risk and in view of progress to date these are becoming much less of an issue. However, what is emerging is occupation risk and these are currently a work in progress with a workplan being formulated and an initial 'kick off' meeting set for March 2019 to allocate roles and responsibilities. A separate risk register will be formulated for occupation issues as soon as possible. The construction risk register will remain in place as normal and it is agreed this should be reviewed to either remove or clearly show as completed any risks that have now passed. A lot of construction risk has genuinely not moved and whilst looking as if not updated, has been regularly reviewed at governance meetings. The Director of Finance made significant changes to the financial risks prior to the Executive meeting of September 2018. The Head of Resources and Assets (HR&A) will carry out a review of the construction risk register in conjunction with the HUB prior to the next governance meeting. The HR&A will also undertake to formulate a separate occupation risk register once the workgroups have been confirmed and lead officers agreed.		of the professional team could maintain the client role, reverting to full time as necessary. Further short term resource could also be brought in if required albeit at a cost. We are continuing to develop the occupation risk register. This will be monitored at the regular occupation group meetings, which also include representatives from TVP and SCAS. Although it is substantially complete as far as our occupation is concerned, we need to incorporate risks of other parties that may have an indirect impact on us. Due Date changed from 31 July 2019 to 30 November 2019.
Stores (1) Asset Review	**High Priority**	31-Dec-2019	**Finding** It was confirmed that in 14 out of the 20 cases the asset could not be identified in storage. In a further instance, although the asset was identified, it had not been tagged appropriately. **Risk** Where assets cannot be located, there is a risk that the asset is unaccounted for. This can result in the assets being mismanaged, which can lead to financial loss for the Fire Authority. **Action** Assets in storage will be reviewed on a quarterly basis to ensure the Asset Management records are complete.	Fleet Manager, JF	All equipment is now 'quarantined' until asset tagged and marked with Bucks Fire. Due to recent workload, the progress has been slower than originally anticipated. The expected completion will now be by the end of December. Due Date changed from 30 September 2019 to 31 December 2019.

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Stores (2) Asset Review	**High Priority**	31-Dec-2019	**Finding** Staff are required to undertake regular asset checks. The frequency of these inventory checks are dependent on the type of items, with this being determined by the PIT Number each asset is assigned. When the staff check the assets, a device would be used to scan the tag label of each asset to show that the asset has been located and checked. Once the staff have scanned the item, evidence of this scan is registered automatically on Red Kite. During these inventory checks the staff will declare if they have found the asset and if it is inadequate or faulty. A sample of ten items was selected randomly from the Red Kite system. These were tested to see if the items had been checked in accordance with the frequency required. In two cases the location of the items was not found and the item had not been checked as a result. **Risk** Where assets are not checked on a regular basis, there is a risk that faulty or inadequate items are being held and used by staff members. **Action** Inventory checks should be reviewed by the Asset Management Systems Officer. Where the inventory checks have not been undertaken on a consistent basis, this will be followed up with staff.	Fleet Manager, JF	FF Brown has been employed to complete asset testing and inventories on Redkite on a regular basis. Staff are now reporting any items they find that are missing asset tags. We are also marking items in permanent marker with the asset number as a backup so as to further identify items if the labels become damaged/lost. Due to recent workload, the progress has been slower than originally anticipated. The expected completion will now be by the end of December. Due Date changed from 30 September 2019 to 31 December 2019.
Stores (3) Asset Review	**Medium Priority**	31-Dec-2019	**Finding** A sample of 20 items were chosen from around the storage area to determine if the stock could be identified on the Asset Management System. From a sample of 20 items tested, in all cases the items selected from the stores were identified on Red Kite. However, in seven cases, the items were stated on Red Kite as being located elsewhere. **Risk** Where the records maintained on Red Kite are not up-to-date, there is a risk that the assets are not managed in the most efficient manner. **Action** Quarterly sample testing will be undertaken from the Asset Stores to the Red Kite System to ensure the records maintained on Red Kite are accurate.	Fleet Manager, JF	The recording of items being moved is now more robust. Staff must now complete a form with the asset number recorded and where the item is being moved to. Due to recent workload, the progress has been slower than originally anticipated. The expected completion will now be by the end of December. Due Date changed from 30 September 2019 to 31 December 2019.
Stores (6) Reconciliation between the Asset Management System and the General Ledger	**High Priority**	31-Mar-2020	**Finding** The Asset Management System (Red Kite) and General Ledger (Capita Integra) are currently not interfaced, though a high level reconciliation is undertaken at year-end. At the time of the audit we were not able to provide assurance that the values of assets recorded on Red Kite are the same as those maintained on the General Ledger. **Risk** Where the Asset Management and General Ledger systems are not reconciled on a	Director of Finance & Assets, MH	Whilst it is currently possible to obtain a report of stock purchases from the General Ledger there is no equivalent field in Redkite that would hold a purchase order number to facilitate an efficient

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			regular basis, there is a risk that the records maintained on the General Ledger do not accurately reflect the records maintained on Red Kite. This can result in incorrect financial decisions being made by the Fire Authority. **Action** The Finance Team will investigate the possibility of interfacing the Asset Management system records to the General Ledger. Reconciliations between the two systems will be performed on a quarterly basis.		reconciliation. We have placed a development request with Redkite to see if this is something that be added to the current version, or developed for a future upgrade. Due date changed from 30 September 2019 to 31 March 2020.
Stores (7) Policies and Procedures	**Low Priority**	31-Dec-2019	**Finding** A Red Kite Asset Management User Guide is in place. This is a guide for staff members on how to use the Asset Management Software. Review of the User Guide identified that there is no issue or review date to the guide. Therefore we were unable to confirm if the Red Kite Asset Management User Guide is being reviewed on a regular basis. **Risk** Where policies and procedures are not reviewed on a regular basis, there is a risk that staff are working with practices that are out-of-date. **Action** A review and issue date will be added to the User Guide.	Fleet Manager, JF	The Redkite Asset Management User Guide was reviewed by SC Tuffley in March 2019. Due to recent workload, the progress has been slower than originally anticipated. The expected completion will now be by the end of December. Due Date changed from 30 September 2019 to 31 December 2019.