

# Integrated Strategic Planning Process – Service, Financial and Improvement Planning

## Report of the Chief Fire Officer

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### 1 Purpose of Report

This report outlines how the Service proposes to further integrate the Strategic Planning Process in order to align Service, Budget and Improvement Planning. The outcome of the proposals set out hereto will be two overarching integrated strategic documents – a *forward* looking ‘Corporate Plan’ and a *backward* facing performance report - ‘Annual Report.’

### 2 Recommendations

The Committee is asked to

- a) Approve the further alignment of the Strategic Planning Process; and
- b) Recognise the interdependencies behind Service, Budget and Improvement Planning.

### 3 Background

The current Strategic Planning Process is built around a number of dependencies and milestones which overlap into several areas including financial planning, performance planning, partnership planning and Integrated Risk Management Planning (IRMP).

The main outcomes of the process involve the production of a number of plans and documents including three year budgets, the Authority’s Performance Plan, Directorate/Departmental Business Plans, the Medium Term Financial Plan (MTFP), the provision of the Service budget and the IRMP action plan.



Over the last two years officers have been constantly building upon, and steadily improving the Strategic Planning process, in order to demonstrate a more joined up approach to the whole issue of planning. This has resulted in the Audit Commission Use of Resources 2006 Judgement:

*“The Authority’s performance plan (that sets out its aims and objectives) is linked to its departmental business plans and financial planning and management. Budgets and the capital programme are based on robust medium-term financial projections and risk assessments”*

This process of aligning plans has at times been quite challenging due to internal and external factors and deadlines placed upon the Authority. These include, to name but a few, the requirement to endorse the IRMP action plan in December, publish the Performance Plan by the end of June, agree the budget precept in February and identify improvement priorities following the performance framework results in March.

As well as the above deadlines the Strategic Planning Process for 2008/09 has two additional key factors to consider. The first being the publication of the National Framework Document 2008/10 which is scheduled to come into force on 1 April 2008. The second factor is the announcement of the Comprehensive Spending Review which will determine the level of revenue support grant up to 2010/2011.

With this in mind officers have started to consider how the planning process can be developed and further improved to better reflect the Authority’s priorities, whilst further aligning the Performance Plan, IRMP and Budget Planning.

This report informs Members of how the key elements of the process fit together and the impact this creates on the Service’s Integrated Strategic Planning Process. The proposals set herewith were recently presented to the Authority’s Budget Working Group (30 August 2007).

## **4 Service Planning**

Traditionally Policy Group has started its Service planning workshops in January/February to determine overarching priorities which are then incorporated into the annual Performance Plan. However it is now proposed that this workshop is brought forward to December with a view to having a draft Corporate Plan prepared by early February.

This will have three distinct advantages. The first is the Corporate Plan will have closer alignment to the budget planning cycle which culminates with the Fire Authority agreeing the precept in February. Secondly it will allow closer alignment with the IRMP process which commences its consultation process in August and completes in November followed by the publication of the Authority’s proposals in December and endorsed in February. Finally it will allow Officers the ability to develop their Departmental/Directorate Business



Plans prior to 1 April 2008 in the knowledge that their plans dovetail in with the overarching Corporate Plan.

Following the publication of the Corporate Plan in April work will begin in order to produce an Annual Report (backward facing performance report) which will include outturn on previous year's performance, the annual efficiency statement, statement of internal control, final close down of accounts and a statement on the previous year's IRMP.

In conclusion the Authority will publish a forward looking planning document (what we intend to deliver) in April and publish a report on progress of the previous year (what we achieved) in June. It is envisaged that these two documents will pull together all the various elements of the strategic planning process and further strengthen the work undertaken to date.

## **5 Financial Planning**

Financial planning each year centres around preparing three year revenue and capital budgets, leading in February to the fixing of the precept for the year ahead, and budgets for the two following years.

The process for budget planning is agreed in detail each year but must be lead by service planning, the IRMP and the level of the potential precept.

To be effective, strategic planning must ensure that service plans, the IRMP and partnership plans are all consistent with the budgets as agreed each February. This will also allow the MTFP to be prepared in the same consistent way.

In the period April to June the accounts for the year are produced, both in statutory form and also in a more reader-friendly version. This latter version is currently posted on the web-site and can be incorporated into the Annual Report.

## **6 Improvement Planning**

Improvement planning covers two key areas:

- Improvements to the Service identified through IRMP;
- Improvements to the Service identified by the Audit Commission.

There are three primary milestones surrounding IRMP, firstly the production of the IRMP action plan in December, the second is the endorsement of the financial implications surrounding the plan in February and the third is the publication of the action plan in April.

The major milestone relating to the Performance Framework Assessments undertaken by the Audit Commission is the publication of the performance framework results in March. These results help inform the Service of areas of focus for the following year's improvement priorities.



These milestones are included within the supporting appendices of this document and impact on the structure of the Strategic Planning Process.

## **7 Summary**

This report sets out proposals to integrate and align the Authority's and Service's various planning regimes into one Integrated Strategic Planning Process. The outcome of the proposals set out will deliver two overarching integrated strategic documents – a *forward* looking 'Corporate Plan' and a *backward* facing performance report - 'Annual Report.' The existing statutory requirements to prepare and publish an annual report will be accommodated within these two strategic documents.

## **8 Financial Implications**

There are no financial implications arising directly from this report.

## **9 Legal Comment**

There are no legal implications arising directly from this report.

## **10 Equality Impact Assessment**

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have decided that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

## **11 Appendices**

**Appendix A** Strategic Planning Timetable

**Appendix B** Strategic Planning Gantt Chart

**Appendix C** Strategic Planning Gantt with dependencies

## **12 Background Papers**

Shropshire and Wrekin Fire Authority, Strategy and Resources Committee, 24 May 2007, Paper 5 – Service and Budget Planning

Shropshire Fire and Rescue Service, Policy Group, 1 August 2007, Paper 7 – Integrated Strategic Planning Process



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	
Efficiency Savings		Retained	
Environmental		Risk and Insurance	
Financial	*	Staff	
Fire Control/Fire Link	*	Strategic Planning	*
Information Communications and Technology		West Midlands Regional Management Board	
Freedom of Information /Data Protection / Environmental Information		Equality Impact Assessment	



## Strategic Planning Process

Month	Service Planning	Financial Planning	Improvement Planning	
			IRMP	Audit
August	1 <sup>st</sup> PG receive presentation on MTFP and what if scenarios	<b>30<sup>th</sup> Present budget background papers including service developments and reductions - (BWG)</b>	Consultation	Prepare for UOR/DOT
September	3 <sup>rd</sup> Partnership Assessment Group considers budget requirements for Brigade's partnerships.  <b>12<sup>th</sup> CFO presents to PG and seeks feedback on potential growth items, efficiencies and reductions.</b>  <b>20<sup>th</sup> S&amp;R receive report on Budget requirements for partnerships</b>  Officers consider requirements on growth, efficiency and reductions	<b>20<sup>th</sup> S&amp;R receive report on Budget planning issues</b>  PG and BWG develop budget proposals	Consultation	10 <sup>th</sup> Self Assessment to AC  UOR Audit
October	Officers prepare requirements on growth, efficiency and reductions  <b>Draft National Framework released</b>  <b>30<sup>th</sup> Deadline for Officers plans.</b>	<b>17<sup>th</sup> CFA considers S&amp;R budget policy</b>	Consultation	1 <sup>st</sup> DOT Audit

Month	Service Planning	Financial Planning	Improvement Planning	
			IRMP	Audit
November	Assess all requirements for growth, efficiency and reductions for consideration S&R on the 15 <sup>th</sup>	<p><b>15<sup>th</sup> S&amp;R receive report on detailed budget, including IRMP proposals.</b></p> <p><b>CSR07</b></p> <p>Consultation on Grant settlement</p>	<p><b>12<sup>th</sup> Complete consultation</b></p> <p>Develop IRMP following consultation</p> <p><b>29<sup>th</sup> Present findings to IRMP MWG</b></p>	
December	Strategic Planning Workshop	<p>BWG to consider budget spend and grant settlement.</p> <p><b>19<sup>th</sup> CFA agree spending package, potential precept and three year budgets.</b></p> <p>Consultation on budget</p>	<b>19<sup>th</sup> CFA agree IRMP</b>	
January	<p>Draft Corporate Plan produced</p> <p>Develop Directorate/Departmental plans</p>	<p>Consultation on budget</p> <p>PG &amp; BWG consider likely budget issues</p> <p><b>24<sup>th</sup> S&amp;R finalise budget proposal</b></p>		
February	<p>Workshop to refine Corporate Plan and set performance targets</p> <p>Develop Directorate/Departmental plans</p> <p>Plans and Budgets confirmed with Partners</p>	<b>13<sup>th</sup> CFA agree precept</b>	<b>13<sup>th</sup> CFA endorse major financial implications surrounding IRMP</b>	

Month	Service Planning	Financial Planning	Improvement Planning	
			IRMP	Audit
March	<b>6<sup>th</sup> S&amp;R agree performance targets</b>  Refine Corporate Plan  Refine Directorate/Departmental plans  <b>31<sup>st</sup> Performance summary released</b>	Draft MTFP  Produce Budget Booklet	Develop IRMP implementation plan	Performance framework results  <b>27<sup>th</sup> APMC receive annual audit &amp; inspection letter (Includes report on internal audit).</b>
April	<b>1<sup>st</sup> Corporate/Directorate &amp; Departmental plans come into effect</b>  Outturn performance information on previous year  Develop Annual Report		<b>1<sup>st</sup> IRMP Action Plan published</b>	Prepare for UOR/DOT
May	Develop Annual Report	<b>22 S&amp;R finalise proposals for 2009/10 budget process.</b>  Member conference to consider final accounts and amendments to MTFP.	IRMP MWG recommend actions for Next years Plan	Prepare for UOR/DOT
June	<b>11<sup>th</sup> CFA agree Annual Report including final accounts</b>  <b>30<sup>th</sup> Release Annual Report</b>	<b>11<sup>th</sup> CFA agree final accounts and final amendments to MTFP</b>	<b>11<sup>th</sup> Update on previous years action plan</b>	Prepare for UOR/DOT
July		<b>16<sup>th</sup> CFA agree 2009/10 budget process</b>	<b>16<sup>th</sup> CFA receive report on MWG recommendations for coming years IRMP</b>	Prepare for UOR/DOT