

REPORT OF THE CHIEF FIRE OFFICER

PROGRESS AGAINST THE STATEMENT ON INTERNAL CONTROL IMPROVEMENT PLAN 2006/07

1 Purpose of Report

This report informs Members of the progress being made against the Fire Authority's Statement on Internal Control Improvement Plan 2006/07.

2 Recommendations

Members are asked to note the contents of this report

3 Background

At a meeting of the Fire Authority, which took place on 14 June 2006, the Chair, Chief Fire Officer and Treasurer signed off the Fire Authority's Statement on Internal Control (SIC), for inclusion in the Final Accounts Statement for 2005/06. The purpose of the SIC is for the Authority to state how effectively its system of internal control has operated over the period covered by the Statement. During the process used to develop the SIC, areas for improvement within the system were identified and a plan was created to ensure these improvements are effectively implemented. The action plan was published at the same time as the SIC and is called the SIC Improvement Plan 2006/07.

4 Progress Summary

Progress made towards the objectives specified in the SIC Improvement Plan is largely on target, with only one 'Improvement' needing additional work that requires an extension to the original planned completion date. Details about this exception are included in the section 5 of this report.



The Appendix to this report provides further details about the progress being made against all aspects of the SIC Improvement Plan.

5 Departmental Risk Registers

SIC Improvement Reference Number 4.2 requires that:

“Departmental Risk Registers will be created in collaboration with Heads of Departments”.

Departmental Risk Registers (DRR) are a relatively new concept for many public service bodies, including all Fire Authorities, and much discussion is ongoing within risk management circles as to how they can be implemented in a way that brings real benefit to organisations, rather than simply being another bureaucratic process.

The original target date for completion of this work was set as July 2006. A draft version of an electronic DRR was created by the Risk Manager for the July deadline; however, following consultation with several Department Heads it was felt that it should be modified to make it more user-friendly. Due to various other priority works taking precedence over the intervening period, the Risk Manager has not been able to advance this work and has, therefore, asked Policy Group for permission to extend the original target completion date to April 2007. Completion by this new target date would still ensure the work is completed within the timeframe of the current SIC Improvement Plan.

6 Financial Implications

There are no direct financial implications arising from this report.

7 Legal Implications

The SIC is a legal requirement under the Code of Practice on Local Authority Accounting in the United Kingdom and must be included in the Fire Authority's Annual Statement of Accounts.

8 Appendix

SIC Improvement Plan Progress Summary Report

9 Background Papers

Shropshire and Wrekin Fire Authority, 14 June 2006, report 14, Final Accounts 2004/05 and minutes

Audit and Performance Management Committee, 7 September 2006, Report 15, Progress against the Statement on Internal Control Improvement Plan 2006/07 and minutes



Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balance Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity	*	Member Involvement	
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Equality and Diversity		Retained	
Efficiency Savings		Risk and Insurance	*
Environmental		Staff	
Financial		Strategic Planning	
Fire Control/Fire Link		West Midlands Regional Management Board	

For further information about this report please contact Alan Taylor, Chief Fire Officer, on 01743 260201 or Andy Johnson, Head of Risk Management, on 01743 260287.



Area of review	IRN	Improvement required	Responsible Officer	Target date	
1. Corporate Objectives	1.1	A review of the current consultation processes will be conducted to ensure that external stakeholders are given appropriate opportunity to comment on the Authority's Corporate Aims and Objectives.	Ged Edwards	April 2007	<ul style="list-style-type: none"> • Not yet started.
2. Corporate Governance	2.1	Awareness of the Authority's Code of Corporate Governance will be increased amongst staff.	Sharon Lloyd	Ongoing	<ul style="list-style-type: none"> • The revised Code of Corporate Governance (2006) was taken to Policy Group in May, when it was agreed that it would be raised at Watch Briefings and departmental team briefings. • Item has also been put in the Brigade's weekly newsletter (the PINK).
	2.2	The Authority's partnership procedures will be further embedded.	Ged Edwards	April 2007	<ul style="list-style-type: none"> • This work is ongoing, with additional awareness raising of the Authority's updated Partnership risk assessment requirements being undertaken with all appropriate officers. • The Partnership Group is now meeting on a regular basis • This work stream is complete
3. Performance Management	3.1	The Authority's performance management policies will be reviewed to ensure they meet the needs of the Authority.	Ged Edwards	December 2006	<ul style="list-style-type: none"> • Although the initial thought on this issue was that a Brigade Order would be required, the review has indicated that the Authority's Policy on Performance Management is adequately defined within the Authority's Performance Plan and that a separate Brigade Order would be superfluous and would, very quickly, become out of date as the Service looks to improve this area year on year. • This work stream is complete. • On a related issue, the Programme Office is now co-ordinating the project, looking into the need for the Service to upgrade its Performance Management Systems. This work is ongoing, with final decisions on the way forward likely by April 2007.



Area of review	IRN	Improvement required	Responsible Officer	Target date	
3. Performance Management (cont.)	3.2	The IT Strategy is to be reviewed to ensure it meets the requirements of Fire Service National Framework document and other local and national requirements.	Glyn Williams	April 2007	<ul style="list-style-type: none"> The Brigade Order has been reviewed, amended and published. This work stream is complete
4. Risk Management	4.1	The Risk Management Protocol document will be reviewed to ensure it meets the requirements of the Authority's maturing risk management procedures.	Andy Johnson	July 2006	<ul style="list-style-type: none"> The Brigade Order has been reviewed and amended and is currently going through the consultation and dissemination process.
	4.2	Departmental Risk Registers will be created in collaboration with Heads of Departments	Andy Johnson/ Heads of Departments	July 2006 April 2007	<ul style="list-style-type: none"> All Departmental Business Plans include a section highlighting the risks to which that Plan is exposed and the control measures in place to limit those risks. Discussions were held with various Heads of Departments in July 2006, which sought their views on the initial draft electronic Departmental Risk Register created by the Risk Manager. In response to this feedback, the Risk Manager is undertaking further development work on these risk registers that will ensure it is in a format that is better able to support managers, rather than hinder them, in their day- to-day role. Completion of this work stream has, therefore, extended beyond the initial target date of July 2006. Policy Group has been asked to consider approving April 2007 as the new target date for implementation of an appropriate Departmental risk monitoring system.
	4.3	All relevant staff will receive appropriate training in risk management.	Andy Johnson	Ongoing	<ul style="list-style-type: none"> Policy Group Members and Chair of Audit and Performance Management Committee received training at the end of March Fire Authority training session held during the Annual Meeting in July. The Treasurer, Corporate Services Manager and Risk/Audit Member Champion attended a training seminar held by Marsh Ltd in Cardiff in October.



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4. Risk Management (cont.)	4.4	Additional information on risk identification in Partnership working will be included in Partnership Procedures.	Andy Johnson/ Ged Edwards	July 2006	<ul style="list-style-type: none"> The Brigade Order has been reviewed, amended and published. This work stream is complete
	4.5	A Risk Management newsletter will be developed to raise awareness amongst all staff about risk management issues.	Risk Management Group	December 2006	<ul style="list-style-type: none"> A leaflet has been developed, in collaboration with Telford and Wrekin Council, which summarises the Authority's Corporate Risk Management processes for Managers in the Service This will be disseminated along with the first of regular updates on Risk Management, in the Service's newsletter (the PINK), during December
	4.6	The ongoing work to integrate the Authority's risk management processes with its budgetary reserves planning processes will be completed.	Andy Johnson/ Joanne Coadey	February 2007	<ul style="list-style-type: none"> Information on the potential financial impact of the various corporate risks, to which the Authority is exposed, has been included within the Budgetary Reserves calculation. This liaison will form an integral part of the Authority's annual Budget Planning Process. This work stream is complete
	4.7	Use of the Corporate Risk Register to capture and manage 'opportunities' will be further explored.	Andy Johnson	April 2007	<ul style="list-style-type: none"> Risk Register now contains three 'opportunities'. The inclusion of 'Opportunities' within Risk Register has been assessed by both Internal and External Audit and is considered appropriate. This work stream is complete
5. Anti-Fraud and Corruption Policy	5.1	Awareness of the Authority's Anti-Fraud and Corruption policies will be increased amongst staff.	Joanne Coadey	Ongoing	<ul style="list-style-type: none"> Strategy circulated to all staff via the PINK on 21 July 2006
6. Code of Conduct	6.1	Code of Conduct will be developed for all staff.	Lisa Vickers	July 2006	<ul style="list-style-type: none"> Brigade Order has been written and published This work stream is complete
	6.2	A Staff Handbook will be developed	Lisa Vickers	April 2007	<ul style="list-style-type: none"> Not yet started The Human Resources Department is looking at the costs involved in outsourcing this work, in order to overcome capacity issues within the Department.



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7. Business Continuity	7.1	The Authority's Business Continuity Plan will be approved by the Authority.	Andy Johnson	July 2006	<ul style="list-style-type: none"> Authority's first Business Continuity Plan was approved by Policy Group in August and is now being published. Initial testing of the Authority's Business Continuity Plan likely to be conducted in January 2007.
	7.2	The resilience of the information and communication technology back-up arrangements will be improved, including meeting the level of departmental business continuity requirements that is commensurate with the level of resources and finances made available.	Glyn Williams	December 2006	<ul style="list-style-type: none"> The Head of Information Technology and Communication is in liaison with an external company looking at improving Telford site domain issues. This should help to overcome performance issues between the Shrewsbury servers and Telford Central. This work also forms the first step towards the development of a mirror site at Telford. Costings for the Telford mirror site are being explored with suppliers and will be implemented when full agreement has been reached. The outcomes from the first test of the Authority's Business Continuity Plan, will feed into this work.
8. Assurance Framework	8.1	The various methods used to provide assurance in the Authority will be reviewed and an overarching assurance framework will be developed.	Risk Management Group	July 2006	<ul style="list-style-type: none"> A review of the assurance gathering process, used within the Statement on Internal Control (SIC) process, has been conducted by the Head of Risk Management and Treasurer. Recommendations for change were approved by Policy Group in September The revised SIC Assurance Gathering Process will be implemented in February/March 2007.
9. Statement on Internal Control Improvement Plan	9.1	This Improvement Plan will be implemented and monitored, with progress being regularly reported to Policy Group and the Audit and Performance Management Committee.	Risk Management Group	Ongoing	<ul style="list-style-type: none"> Report to Policy Group – August 2006 Report to Audit and Performance Management Committee – September 2006 Report to Policy Group – December 2006

