



# Business Assurance and Risk Management

---

## HR People Management Audit Report - FINAL (Ref-22/03)

### **Auditors**

Maggie Gibb, Head of Business Assurance (and Chief Internal Auditor)

Selina Harlock, Audit Manager

Alex Prestridge, Senior Auditor

## **CONTENTS**

<b>Management Summary .....</b>	<b>3</b>
<b>Table 1: Overall Conclusion .....</b>	<b>4</b>
<b>Table 2: Detailed Audit Findings and Management Action Plan.....</b>	<b>11</b>
<b>Appendix 1: Definition of Conclusions .....</b>	<b>15</b>
<b>Appendix 2: Officers Interviewed .....</b>	<b>17</b>
<b>Appendix 3: Distribution List .....</b>	<b>18</b>

## Management Summary

### Introduction

The audit of HR People Management was undertaken as part of the 2021/22 Internal Audit plan, agreed by the Overview and Audit Committee. The audit was undertaken during quarter two of 2021/22.

The HR People Management Audit reviewed HR processes and controls, as well as people management processes in place more widely across the Fire Authority. A robust system of internal controls in these areas is vital to the achievement of the objectives set out in the Fire Authority's People Strategy for 2020-25, which aims to optimise all employees' contribution and wellbeing, and maintain a sustainable workforce.

### Audit Objective

Internal Audit's objectives for this audit were to provide an evaluation of, and an opinion on, the adequacy and effectiveness of the system of internal controls in place to manage and mitigate financial and non-financial risks to the system.

This serves as a contribution towards the overall opinion on the system of internal control that the Chief Internal Auditor is required to provide annually. It also provides assurance to the Section 112 Officer that financial affairs are being properly administered.

### Scope of work

The audit activity focussed on the following key risk areas identified in the processes relating to HR People Management:

- Policies and Procedures
- System Access, Data Security and Information Integrity
- Starters, Leavers and Movers
- Recruitment Management
- Compliance
- Performance and Monitoring

The audit considered the controls in place at the time of the audit only. Where appropriate, testing was undertaken using samples of transactions since the beginning of the current financial year.

**Table 1: Overall Conclusion**

<b>Overall conclusion on the system of internal control being maintained</b>	<b>Reasonable</b>
--	-------------------

<b>RISK AREAS</b>	<b>AREA CONCLUSION</b>	<b>No. of High Priority Management Actions</b>	<b>No. of Medium Priority Management Actions</b>	<b>No. of Low Priority Management Actions</b>
<b>Policies and Procedures</b>	<b>Substantial</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>System Access, Data Security and Information Integrity</b>	<b>Reasonable</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>Starters, Leavers and Movers</b>	<b>Reasonable</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Recruitment Management</b>	<b>Substantial</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Compliance</b>	<b>Substantial</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Performance and Monitoring</b>	<b>Reasonable</b>	<b>0</b>	<b>0</b>	<b>1</b>
		<b>0</b>	<b>3</b>	<b>2</b>

Appendix 1 provides a definition of the grading for each of the conclusions given.

## **Policies and Procedures**

HR policies and guidance notes are published on the People Service section of the Authority's Intranet. There are a total of 91 policies, procedures and guidance notes. All documents on the Intranet belonging to Human Resources and Organisational Development were updated within the last two years.

Process notes and user guides for key HR processes were obtained, including for the New Starters, Transfers and Leavers, Sickness Absence and iTrent Recruitment processes. However, discussion with the HR Operations Manager established that the documents obtained were still in draft format and being reviewed as they were new processes still in development. Completeness of the process notes will be reviewed as part of the HR and Payroll process review.

Training is provided on an ad-hoc basis by HR staff on the process for updating iTrent. Flowcharts and guidance notes on sickness absence reporting were reviewed and updated by HR. To coincide with, and to consult on, the updated HR processes, the HR Operations Manager visited Fire Stations to train employees and managers on using the iTrent self service module in training exercises held between November 2019 and March 2020, with HR continuing to support teams remotely from March 2020 onwards. Separate process notes were produced for Covid-19 related absences (and, which were found to be reviewed and consulted upon in line with changes to Government legislation and guidance.)

New and updated HR policies, procedures and guidance documents are subject to a corporate requirement for a 30-day consultation period for all policies prior to them being published, and additional consultation and governance where the specific process requires it. These are presented to the Joint Consultation Forum to launch the consultation and a weekly email is sent out to all BFRS employees by the Communications team notifying staff of any new documents and updates to existing documents.

## **System Access, Data Security and Information Integrity**

The HR personal data and permissions mapping document was reviewed, confirming that access to HR files and i-Trent (the HR system) is appropriate to the role of the employee and is reviewed periodically or when there is a change of personnel or processes. Users are removed in a timely manner when they change roles or leave the Authority's employment. The HR personal data and permissions mapping document includes an issue and action log around personal data and GDPR compliance for HR files, data processing and communications which was last updated in 2018 and lists 16 open actions. It was unclear if this document was superseded and if these actions were now closed or if they were still open as recorded.

The Human Resources risk register was last updated in April 2021 and includes five risks across the following areas: Legislative/Statutory, Data, Third Party Suppliers and HR Department. Actions are set out to address each of the risks. Discussion and review of calendars established that the HR risk register is reviewed and updated quarterly and appears as an agenda item in the monthly HR Manager's meeting. The risk register is presented to the Performance Monitoring Board and escalated to the corporate risk register as necessary. The Risk Management Policy doesn't specify how often Service Area risks should be reviewed, only that corporate risks are reviewed monthly by Senior Management Board.

A Human Resources Business Continuity Plan (BCP) is in place and was last updated in March 2020. The BCP covers critical HR processes, includes risks to recovery and names BCP roles. Whilst the BCP testing log is blank, parts of the BCP have been tested during the Covid-19 pandemic which affected BAU operations and there are specific points in the BCP that address pandemic risk. Further discussion with the Head of Human Resources established that the HR

BCP is held on Resilience Direct, the Authority's emergency planning system, maintained by the Station Commander Resilience and Business Continuity. As of the audit, the HR plan does not have detail of the tests in place, but these are due to be updated next time the plans are reviewed.

### **Starters, Leavers and Movers**

Before a recruitment process begins, a requisition to recruit to the position is raised in iTrent, with authorisation from Finance required when recruiting to a new role. After an employee has provided the required documentation, including references, any required qualifications and a completed DBS check, the HR team process them to ensure they are on the iTrent system ready to be paid. This can only be done during the payroll processing week which is from the 1st to the 8th of each month.

Examination of a sample of 20 employees who joined the Fire Authority's employment between January and July 2021 found:

- One case where the employee appeared to be an existing employee (with CCF) but was processed as a new starter. Discussion with the HR Officer - Recruitment and Operations established that the employee left, and HR was then informed late of them coming back. Discussion established that this should have been processed as a transfer, but they could not reinstate the employee on the system after being made a leaver, and they had to be input as a new starter.
- Two cases where the relevant departments were not informed about a new starter 48 hours before the start date. In both cases the signed contract and personal summary were received late from the employee. HR are not able to send a manual workflow out with enough notice without a signed contract confirming acceptance of employment.
- Two cases where the contract start date did not match the iTrent start date. Discussion established that, in both cases, an apprentice was dismissed, and the wrong start date given when they were reinstated after the disciplinary hearing. HR therefore had to input them as a new starter with a reckonable service date added to the system to show continuation of employment.
- Five cases where no references were provided. In seven further cases, only one reference was provided. Discussion noted that one was an apprentice, with apprentices only having one reference due to a lack of prior experience, and one was an agency employee for which a different process is in place that two were apprentices who will only have one reference. Three were On Call Firefighters for whom two references should be held on file in line with the New Starter Process Guide. Therefore, five of the seven cases were exceptions.
- Two cases where no medical questionnaire was held on file. Discussion established that these are usually collected by the Employee Relations team/Occupational Health as it is them who use this information and upload it to Orchid, the Occupational Health portal. However, the form should be downloaded from the portal and saved to the employee's PRF, in line with the New Starter Process Guide.
- One case where only the request to recruit, approval to recruit and ESS details received, with no contract, offer letter, checklist, references or proof of right to work provided.
- Two cases where the starter checklist was not fully completed. Discussion with the HR Officer established that this was due to references not having been received at the time they were processed on iTrent.

Whenever an employee is transferring from one position to another or taking on a secondary contract, change control forms should be sent to HR to confirm the details of the change and approval.

Examination of a sample of 20 employees whose information changed between January and July 2021 found:

- Six cases where the transfer was processed on iTrent retrospectively. Of these six:
  - In four cases the transfer request was received after the Payroll cut-off date. As HR are unable to process after the cut-off date until the system opens again, these four cases were not noted as exceptions.
  - In one case, processed in February 2021, the instruction was received on the effective date. In this case it was entered on iTrent four days later. Discussion with the Head of HR established that there were 45 changes to process that month, and that change control forms are often received in the first week of the month, with many effective from the 1st of the month.
  - In one case, for a change of job title, the instruction was received one month after the effective date and was processed on iTrent the day after it was received. This was not deemed to be an exception as it was processed by HR as soon as practicably possible.
- One case where the iTrent effective date does not match the Change Control Form. Follow-up discussion with HR established that this was a substantiation not a transfer. The original transfer workflow was attached to show when the employee originally went into the role. When a person is made permanent in role, there is no workflow initiated from the system.
- Two cases where there was no Change Control Form. Discussion established that these roles are both from a recruitment process. A Change Control Form is not a requirement for these as HR are involved in the interview processes and therefore know the details of the transfers. Some managers do provide Change Control Forms, but they are not required as approval is already received. There is another similar example where a Change Control Form was provided. Discussion with the Senior Administrator established that some operational roles have allowances that require the Appointments Board to provide additional approval on a change control form. However, where there are such variations in the process, they should be identified in the process notes.

Discussion established that Payroll receive the workflow email sent out by iTrent automatically once HR make the relevant changes in their screens.

The leaver process begins when a letter or email is received by HR confirming that the employee is leaving the organisation. When confirmation is received that an employee is leaving the organisation, an exit interview form is sent to them to capture their feedback. Once the required information is received, they should be processed to ensure they are made a leaver on the iTrent system to prevent them being overpaid. This can only be done during the payroll processing week which is from the 1st to the 8th of each month.

Examination of a sample of 20 employees who left the Fire Authority's employment between January 2021 and July 2021 found:

- In 19 cases the leaver was processed on iTrent in advance of the employee's last day worked and their iTrent access was removed on their last day worked. In one case the employee was processed as a Leaver on iTrent 13 days after the employee's last day worked, meaning they were not removed from iTrent prior to the last day worked. It was noted that this employee resigned with immediate effect, however this does not account for the 12 days that elapsed between HR being notified and the employee being processed as a leaver. Discussion with the HR Officer established that the delay was due to notification of the retirement being received six days after Payroll closed and that HR were not able to process anything that came after Payroll had closed on 8 February. Review of iTrent confirmed that the employee was paid according to the hours he worked and that there was no financial implication of the delay. Whilst this is not raised as a finding in this report, it is indicative of a process issue that will be examined in greater detail as part of the HR and Payroll process review.

- In all 20 cases, authorised confirmation that the employee was leaving was obtained.
- In 18 cases the annual leave allowance was confirmed by the employee's line manager, however this was not confirmed in two cases. In one case there was evidence that confirmation was sought from the manager but not received.
- In seven cases there was no evidence of an exit Interview. However, discussion with HR established that, whilst encouraged and followed up, these are completed voluntarily and are not compulsory.

Discussion with the Senior Administrator established that all DBS checks provided to BMKFA staff are enhanced checks. The DBS start date is generally in the middle of the new starter process as it is required in order to complete starter set up. Record of the DBS check is held on iTrent and there is an Update Service field to record the DBS expiry date and whether the DBS has been updated.

Examination of a sample of 20 new starters found 15 employees recruited to sensitive roles between January 2021 and July 2021. Of these 15 new starters, in all cases the DBS certificate was received prior to the employee's start date.

### **Recruitment Management**

A report of vacancies across the Fire Authority was obtained. These are reviewed quarterly by the Recruitment Oversight Board and on request by senior management. As of the audit there were 23 vacancies across the Fire Authority.

A report of new roles created between January 2021 and July 2021 was obtained. A total of 37 new roles were added over the six-month period.

Examination of a sample of ten new vacancies found that in all ten cases the new role was approved by the Director of Finance and Assets or an appropriate delegated officer in Finance either via a Business case or a growth bid and panel process. Of these ten, in three cases the new role was created for additional on-call firefighters. These were approved as part of Finance sign-off of a total of 11 new on-call posts in November 2020 and 12 new on-call posts in April 2021. As per the process, this was recorded on the authorisation to recruit screen for each of the new on-call firefighters.

The Terms of Reference for the Recruitment Oversight Board were obtained, confirming that it comprises of appropriate managers from Human Resources, Organisational Development and Finance. Review of agendas and minutes confirmed that updates to recruitment plans, budget and future direction were discussed. Discussion established that meetings were suspended between October 2020 and February 2021 due to the Covid-19 pandemic.

### **Compliance**

A record of known instances of non-compliance with HR policies is maintained and monitored by HR. This lists 11 instances occurring between August 2020 and May 2021, whether they were resolved as part of a formal or informal process and the outcome of this process as well as that of any appeal process that was triggered.

The Fire Authority monitors progress on implementing the Well-being Strategy and People Strategy, including reporting annual updates on the implementation of Equality, Diversity, and Inclusion objectives to Members.

Pay scales for managers and operational staff are set nationally by the National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services (NJC). A circular setting the rates of pay for Chief Fire Officers and other senior managers from July 2021 was obtained. Support Services pay is set locally and agreed from July every year. Pay scales are split into those for Operational staff and Support staff and these were last agreed and updated by the Fire Authority in July 2021.



Discussion with the Learning and Development Officer established that pay changes are no longer made through the appraisal process. The appraisal process consists of both full-year reviews and half-year reviews. A new appraisal form and process was developed in 2020 and fully implemented in 2021, meaning submissions for April 2021 were the first full-year appraisals in the new format. These are signed off electronically by the employee's line manager in the appraisal meeting and then electronically submitted to Organisational Development when the manager clicks 'submit' within the form.

Appraisal objectives and performance outcomes are then uploaded into iTrent by Organisational Development to populate certain fields. At the time of the audit the report to do this was still being built.

Training sessions were delivered to staff and line managers at Fire Stations and across the service on the new process in Spring/Summer 2020 with guidance notes for the Performance and Development Appraisal process updated, approved and published in November 2020.

Monthly reports are run from iTrent, from the date that the End of Year appraisal is due, to detect employees who haven't completed the appraisal on time. Emails are then sent to managers to obtain an updated on the status of the appraisal. A similar report is run for Objective Setting. Data is also obtained via Business Objects on Performance and Development portfolios, summarised in a dashboard and reported on to the Appointments Board. This includes data on performance as per the appraisals, types of objectives and appraisal completion rate. As of June 2021, 245 of the total 474 personnel employed by the Fire Service had not completed an appraisal. A sample of ten staff who had completed an appraisal in a timely manner, found that in all ten cases information had been entered correctly into iTrent using information from the e-form PDF.

We confirmed that a monthly report of absences across the Fire Service is run from iTrent by the Data Officer and reviewed by HR management and officers to ensure compliance against the absence management procedures. A separate report of the number of staff absent with Covid-19 is run from iTrent three times per week, which also includes data on the number of LFT and PCR tests taken. As of 21 July 2021, 10.13% of personnel were absent, with 0.42% confirmed to have Covid-19 and 3.80% self-isolating. Daily Covid-19 absence emails are received from the Resource Management Team listing all absences for operational staff recorded on Fire Service Rota. Evidence was obtained to show that a reconciliation of absences is carried out between iTrent and Fire Service Rota every Monday, Wednesday and Friday.

From discussion and review of personnel files, we confirmed that there is an adequate process in place whereby it is the manager's responsibility to confirm the IR35 status of contractors they take on, but HR carry out a check for any who are input into the iTrent system. At the time of the audit, there were no temporary employees to whom the IR35 rules apply.

## **Performance and Monitoring**

A Service Level Agreement (SLA) is in place for the HR Operations and Organisational Development service desks that includes delivery times for common requests and actions. Some operational targets are also set out in process notes. For example, relevant departments should be notified of a new starter at least 48 hours before the employee's start date, although there is no evidence to show that processing times are monitored periodically. Review of the FLEX system used to log tickets for the service desks found that reports can be run on the teams' performance responding to requests with delivery times measured by the system. However, these reports are not run periodically and discussion with the Head of Human Resources established that the service desk systems do not yet have enough data in them to establish performance trends. Human Resources and Operational Development staff are also subject to the organisation-wide End of Year appraisals and objective setting process which feeds into the Authority's performance framework.

Staffing budget forecasts are requested by Finance in line with the budget setting calendar. These are then approved on Integra. Monthly budget monitoring meetings take place between the Principal Accountant (Management Accounting) and the budget holder for each Service Area. As part of this, a salary calculator is completed for each team to calculate budget actuals.

**Table 2: Detailed Audit Findings and Management Action Plan**

Finding 1: Starters, Leavers and Movers – New starters	Risk Rating	Agreed Management Actions
<p>Required documentation should be received for new starters in a timely manner and is held on personnel files. This should include references, proof of right to work and relevant qualifications, new starter checklist, authorised contract and starter form.</p> <p>Examination of a sample of 20 new starters at the Fire Authority between January 2021 and July 2021 found:</p> <ul style="list-style-type: none"> <li>• One case where no contract, offer letter, checklist, references or ID were provided.</li> <li>• Five cases where no references were provided. In all five cases references were requested but either not received or not available on the personnel file as of the audit. In seven further cases, only one reference was provided. Discussion noted that one was an apprentice, with apprentices only having one reference due to a lack of prior experience, and one was an agency employee for which a different process is in place. Therefore, five of the seven cases were exceptions.</li> <li>• Two cases where no medical questionnaire was held on file.</li> <li>• Two cases where the starter checklist was not fully completed.</li> </ul> <p>If a starter checklist is not completed and held on the employee’s personnel file, and the required documentation is not received and reviewed, there is a risk that the new starter has not been correctly set up on iTrent and that the employee has not been adequately vetted. This will increase the risk of overpayments, underpayments and the risk that new starters are not suitable candidates for the role, leading to financial and reputational damage.</p>	<p><b>M</b></p>	<p><b>Action:</b></p> <p>HR to communicate to the organisation what is expected from them in order to process new starters according to the agreed process.</p> <p>HR to review the process notes and ensure completion of new starter checklist.</p> <p><b>Officers responsible:</b>              Head of Human Resources              Human Resources Operations Manager</p> <p><b>Date to be implemented by:</b>              31 March 2022</p>

Finding 2: System Access, Data Security and Information Integrity – BCP testing log blank	Risk Rating	Agreed Management Actions
<p>A Business Continuity Plan is in place for key HR People Management processes to ensure that in the event of an unexpected occurrence so that the Buckinghamshire Fire &amp; Rescue Service can maintain its obligation as a CAT1 responder.</p> <p>Whilst parts of the Business Continuity Plan (BCP) have been tested during the Covid-19 pandemic, which affected business as usual operations, and there are specific points in the BCP that address pandemic risk, the BCP testing log is blank meaning there is no record of a test having been carried out. There is also no detail of the tests in place for the HR BCP on the Authority’s Resilience Direct system but discussion with the Head of Human Resources established that these are due to be updated next time the plans are reviewed.</p> <p>If there is no record of the BCP having been tested, there is a risk that the business continuity processes for people management have not been adequately tested and that key organisational activities cannot be carried out should a risk event occur, leading to the Authority being unable maintain its obligation as a CAT1 responder.</p>	<b>M</b>	<p><b>Action:</b>                      Business continuity plan to be reviewed, updated and tested in line with organisational requirements.</p> <p><b>Officer responsible:</b>                      Head of Human Resources</p> <p><b>Date to be implemented by:</b>                      31 January 2022</p>
Finding 3: System Access, Data Security and Information Integrity – Open personal data actions	Risk Rating	Agreed Management Actions
<p>Personal data should be held in line with GDPR requirements to help ensure data security. Where actions have been identified, these should be reviewed, updated, addressed, and closed as appropriate with record of the actions kept up to date.</p> <p>The HR Personal data and permissions mapping document includes an issue and action log around personal data and GDPR compliance for HR files, data processing and communications which was last updated in 2018 and lists 16 open actions. Issues listed in the document, for which open actions were identified, include Privacy Notices not being GDPR compliant and issues around unauthorised access to information and inaccurate or duplicated data being held by HR. It was unclear if this document was superseded and if these actions were now closed or if they were still open as recorded.</p> <p>If progress on personal data actions is not updated and recorded appropriately and if the actions are not closed when completed, there is a risk that issues around personal data compliance have not been addressed, resulting in non-compliance with GDPR and putting the Fire Authority at risk of data breaches and penalties.</p>	<b>M</b>	<p><b>Action:</b>                      HR personal data and permissions mapping to be reviewed and actions closed or implemented as appropriate.</p> <p><b>Officer responsible:</b>                      Head of Human Resources</p> <p><b>Date to be implemented by:</b>                      31 March 2022</p>

Finding 4: Starters, Leavers and Movers – Changes	Risk Rating	Agreed Management Actions
<p>Changes should be processed accurately and in a timely manner on the HR system and personnel files, following approval from the appropriate line manager. This includes all changes to employee details, including changes of position.</p> <p>Examination of a sample of 20 employees whose information changed between January and July 2021 found:</p> <ul style="list-style-type: none"> <li>In one case, the instruction to make the change was received on the effective date. In this case it was entered on iTrent four days later. Whilst the other five changes applied retrospectively were deemed to be outside the control of HR, in this case HR was deemed to be partially responsible for the delay.</li> <li>Two cases where there was no Change Control Form. Discussion established that these roles were both from a recruitment process. A Change Control Form is not a requirement for these as HR are involved in the interview processes and therefore know the details of the transfers. Some managers do provide Change Control Forms, but they are not required as approval is already received. However, there is another similar example where a Change Control Form was provided. Discussion with the Senior Administrator established that some operational roles have allowances that require the Appointments Board to provide additional approval on a change control form. However, where there are such variations in the process, they should be identified in the process notes.</li> </ul> <p>If changes are not processed accurately, in a timely manner and with the correct documentation, there is a risk that the 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.</p>	<p><b>L</b></p>	<p><b>Action:</b></p> <p>HR to communicate to the organisation what is expected from them in order to process changes according to the agreed process.</p> <p>HR to review the process notes and conclude the new change control form consultation and relaunch the form.</p> <p><b>Officers responsible:</b>                      Head of Human Resources                      Human Resources Operations Manager</p> <p><b>Date to be implemented by:</b>                      31 March 2022</p>

Finding 5: Performance and Monitoring – Monitoring of performance indicators	Risk Rating	Agreed Management Actions
<p>Management should consider identifying key performance indicators that measure the team’s service delivery, especially focussed on tasks that require timely responses due to their impact on payroll and the wider organisation. Performance measures should be monitored and reported on periodically with instances of poor performance highlighted with appropriate corrective action identified.</p> <p>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.</p> <p>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.</p>	<p><b>L</b></p>	<p><b>Action:</b></p> <p>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.</p> <p><b>Officers responsible:</b>                      Head of Human Resources                      Human Resources Operations Manager</p> <p><b>Date to be implemented by:</b>                      31 May 2022</p>

## Appendix 1: Definition of Conclusions

### Key for the Overall Conclusion:

Below are the definitions for the overall conclusion on the system of internal control being maintained.

	Definition	Rating Reason
<b>Substantial</b>	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	<p>The controls tested are being consistently applied and risks are being effectively managed.</p> <p>Actions are of an advisory nature in context of the systems, operating controls and management of risks. Some medium priority matters may also be present.</p>
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	<p>Generally good systems of internal control are found to be in place but there are some areas where controls are not effectively applied and/or not sufficiently developed.</p> <p>Majority of actions are of medium priority but some high priority actions may be present.</p>
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	<p>There is an inadequate level of internal control in place and/or controls are not being operated effectively and consistently.</p> <p>Actions may include high and medium priority matters to be addressed.</p>
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	<p>The internal control is generally weak/does not exist. Significant non-compliance with basic controls which leaves the system open to error and/or abuse.</p> <p>Actions will include high priority matters to be actioned. Some medium priority matters may also be present.</p>

Management actions have been agreed to address control weakness identified during the exit meeting and agreement of the Internal Audit report. All management actions will be entered onto the Pentana Performance Management System and progress in implementing these actions will be tracked and reported to the Strategic Management Board and the Overview & Audit Committee.

We categorise our management actions according to their level of priority:

Action Priority	Definition
High (H)	Action is considered essential to ensure that the organisation is not exposed to an unacceptable level of risk.
Medium (M)	Action is considered necessary to avoid exposing the organisation to significant risk.
Low (L)	Action is advised to enhance the system of control and avoid any minor risk exposure to the organisation.



## Appendix 2: Officers Interviewed

The following staff contributed to the outcome of the audit:

**Name:**

Anne Stunell  
Carly Humphrey  
Victoria Peck  
Noma Magutshwa  
Taria Williams  
Fran Hale

**Title:**

Head of Human Resources  
HR Operations Manager  
Learning & Development Officer  
HR Officer - Recruitment and Operations  
Senior Administrator Human Resources  
Senior Administrator - Recruitment & Operations

The Exit Meeting was attended by:

**Name:**

Anne Stunell  
Carly Humphrey

**Title:**

Head of Human Resources  
HR Operations Manager

The auditors are grateful for the cooperation and assistance provided from all the management and staff who were involved in the audit. We would like to take this opportunity to thank them for their participation.

## Appendix 3: Distribution List

### Draft Report:

Mark Hemming  
Anne Stunell  
Carly Humphrey  
Victoria Peck

Director of Finance and Assets  
Head of Human Resources  
HR Operations Manager  
Learning & Development Officer

### Final Report as above plus:

Jason Thelwell  
Ernst and Young

Chief Fire Officer  
External Audit

### Audit Control:

Closing Meeting  
Draft Report  
Management Responses  
Final Report  
Audit File Ref

5 August 2021  
21 October 2021  
10 December 2021  
17 December 2021  
22-03

## Disclaimer

Any matters arising as a result of the audit are only those, which have been identified during the course of the work undertaken and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that could be made.

It is emphasised that the responsibility for the maintenance of a sound system of management control rests with management and that the work performed by Internal Audit Services on the internal control system should not be relied upon to identify all system weaknesses that may exist. However, audit procedures are designed so that any material weaknesses in management control have a reasonable chance of discovery. Effective implementation of management actions is important for the maintenance of a reliable management control system.

### Contact Persons

Maggie Gibb, Head of Business Assurance

Phone: 01296 387327

Email: [maggie.gibb@buckinghamshire.gov.uk](mailto:maggie.gibb@buckinghamshire.gov.uk)

Selina Harlock, Audit Manager

Phone: 01296 383717

Email: [selina.harlock@buckinghamshire.gov.uk](mailto:selina.harlock@buckinghamshire.gov.uk)