

Internal Audit Report

Partnership Working Review

Report status	Final
Report date	May 2013
Financial Period	2012/13
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Executive Summary

Objective of the audit

The overall objective of the audit was to ensure that effective management arrangements and underlying systems are in place that support the achievement of the intended outcomes of the partnership set up to roll out sprinkler systems to risk assessed properties. The specific objectives of the review were to:

- Ensure that there is a formally documented, approved and up to date partnership agreement that clearly sets out the aims and objectives of the partnership initiative, who the key partners are and their respective roles and responsibilities;
- Assess the effectiveness of accountability arrangements, dispute resolution procedures, change management processes (to the original agreement) and scrutiny and approval processes (over decision making, commitment of resources, ratification procedures for decisions taken);
- Evaluate the effectiveness of the performance management system in allowing success of the partnership aims to be gauged; and in triggering remedial plans when slippages against targets are identified;
- Determine the extent to which end user experiences are gathered, collated and analysed in informing future decisions and plans; and
- Establish how the Service links the outcomes of the partnership work to its longer term Strategic Plan objectives and risks set out in the Integrated Risk Management Plan (“IRMP”); and how lessons learned from the sprinkler system partnership is used to assist the development of other partnership arrangements.

Key background information

In August 2012 the Fire Service entered into a pilot partnership agreement to manage and evaluate a specific Hull based community fund for the provision of sprinkler intervention systems to the people most vulnerable to death or serious injury from accidental dwelling fire. Partners in the agreement include Hull City Council, the Hull Safeguarding Adults Board, Hull Age UK, Hull NHS Trust, Hull City Safe and KC (a communications and technology business). The pilot ended in February 2013 and is currently being reviewed by the key partners to determine the role of the partnership going forward.

The role of the Fire Service in the partnership was to procure the sprinkler systems and manage the budget. The Fire Service also provided training to partners and assessed cases against the criteria to determine whether a sprinkler system should be installed or not. The role of the partners was to primarily make referrals to the Fire Service on cases where they believe a sprinkler system should be installed.

The Fire Service contributed £10,000 to the pilot fund for the project. Other finance contributors were Hull City Council Adult Social Care (£7,500), Hull City Council Housing (£3,000), Hull NHS Trust (£3,000) and Hull City Safe (£250).

Our Opinion

Based on the work undertaken we can give an ADEQUATE assurance on the level of control in place to manage the risks associated with the key systems and process.

- Discussions with key partners identified that they are allowed opportunities to express their personal views and that the Partnerships Officer is contactable should the need arise.

Our opinion has been informed by the following key findings:

Weaknesses in controls:




- The risk register for the partnership agreement does not specify the risk owner for each of the risks. Additionally, there are no comments on the effectiveness of any actions taken or any residual risks still apparent; and
- There is no formal criteria included within the agreement to measure the success of the partnership.



Areas of good practice:

- A formal partnership agreement has been documented and signed up to by each of the partners involved in the pilot project. The agreement clearly sets out each party's responsibilities, the objectives of the project and the term of the agreement;
- A Management Group has, been set up to oversee the project and comprises the key partners, a terms of reference has been documented and agreed by the group;
- Discussions with the key partners identified that the partnership is working effectively and accountability arrangements are clear. The Partnerships Officer at the Fire Service coordinates activities and facilitates communication between partners;
- Although there are no formal performance targets included within the partnership agreement discussions with the key partners identified that the referral process and installation of the sprinkler systems is both efficient and effective. There has not yet been a requirement to instigate remedial action plans to address weaknesses in performance;
- In addition to the Management Group, a Working Group has also been formed made up of key partners and whose role is to manage the operational aspects of the partnership. This group acts as a forum for partners to discuss any current issues; and

Action Plan

Explanation of priority ratings:

Priority	Explanation
	<p>High:</p> <p>Action that is considered imperative to ensure that the Fire Service is not exposed to high risks. Major adverse impact on achievement of Fire Service's objectives if not adequately addressed.</p>
	<p>Medium:</p> <p>Action that is considered necessary to avoid exposing the Fire Service to significant risks.</p>
	<p>Low:</p> <p>Action that is considered desirable and should result in enhanced control or better value for money. Minimal adverse impact on achievement of the Fire Services objectives if not adequately addressed.</p>

Finding	Risk	Recommended Action	Priority	Management Action
Risk Register				
1. The risk register for the partnership agreement does not specify the risk owner for each of the risks. Additionally, there are no comments on the effectiveness of any actions taken or any residual risks still apparent.	Risks may not be sufficiently addressed. Where the effectiveness of action taken to treat risks is not measured, the partnership may still be vulnerable to unidentified residual risks.	The risk register should be fully completed to include risk owners and also the outcome of actions taken, including any residual risks to be considered.		<i>Agreed: The risk owners will be identified. The risk score recorded on the register is the score for the residual risk following mitigation being put in place. However if, as a result of the post pilot review, there is a decision to continue with the partnership the register will be reviewed at that stage and any significant outcomes recorded on the register. Responsibility: Partnerships Officer Target date: 31st July 2013</i>
Measuring Success				
2. Discussion with key partners identified that there have not been as many of the sprinkler systems installed as anticipated at the outset. Additionally, there is no formal criteria included within the agreement to measure the success of the partnership.	The partnership may not be fulfilling its potential. Opportunities to target other vulnerable groups may be missed.	Consideration should be given to including a more formal set of success targets for the project, and also to widening the scope beyond vulnerable adults (e.g. to include offenders at risk).		<i>Agreed: The partnership is being reviewed following the pilot and if there is a decision to continue the partnership then a formal set of success targets will be developed, any widening of scope will be considered at that stage. Responsibility: SM Askew (Hull CPU) Target date: 31st July</i>



Appendix A – Definition of assurance opinions

Level of Assurance	Definition
Substantial	There is a sound system of internal control designed to achieve the system objectives.
Adequate	While there is a basically sound system of internal control designed, there are weaknesses, which put some of the system objectives at risk.
Limited	Weaknesses in the design of the system of internal controls are such as to put the system objectives at risk.
None	Control design is generally weak leaving the system open to significant error or abuse.



The matters raised in this report are only those that came to our attention during the course of the audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or of all the improvements that may be required.

Whilst every care has been taken to ensure that the information in this report is as accurate as possible, it is based on the information provided and documents reviewed. No complete guarantee or warranty can be given with regard to the advice and information contained within the report. We emphasise that the responsibility to implement a sound system of internal controls rests with management and that our work should not be taken as a substitute for this responsibility. Our work has been considered to identify material irregularity which has a reasonable possibility of discovery, however, this does not provide absolute assurance that material error, loss or fraud do not exist.

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