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BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Members of Corporate Services Policy and Challenge Group.

Bedford Borough Councillors: M Headley

Central Bedfordshire Councillors: A Brown, F Chapman and D McVicar

Luton Borough Councillors: M Riaz and Y Waheed

A meeting of **Corporate Services Policy and Challenge Group** will be held at **Conference Room, Fire and Rescue Service Headquarters, Kempston, Bedford MK41 7NR** on **Thursday, 9 June 2016** starting at **10.00 am.**

Karen Daniels
Service Assurance Manager

A G E N D A

Item	Subject	Lead	Purpose of Discussion
1.	Apologies		
2.	Election of Vice Chair 2016/17	Chair	
3.	Declarations of Disclosable Pecuniary and Other Interests	Chair	Members are requested to disclose the existence and nature of any disclosable pecuniary interest and any other interests as required by the Fire Authority's Code of Conduct. (see note below).
4.	Communications (including minutes of ICT Shared Service Governing Body)	Chair	
5.	Minutes		* To confirm the Minutes of the meeting held on 7 March 2016 (Pages 1 - 6)
6.	Terms of Reference	Chair	* To consider a report (Pages 7 - 10)

Item	Subject	Lead	Purpose of Discussion
7.	Corporate Services Performance 2015/16 Year End Report and Programmes to date	ACO	* To consider a report (Pages 11 - 28)
8.	New Internal Audit Report Completed to date	CFO	* To consider a report (Pages 29 - 72)
9.	Audit and Governance Action Plan Monitoring Report	CFO	* To consider a report (Pages 73 - 86)
10.	Revenue Budget and Capital Programme Monitoring 2016/17 as at 31 May 2016	HFT	* To consider a report (Pages 87 - 92)
11.	Treasury Management - Annual Report for 2015/16	HFT	* To consider a report (Pages 93 - 100)
12.	Asset Management Policy and Plans, ICT, Land & Buildings and Transport 2016/17 to 2019/20	HFT	* To consider a report (Pages 101 - 194)
13.	Corporate Risk Register	CFO	* To consider a report (Pages 195 - 200)
14.	Work Programme 2016/17	Chair	* To consider a report (Pages 201 - 206)

Next Meeting   Time Not Specified on Date Not Specified at

DECLARATIONS OF INTEREST

From 1 July 2012 new regulations were introduced on Disclosable Pecuniary Interests (DPIs). The interests are set out in the Schedule to the Code of Conduct adopted by the Fire Authority on 28 June 2012. Members are statutorily required to notify the Monitoring Officer (MO) of any such interest which they, or a spouse or civil partner or a person they live with as such, have where they know of the interest.

A Member must make a verbal declaration of the existence and nature of any Disclosable Pecuniary Interest and any other interest as defined in paragraph 7 of the Fire Authority's Code of Conduct at any meeting of the Fire Authority, a Committee (or Sub-Committee) at which the Member is present and, in the case of a DPI, withdraw from participating in the meeting where an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.

**MINUTES OF CORPORATE SERVICES POLICY AND CHALLENGE
GROUP MEETING HELD ON 7 MARCH 2016**

Present: Councillors T Brown (Chair), F Chapman, M Headley, D McVicar
             and M Riaz

             CFO Fuller, ACO Zoe Evans, AC Chris Ball, Mrs A Ashwood, Mr
             J Atkinson and Mr G Chambers

15-16/CS/042 Apologies

An apology for absence was received from Councillor P Downing.

15-16/CS/043 Declaration of Disclosable Pecuniary and Other Interests

No declarations were made.

15-16/CS/044 Communications

The Group received the Minutes of the meeting of the ICT Shared
Governance Board held on 22 October 2015.

With regard to Minute 151005 it was reported that the combined Bedfordshire
and Cambridgeshire Fire and Rescue Services Project Plan was making
progress and the pilot testing was now live in Bedfordshire.

With reference to Minute 151007 – ICT SS Survey Outcomes – the Survey
had been prepared and it was ready to be issued.

15-16/CS/045 Minutes

RESOLVED:
That the Minutes of the meeting held on 26 November 2015 be confirmed and
signed as a true record.

15-16/CS/046 Corporate Services Performance 2015/16 Quarter 3 and
Programmes to Date

ACO Evans introduced the performance report for the third quarter of
2015/16. She referred Members in particular to the "rag" rating which had
been used and that all the projects, as set out in Appendix A, Corporate
Services Programme Report, were "green". In the Summary of Corporate
Services Programme Report, as set out in Appendix B, there had been one
Workshop indicator WS1a, Defect Response Time (1 hour) which was rated
as "amber" and this had been caused by a single incident where the Duty
Mechanic had been dealing with an incident and was therefore unable to
attend a further incident. ACO Evans acknowledged the desire to review
targets which would occur later on the agenda.

AC Ball commented that where the indicator returns related to a low number of incidents, this could inevitably lead to a significant difference in percentage terms.

RESOLVED:
That the progress made on Corporate Services Programmes and Performance be acknowledged.

15-16/CS/047 Proposed Corporate Services Indicators and Targets 2016/17

ACO Evans introduced the proposed suite of Corporate Services performance indicators and targets for 2016/17. She referred Members in particular to the notes on section 6.3 of the report which showed good performance improvement. She added that the indicators were stretching for future monitoring, also reporting that the utility consumption figures would not be available until the end of March 2016 and these would therefore be reported to the June 2016 meeting of the Group.

ACO Evans reminded Members that they had requested further information against which the indicators could be benchmarked and this had been included in the report.

The Chair commented that he was pleased with the improved performance of the indicators relating to FNP5 and FNP6. He also mentioned, in relation to FNP8, that the interest rates should be monitored as there was the potential that these could change.

Councillor Headley commented that it was helpful that the targets were robust and acknowledged the effective process, noting some of the more challenging indicators. He suggested that, in the medium term, as budgets became tighter that consideration might be required as to whether some targets should be reduced in order to save money. The Chair agreed that a paper could be prepared for a future meeting of the Group so that Members could consider the targets on which they wished to focus, given these circumstances. He reiterated the need for challenging targets. CFO Fuller responded that this would need careful consideration as there could be an impact on service delivery. Mrs Ashwood commented that the Corporate Management Team assessed these matters on a regular basis and there was an opportunity to consider the strategic links between targets and service requirements.

RESOLVED:
1. That the suite of Corporate Services performance indicators and targets for 2016/17 be endorsed.
2. That the intention for the Corporate Management Team to consider the links between targets and service requirements be noted.

15-16/CS/048 New Internal Audit Reports Completed to date

ACO Evans introduced the report on the audit of Governance, which had received a Green – Substantial Assurance rating, with only four

recommendations being made which had a low impact on the Service. She added that the audit of Governance would also be reported to the Audit and Standards Policy and Challenge Group.

The Chair was pleased to note the reference in the audit to Members being able to place reliance on the assurances which had been provided.

RESOLVED:
That the Internal Audit Report be received and the associated Management comments/actions which will be added to the Audit and Governance Action Plan Monitoring Report, be endorsed.

15-16/CS/049 Audit and Governance Action Plans Monitoring Report

ACO Evans submitted the report detailing progress made to date against current action plans arising from internal and external audit reports and from the Fire Authority's 2014/15 Annual Governance Statement.

RESOLVED:
That progress made to date against the action plans, be acknowledged and the recommendation to extend the completion date, be endorsed.

15-16/CS/050 Revenue Budget and Capital Programme Monitoring 2015/16

Mr G Chambers, Head of Finance and Treasurer, presented an update on the revenue budget and capital programme as at
31 January 2016. The forecast non-salary overspend was £166,000 and the forecast salary underspend was £624,000, giving a total forecast underspend of £458,000 and it was proposed that this should be allocated to an earmarked reserve.

In response to a question, Mrs Ashwood advised that the Service had taken the opportunity to re-tender the photocopy contract and it had been determined that it would be more cost effective to change the provider, even though there would initially be some changeover costs, which should be recouped in the longer term. CFO Fuller commented that the costs of the existing provider would have continued to increase if this action had not been taken.

RESOLVED:
1. That the forecast outturn be noted.
2. That the Fire and Rescue Authority be recommended to allocate the year end forecast underspend to a joint working/collaboration earmarked reserve.

15-16/CS/051 Treasury Management Strategy and Practices

Mr G Chambers, Head of Finance and Treasurer, introduced his report on the Authority's Treasury Management Strategy and Practices. He highlighted that

the Annual Treasury Management Statement was to be recommended to the Fire Authority. He also highlighted the following issues from the report:

- A Member Development Day had taken place on 2 July 2015.
- The Fire Authority's borrowing requirement from the Public Works Loan Board was approximately £10 million.
- The Treasury Management Statement had been prepared in accordance with the requirements of the Code and the guidance of the Chartered Institute of Public Finance and Accountancy.

Mr Chambers added that consideration was currently being given to investment in "overnight" money markets in order to diversify the Authority's investments. In response to a question, Mr Chambers advised that there were a few non-significant amendments which were required to the Strategy and that he would be updating these before they were forwarded to the Fire Authority.

In relation to a further question concerning the 2.1% annual increase in the fee for Treasury Consultancy Services being paid to Capita Asset Services, Mr Chambers advised that he would review the details of the contract, however, he confirmed that this had been entered into following a tender process.

RESOLVED:
That the Fire and Rescue Authority be recommended to adopt the updated:
(i) Treasury Management Strategy Statement
(ii) Minimum Revenue Provision Policy and Annual Investment Strategy
(iii) Treasury Management Practices

15-16/CS/052 Utility Usage

Mr G Chambers, Head of Finance and Treasurer, introduced his report which provided an update on progress on Utilities Usage. The report also set out the arrangements which were currently being planned. Smart Meters had been introduced in order to obtain real time information direct to the website.

Mr Chambers advised that a report showing the outturn for 2015/2016 would be submitted to the Group for their June 2016 meeting. He added that the current report set out the areas where improvements had been made concerning utility usage. He hoped that Members would have the opportunity to see some of these improvements during their Station visits.

In response to a question concerning the laundry/dry rooms at fire stations, it was reported that full time stations had the provision of an industrial washing machine as well as having domestic machines. It was noted that Firefighters uniforms were cleaned on a contract basis.

The Chair was pleased to report that Shefford Fire Station did not now have lighting switched on all night. Mr Chambers mentioned that a number of retained stations were also used by the Ambulance Service therefore it was

possible that they were responsible when lighting was used through the night.

RESOLVED:
That the contents of the report and progress being made, be noted.

15-16/CS/053 Provision of ICT Equipment for Paperless Meetings Trial

Mrs A Ashwood, Head of Strategic Support, introduced the report on the provision of ICT equipment for the paperless meetings trial. She confirmed that the trial had started in 2015 and that laptops from the Training Centre had been used to support meetings. She highlighted that a survey of ICT equipment used by Members had been undertaken and this had been set out in Section 3 of the report.

Mrs Ashwood advised that with the planned development of Modern.gov, corporate iPads would be provided for which training would be available to Members. This would be on the basis of one to one and group sessions, also other guidance would be available.   With regard to the implementation of Modern.gov, further information was being obtained.

Councillor McVicar highlighted a potential difficulty with the security software which had to be provided for equipment which occasionally made some applications inaccessible. Mrs Ashwood advised that the Service was in discussion with Local Authorities concerning the software protection they used. She commented that the Government's strategy was that public services should generally have open networks and that their business should be described as "official" rather than have a higher confidential classification. She reiterated that any information held by the Service and the Authority could be the subject to a Freedom of Information request.

In response to a question, Mrs Ashwood advised that Modern.gov would take around 12 months to implement with trials being undertaken internally before reaching a decision as to which Member meeting would first use the new system.

RESOLVED:
That the provision and plans for the paperless meetings trial, be accepted.

15-16/CS/054 Corporate Risk Register

ACO Evans introduced the report concerning the Service's Corporate Risk Register in relation to Corporate Services. She advised that there had been no changes to individual risk ratings in the Register, however, there had been a number of updates to individual risks actions.

RESOLVED:
That the review by the Service of the Corporate Risk Register in relation to Corporate Services be approved.

<u>15-16/CS/055 Review of Work Programme 2015-2016</u>

The Policy and Challenge Group received its updated work programme and reviewed its seventh paperless meeting. CFO Fuller advised Members that the work programme listed the routine work of the Group and there was an opportunity to review the programme. It was noted that the scheduled meetings already had a full programme of work.

RESOLVED:
That the Work Programme 2015/16 be received and the "cyclical" agenda items for each meeting in 2016/17 be noted.

The meeting ended at 10.48am

For Publication   Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge
Group
9 June 2015
Item No. 6

REPORT AUTHOR: **SECRETARY/MONITORING OFFICER**

SUBJECT: **TERMS OF REFERENCE**

For further information   Mrs Karen Daniels
on this Report contact: Service Assurance Manager
Tel No: 01234 845013

Background Papers: None

Implications (tick ✓):

LEGAL		FINANCIAL	
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
CORPORATE RISK	Known	OTHER (please specify)	
	New	CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To review the Terms of Reference for the Corporate Services Policy and Challenge Group.

RECOMMENDATIONS:

That:

1.   Members consider the Terms of Reference for the Corporate Services Policy and Challenge Group and recommend any changes for 2016/17 to the Fire Authority.

2.   The Terms of Reference be updated to include a statement that the Group reports to the Fire and Rescue Authority.

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1.   Introduction

1.1   The Corporate Services Policy and Challenge Group has been established to ensure that the following areas of the Fire and Rescue Service are functioning efficiently and effectively, challenging areas of under performance as required and approving any associated policy as necessary:

- Strategic Support
- Finance and Procurement
- Asset Management
- Information, Communications and Technology

2. <u>Terms of Reference</u>

2.1 The Terms of Reference for the Policy and Challenge Group were last revised in July 2015 and are appended to this report.

2.2 An Internal Audit carried out by RSM in February 2016 made a recommendation that the Terms of References for the Policy and Challenge Groups and Audit and Standards Committee be updated to define to whom they report.

2.3 Members are asked to consider the current Terms of Reference and recommend any changes required for 2016/17 to the Fire and Rescue Authority.

J ATKINSON
SECRETARY/MONITORING OFFICER

CORPORATE SERVICES POLICY AND CHALLENGE GROUP

The Corporate Services Policy and Challenge Group has been established to ensure that the following areas of the Fire and Rescue Service are functioning efficiently and effectively, challenging areas of under performance as required and approving any associated policy as necessary:

- Strategic Support
- Finance and Procurement
- Asset Management
- Information, Communications and Technology

Membership

The Group is to consist of those Members appointed by the Fire and Rescue Authority for the ensuing year or as determined by the Fire and Rescue Authority.

One elected Member will be nominated as Chair of the Group by the Fire and Rescue Authority at its annual meeting and another elected Member will be nominated as Vice Chair at the first Group meeting held after the annual meeting. The Group may co-opt onto its membership any person, such as representatives or members of groups, who may provide specialist information or skills in assisting the Group to reach its aims and objectives set out below.

Quorum

Business shall not be transacted at any meeting of the Corporate Services Policy and Challenge Group unless at least three Members are present and at least one Member from two constituent authorities.

Support

The Group will be supported by Principal Officers with responsibility for areas within the remit of the Corporate Services Policy and Challenge Group, the Fire and Rescue Authority's Treasurer, Head of Finance and Assistant Treasurer, and members of the Strategic Support Team.

Regularity of Meetings

The Group is to meet a minimum of four times a year and whenever deemed necessary by any member of the Group.

Reporting

The Group has no delegated power to take decisions but its minutes are submitted to the FRA under a covering report from the Group's Chair with any recommendations.

<u>Terms of Reference</u>

1.   To consider and report as necessary on performance in respect of the Fire and Rescue Authority's Corporate Services Directorate functions and be involved in the setting and monitoring of Service targets.

2.   To consider at each group meeting the current year revenue and capital budgetary control information.

3.   To approve and oversee the Fire and Rescue Authority's Efficiency Plan.

4.   To monitor the progress of the Corporate Services projects identified in the Community Risk Management Plan.

5.   To commission and oversee reviews into specified areas of work within the Corporate Service's Directorate.

6.   To monitor the effective identification and management of corporate risks relating to Corporate Services functions.

7.   To approve, monitor and review the Fire and Rescue Authority's Asset Management strategy, plans and processes.

8.   To consider any external reports relating to the Corporate Services functions.

9.   To act as Treasury Management scrutiny.

Revised Terms of Reference agreed by the then CFA on 7 September 2011

Updated for change of Authority name – December 2012

Quorum included – 24 June 2014

Support to include Principle Officers with responsibility for areas within the remit of the Corporate Services Policy and Challenge Group – 15 July 2015

Reporting included for consideration at Corporate Services Policy and Challenge Group on 9 June 2016

For Publication

Bedfordshire Fire and Rescue Authority Corporate Services Policy and Challenge Group 9 June 2016 Item No. 7

REPORT AUTHOR: **ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)**

SUBJECT: **CORPORATE SERVICES PROGRAMME AND PERFORMANCE 2015/16 YEAR END - QUARTER FOUR (APRIL 2015 TO MARCH 2016)**

For further information on this Report contact:

Adrian Turner
Service Performance Analyst
Tel No: 01234 845022

Background Papers:

Previous Corporate Services Quarterly Programme and Performance Summary Reports

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Implications (tick ✓):

LEGAL	✓	FINANCIAL	✓
HUMAN RESOURCES	✓	EQUALITY IMPACT	✓
ENVIRONMENTAL	✓	POLICY	✓
CORPORATE RISK	Known ✓	OTHER (please specify)	
	New	CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To provide the Corporate Services Policy and Challenge Group with a report for 2015/16 Quarter 3, detailing:

1. Progress and status of the Corporate Services Programme and Projects to date.

2. A summary report of performance against Corporate Services Performance indicators and associated targets for year end - Quarter Four 2015/16 (1 April 2015 to 31 March 2016).

RECOMMENDATION:

Members acknowledge the progress made on Corporate Services Programmes and Performance and consider any issues arising.

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1. <u>Programmes and Projects 2015/16</u>

1.1   Projects contained in this report have been reviewed and endorsed in February 2016 by the Authority's Policy and Challenge Groups as part of their involvement in the annual process of reviewing the rolling four-year programme of projects for their respective areas in order to update the CRMP in line with the Authority's planning cycle.

1.2   The review of the current programme of strategic projects falling within the scope of the Corporate Services Policy and Challenge Group has confirmed that:

   ➤ all existing projects continue to meet the criteria for inclusion within the strategic improvement programme;
   ➤ all existing projects remain broadly on track to deliver their outcomes within target timescales and resourcing;
   ➤ are within the medium-term strategic assessment for Corporate Services areas; and
   ➤ the current programme is capable of incorporating, under one or more existing projects, all anticipated additional strategic improvement initiatives relating to Corporate Services over the next three years.

1.3   Full account of the financial implications of the Corporate Services programme for 2016/17 to 2019/20 has been taken within the proposed 2016/17 Budget and Medium-Term Financial Plan, as presented to the Authority for agreement in February 2016.

1.3.1 Shared Services opportunities remain under consideration.

1.4   Implementation of the remainder of Phase 1 Virtual Desktop Infrastructure (VDI) (an ICT Shared Service joint project with Cambridgeshire Fire and Rescue Service) is slightly delayed, due to important maintenance work on the network infrastructure, which affects the server used to build the end points. However, every station now has a VDI end point installed, and Stopsley station has also been successfully migrated. It is expected that Phase 1 rollout will recommence imminently, and the overall project schedule will not be affected.

1.5   Changes in the Business Systems Improvement Programme are summarised as follows:

   • The Land and Property Gazeteer Managed Service provided by Cambridgeshire FRS has successfully migrated to the new Addressbase Premium service, has been incorporated into the Replacement Mobilising sytsem with Essex FRS, and is almost ready for use by Community Safety;
   • Work continues on building requirements for Service-wide Asset Management system, with a number of work streams identified across the Service;

- The Prevention and Protection Management System work stream scoping is almost complete, and intermediate improvements have been identified and are being implemented ahead of full system roll-out;
- The Retained Availability system project is underway, and the Server implementation is complete, and software implementation is underway.

1.7   The HR and Payroll System Project is progressing well. The contract was signed on 14 March 2016, Introductory training has taken place, and the project plan is rolling out according to schedule.

1.8   Other points of note include the following:

- The Corporate Management Team monitors progress of the Strategic Projects monthly. The Strategic Programme Board reviews the Programme at least twice a year with the next Programme Board review scheduled for 22 September 2016.

1.9   Appendix A, gives a summary of status to date. The status of each project is noted using the following key:

Colour Code	Status
GREEN	No issues. On course to meet targets.
AMBER	Some issues. May not meet targets.
RED	Significant issues. Will fall outside agreed targets.

2.   Programme Summary and Exception Reports

Three projects are flagged Amber (Some issues. May not meet targets):

Business Process Improvement.

The Sickness absence process for Greenbook Staff was deployed in 2014. As part of the continuous improvement to the process a further upgrade has been designed that will provide direct writing of the process into the system of record, the MIS making it available to Wholetime staff. The deployment of this upgrade was intially delayed due to additional development required to the supplier's integration point following extensive testing. There is currently some instability in the process server that is likely to impact on the smooth deployment of this and other processes including property defect reporting, a new overtime reporting system and refinements to the community safety process. This is expected to be resolved with external support and deployment is now planned week commencing 6 June 2016.   The schedule comprising work in progress and future development is being reassessed for opportunities to recover time, taking into account the priorities for integrations of our HR and Payroll system and others.

Unified Comms

The priority of establishing routine telephony communications system with Essex as part of the Replacement Mobilising has been addressed and implemented.

The full initiation of the project which will replace our existing traditional telephony with VOIP (excluding fire control system) has been delayed due to interdependencies with work on the RMS and VDI.

An assessment of systems and requirements for the unified communications solution is in place. A pilot is planned for towards the beginning of July 2016/17 focusing on the Training Centre with completion of the full service wide roll out expected by Q3 16/17. The priority of establishing routine telephony communications with Essex as part of the Replacement Mobilising has been addressed and implemented.

Virtual Desktop Infrastructure

A delay of four weeks has been incurred to afford ICT Server engineers to prioritise an issue concerning one of the services main file servers.

Whilst the project has identified opportunities to recover any lost time, the project is flagged amber until the plan has been fully reviewed and time recovery identified.

3.   Performance

3.1   In line with its Terms of Reference, the Corporate Services Policy and Challenge Group is required to monitor performance against key performance indicators and associated targets for areas falling within the scope of the Group. It has been previously agreed by the Group, that in order to facilitate this, it should receive quarterly summary performance reports at each of its meetings.

3.2   This report presents Members with the performance summary outturn for Quarter Four 2015/16 which covers the period 1 April to 31 March 2016. Performance is shown in Appendix B. The indicators and targets included within the report are those established as part of the Authority's 2015/16 planning cycle.

3.3   The Property indicators detailing the usage of gas, water and electricity are shown below. The water usage data is accurate as this has been captured via meters for a number of years. The usage data for both gas and electricity is using the best information available. This will be the last time that estimated data is used as all premises will shortly have meters installed. This will enable accurate usage data to be monitored from 2016/17 onwards as planned and previously reported. The installation dates of the meters are detailed below for information. Where they are highlighted as red or amber, these will be the focus of reviews both now and into 2016/17.

3.4   The status of each measure is noted using the following key:

Colour Code	Exception Report	Status
GREEN	n/a	Met or surpassed target
AMBER	Required	Missed but within 10% of target
RED	Required	Missed target by greater than 10%

NB. The Property measures Prop1, 2 & 3 performance colour codes are not based on the above status as no formal target was set other than a comparison against a benchmark of the average of the two previous years.

4.   Performance Summary and Exception Reports

All performance indicators are on target with the exception of:

Finance measure FNP2a&b - The data for this measure will be available following the closing of accounts

FNP8 Return on Investment - The 2015/16 Treasury Target was set at 0.90%. It was anticipated that when setting the 2015/16 target, that the rates over 2015/16 were going to increase. However, the Bank of England base rate remained at 0.5% all year, with investment interest rates therefore remaining low. However, despite the lower average investment rate not being achieved, overall, the investment income budget of £99k was exceeded by £17k, generating £116k of investment income.

ZOE EVANS
ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)

CORPORATE SERVICES PROGRAMME REPORT

Project Description	Aims	Performance Status	Comments
Shared Services	A programme to explore opportunities with partners for collaborating and sharing Services, e.g. through a shared structure and governance, providing enhanced customer focused services, resilience, and operating efficiency.	**No Active Work streams**	**Other Shared Services** This programme remains in place to encompass any future opportunities for shared services to be explored as they arise. No active projects. The Service remains vigilant to opportunities and these will be brought into this Programme as they arise.
Business Systems Improvement	Optimise the use of existing business systems and replace where appropriate.	**Green** **Green**	**Gazetteer** The Land and Property Gazetteer Managed Service provided by Cambridgeshire FRS has successfully migrated to the new Addressbase Premium service. The Incident Recording System interface is now integrated with a cut of the Land and Property Gazetteer data improving the quality of the addressing information. Additional work has been undertaken to deliver Addressbase and an associated spatial database into the replacement mobilising system working in partnership with Essex FRS. Our Management Information System has also migrated to the Land and Property Gazetteer. Address matching has completed on the fire safety records with a number requiring review for inclusion or deletion. The Exeter data comprising over 150,000 community addresses has also been matched to the addressbase data and the database is now being prepared for use with Community Safety. **Asset Management.** The processes for managing and controlling the Service's technical assets have been tightened and this has received a satisfactory reviewed by the service's Auditors RSM as part of their follow up audit. Work is continues on building the requirements for the service wide asset management system which incorporates financial management and technical management. A repository for technical

Project Description	Aims	Performance Status	Comments
		Green	equipment data to support interim management of equipment and data capture process has been completed. Demonstrations of Asset Management Systems have taken place. These include those that are already in use or being procured in other Fire and Rescue Services. The outcomes of this exploration are continuing to be developed into user requirements and technical specification. A number of work streams have been identified by the Project Board to ensure the full scope of the Asset Management System is delivered including financial management of our assets. We are engaging with Cambridgeshire and Devon and Somerset Fire and Rescue Services to re-establish any opportunities for joint working on common areas of interest in asset management.

Prevention and Protection Management System

The scope of the system and requirements are now being finalised. This follows a review of applications in use across Fire and Rescue Services has been undertaken include demonstrations. The project has also engaged with users from other FRS who have implemented such a system to share their experience and learning to inform our project. The project has identified key areas of Protection and Prevention that will require intermediate improvements ahead of the implementation of a new business system. The 101C database that records community safety activity has been developed using the STEP process automation solution. This has been rolled out to the Community Safety Team ahead of a wider distribution to Stations. Further work is planned to integrate the Community Safety Assessment Tool into this solution. A Home Fire Safety Check process is also in the discovery stage for future development. |
| | | Green | **Retained Availability Software**

As part of the Retained Duty System review, the Service is replacing its retained availability software. The Gartan solution has been procured. Implementation is underway with the supplier. The technical Server side aspect has been completed. The initial implementation is stand-alone |

Project Description	Aims	Performance Status	Comments
Business Systems Improvement (cont…)		Green	system to address the immediate operational need. The integrations for payroll are being assess as second stage which comprises wider integrations between systems. These integrations will be implemented using the service's integration technologies. This will ensure primary data sources are shared across systems enhancing data accuracy and information flows. **HR & Payroll System** The Fire Authority, in their meeting of 21 October 2015, approved additional funding £74,000 to provide additional support to run the HR System Project due to new and continued work pressures on the HR Team. This support is now in place and delivering pre-implementation activities. The project is progressing well. The contract with the system and payroll supplier was signed on 14 March, detailed project planning has commenced, all relevant workstreams are on track, and regular project conference call meetings have been established with the supplier. In addition, the test system has been established, introductory training has been completed attended by the HR, Payroll and Business Information Teams. A detailed project plan is being agreed with the supplier incorporating further dates for training and consultancy that support the configuration of the system. The project charter is expected to be in place with the supplier by the end of May.

Project Description	Aims	Performance Status	Comments
Business Process Improvement	Optimise ways of working, re-engineering and automating where possible and providing integration between business systems.	**Amber**	There are delays to the programme following additional work required from a business system supplier and concerns in respect to server stability. A defect reporting system has been developed for property. This is a reusable process that has opportunities for use in reporting vehicle and asset defects. The final playback completed successfully to the property team and roll out is anticipated towards the end of June following some maintenance work on the process server machine. Community Safety (101C) process has been rolled out across the Community Safety Team. A second iteration is in development which incorporates management of amendments ' Sickness Absence Process with a write back to our main business system (MIS) has completed its final playback. Subject to some finalising of wording in notifications, a rollout is being planned for Control. In the meantime the process for alerting absences is being reviewed to ensure notification of operational absences are available in a manner that allows them to be acted upon at the earliest possible opportunity. This is also planned for rollout in June following maintenance work on the process server. In the intervening period detailed plans for migration to this new process are underway. Expenses Management - Agreement has been reached for the scanning of receipts to remove the requirement to manage paper receipts. The Business Information Team are exploring potential solutions to inform the requirements. The central STEP team, funded by a government innovation grant, are to be involved in the development of this solution. Pre-arranged Overtime - The final playback is planned for the Operational Delivery Team (ODT) ahead of deployment. This playback will also identify the process and system owner who will take responsibility for the management and use of the system. This

Project Description	Aims	Performance Status	Comments
			process is expected to provide the template for use by Retained, Strategic Reserve, Control, those supporting Cadets, Firebreak other activities. Home Fire Safety Check/Safe and Well at Home process has been developed ready for first review by the process owner. Integration with our address gazetteer is planned. Wider work is underway in the Community Safety Team to agree the priorities for the risk-based Home Fire Safety Check Activities. Once approved the process will be embedded into the Community Safety Programme. Integrations have been completed for the new Cohort system for occupational health. The integrations required for the anticipated HR system are being evaluated as part of the requirements checks. A Retained recruitment process has been completed by STEP central team, funded by transformation grant. This is the first development of a cloud-based process which will be available to any Fire and Rescue Service. There is interest from a number of fire and rescue services who see the opportunity to use it with integrations into their own back-end systems.
Telephony System Replacement (Unified Comms)	Replacement of existing business Telephony system, including main switchboard, to a network (VOIP) system. This will provide unified communications for voice and data i.e. traffic goes down the same 'pipe'. Users will be able to access the same facilities on desk phones and computers. This excludes Control Room communications: ICCS and Mobs.	**Red**	The initiation of the project which will replace our existing traditional telephony with VOIP (excluding fire control system) has been delayed due to interdependencies with work on the RMS and VDI. An assessment of systems and requirements for the unified communications solution is in place. A pilot is planned for towards the beginning of July 2016/17 focusing on the Training Centre with completion of the full service wide roll out expected by Q3 16/17.

Project Description	Aims	Performance Status	Comments
Desktop Refresh (VDI)	All principle business systems will be packaged onto the Virtual Desktop server. Users to receive their virtual desktop from a central Server. Aim is to improve flexibility of working location, optimise data flows on the networks, increase resilience by removing local machines, reduce desk-side technical support by removing physical PCs, and provide the facility to stream good quality video. Links to the Telephony Project.	**Amber**	The Virtual Desktop server and network configurations have been completed. The physical audit and analysis of applications used at wholetime stations has been completed. The core software has been built into the first VDI image. The vanguard of early adopters (Phase 0 users) have been migrated to VDI, and the Phase 1 implementation to Stopsley station has been completed successfully, with positive feedback from end users. All stations now have one VDI end point installed, to allow roaming VDI users to work on any Service premises. The remainder of the Phase 1 users will be migrated following completion of Server maintenance to support the productionisation of the end point build. Effective working practices have been established between ICT and Business Information team to ensure a seamless transition for end users. The remote access solution (RAS) has been successfully built and tested as is being rolled out to Phase 0 users where this is required. Whilst the project is expecting to be able to recover any lost time following completion of Server migration, the project is flagged amber until the plan has been fully reviewed and time recovery identified.
Information Security Management System	To introduce and information security management systems that meets the requirements of ISO27001 and associated Controls. This complements the Business Continuity and Risk Management project which also provided for the implementation of Protective Security.	**Completed**	As per the last Policy and Challenge Group Report, all work streams in this project were completed on 10 November 2015. The Information Security Project closure report is to be presented to the Strategic Programme Board After which the project will move into Business as Usual migration supported by Head of Strategic Projects.

SUMMARY OF CORPORATE SERVICES PERFORMANCE YEAR END 2015/16

	Finance								
	Measure				**2015-16 Quarter 4**				
No.	**Description**	**Aim**	**Full Year Target**	**Five Year Average**	**Q4 2014-15**	**Q4 Actual**	**Q4 Target**	**Performance against Target**	**Comments**
FNP 1	**Budget Requirement of Fire and Rescue Service divided by population**	Lower is Better	n/a	n/a	£44.82	45.01	n/a	n/a	
FNP2a	**Accuracy of Net Budget Forecast (Periods 6 (Sep)**	Lower is Better	£600k	n/a	£89k	0	£600k	See Exception Report	
FNP2b	**Accuracy of Net Budget Forecast (Period 9 - Dec)**	Higher is Better	£600k	n/a	£7k	0	£600k		
FNP3	**Percentage of Routine Financial Reports Distributed Within 6 Working Days of Period**	Higher is Better	90%	100%	100%	100%	90%	Green	11% Better than target
FNP4	**Compliance of Annual Statement of Accounts Processes with Statutory Timescales and Quality Criteria**	Higher is Better	100%	100%	100%	100%	100%	Green	Achieved target
FNP5	**Percentage of Uncontested Invoices Paid Within 30 days**	Higher is Better	96%	94%	96%	96%	96%	Green	Achieved target
FNP6	**Percentage of Outstanding Debt Over 90 Days Old**	Lower is Better	2%	6.4%	0.8%	1.5%	2%	Green	25% Better than target
FNP7	**Percentage of Planned Efficiency Savings Achieved**	Higher is Better	100%	124%	100%	100%	100%	Green	Achieved target
FNP8	**Return on Investment**	Higher is Better	0.90%	n/a	0.93%	0.84%	0.90%	Amber	Missed Target by 7%

SUMMARY OF CORPORATE SERVICES PERFORMANCE YEAR END 2015/16

ICT									
Measure				**2015-16 Quarter 4**					
No.	**Description**	**Aim**	**Full Year Target**	**Five Year Average**	**Q4 2014-15**	**Q4 Actual**	**Q4 Target**	**Performance against Target**	**Comments**
IM1	The Number of Incidents on Mission Critical services resolved within 1 Hour	Higher is Better	90%	n/a	100%	100%	90%	Green	11% Better than target
IM2	The Number of Incidents on Business Critical services resolved within 2 Hours	Higher is Better	86%	n/a	92%	100%	86%	Green	16% Better than target
IM3	The Number of Incidents on Business Operational services resolved within 4 Hours	Higher is Better	83%	n/a	92%	100%	83%	Green	20% Better than target
IM4	The Number of Incidents on Administration Services resolved within 8 Hour	Higher is Better	80%	n/a	88%	94%	80%	Green	18% Better than target
AV1	Core ICT services availability	Higher is Better	97%	n/a	97%	100%	97%	Green	3% Better than target
AV2	Business Applications Availability	Higher is Better	97%	n/a	96%	100%	97%	Green	3% Better than target

					Fleet & Workshops				
	Measure				**2015-16 Q4**				
No.	**Description**	**Aim**	**Full Year Target**	**Five Year Average**	**Q4 2014-15**	**Q4 Actual**	**Q4 Target**	**Performance against Target**	**Comments**
WS1a	**Grade A Defect Response Time (within 1 hour)**	Higher is Better	90%	n/a	94.78%	90.87%	90%	Green	1% Better than target
WS1b	**Grade A Defect Response Time (within 2 hours)**	Higher is Better	95%	n/a	99.47%	97%	95%	Green	2% Better than target
WS2a	**The percentage of time when Rescue Pumping Appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)**	Lower is Better	5%	n/a	2.56%	2.47%	5%	Green	51% Better than target
WS2b	**The percentage of time when Aerial Ladder Platforms & SRU were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)**	Lower is Better	5%	n/a	3.62%	3%	5%	Green	45% Better than target
WS2c	**The percentage of time when other operational appliances were unavailable for operational use due to an annual service, defect or other works. (Turnaround Time)**	Lower is Better	3%	n/a	0.63%	0.51%	3%	Green	83% Better than target
WS4	**The number of hours as a percentage the appliance is unavailable for operational response in the reporting period, other than for the time measured under the turn-a-round time. (Idle time)**	Lower is Better	2%	n/a	0.46%	1.05%	2%	Green	47% Better than target
WS5	**The total time expressed as a % when ALL Appliances were available for operational use after the turn-a-round time and idle time are removed from the total time in the reporting period.**	Higher is Better	93%	n/a	97%	98%	93%	Green	5% Better than target
WS6	**Annual Services undertaken**	Higher is Better	97%	100%	100%	100%	97%	Green	3% Better than target

Note: The comments column on the right hand side shows a comparison of actual against target as a percentage, it should be noted that all targets are represented as 100% and the actual is a percentage of that target.

Property - 2015-16 Year End				
Prop01- Annual Water Consumption (M³)				
Station	**Benchmark (Ave 2013-15)**	**2015/16 Usage**	**Performance against Target**	**Comments**
Ampthill	345.49	182.26	Amber	15/16 usage appears low, to be investigated. Keep 16/17 benchmark at previous figures, subject to review
Bedford	850.83	867.75	Green	
Biggleswade	129.84	124.11	Green	
Control	189.09	166.32	Green	
Dunstable	957.75	949.28	Green	
Harrold	101.20	99.51	Green	
Kempston & HQ	2,131.06	2008.58	Green	
Leighton Buzzard	361.95	387.89	Green	
Luton	1,862.89	1,758.26	Green	
Potton	85.02	50.33	Green	
Sandy	90.54	60.25	Green	
Shefford	134.71	554.84	Red	The 2015/16 usage is far too high, this will be investigated.
Stopsley	651.78	623.77	Green	
Toddington	196.53	291.27	Amber	More in line with 13/14 usage, keep as is for 16/17 benchmark, review
Woburn	88.07	79.72	Green	
Total	**8176.75**	**8204.14**		

Property - 2015-16 Year End					
Prop02- Annual Electricity Consumption (KWh)					
Station	Benchmark (Ave 2013-15)	2015/16 Usage	Performance against Target	Comments	Meter Status
Ampthill	33,660	20,914	Green	Usage in line with 14/15, 15/16 benchmark too high	27/10/15
Bedford	78,816	80,243	Green		30/05/16
Biggleswade	16,376	31,014	Red	High 15/16, to be reviewed. Set 16/17 Benchmark in line with 13/14 and 14/15.	30/10/15
Control	180,199	181,564	Green		Prior year
Dunstable	186,902	190,441	Green		Prior year
Harrold	13,628	17,999	Amber	In line with 13/14 usage, average for 15/16 benchmark too low	27/10/15
HQ	335,362	332,277	Green		Prior year
Leighton Buzzard	25,462	22,815	Green		17/02/16
Luton (incl SAO)	104,514	231,416	Red	Too high 15/16 estimated usage, to be investigated	26/04/16
NAO	9,767	10,000	Green	Estimated 15/16, To be monitored	27/10/15
Potton	17,726	26,691	Amber	15/16 estimated usage in line with 13/14 reading, to be reviewed	30/10/15
Sandy	13,877	17,621	Amber	In line with 13/14 readings, 15/16 estimated to be reviewed	30/10/15
Shefford	21,023	31,373	Red	To be reviewed, forecast 15/16 appears too high	16/03/16
Stopsley	38,975	41,319	Green		26/10/15
Toddington	24,403	44,852	Red	Estimated 15/16 forecast, too high, to be reviewed	17/02/16
Woburn	63,751	51,966	Green	More in line with 14/15 reading, higher average benchmark due to high 13/14	Prior year
Total	1,164,441	1,332,505			

	Property - 2015-16 Year End				
	Prop03- Annual Gas Consumption M3 (was kwh in previous years)				
Station	Benchmark (Ave 2013-15)	2015/16 Usage	Performance against Target	Comments	Meter Status
Ampthill	4,337	5,964	Red	Estimated 15/16 usage, seasonal variation needs to be taken into account	26/06/15
Biggleswade	6,146	5,947	Green		15/05/15
Control	6,291	6,000	Green		
Dunstable	23,100	20,000	Green	Estimated 15/16 usage	To be installed
Harrold	3,888	3,900	Green	Estimate based on 9 months actual with 3 months estimated	26/06/15
HQ	59,479	60,000	Green	15/16 forecast	To be installed
HQ Training Centre and Gym	16,567	16,560	Green	Estimates	To be installed
Leighton Buzzard	19,263	19,250	Green	Estimates	14/08/15
Luton	28,597	28,000	Green		12/06/15
NAO	2,543	2,500	Green	Estimates	29/05/15
Potton	1,879	1,850	Green		17/11/15
SAO	7,235	7,235	Green	Estimates	30/03/16
Sandy	1,788	1,788	Green	Estimates	29/02/16
Shefford	3,428	3,425	Green	Estimates	29/02/16
Toddington	11,980	12,000	Green	Estimates	02/09/15
Total	57,450	56,798			

Note: No gas installations at Bedford, Stopsley and Woburn

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For Publication

Bedfordshire Fire and Rescue Authority Corporate Services Policy and Challenge Group
09 June 2016
Item No. 8

REPORT AUTHOR: **ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)**

SUBJECT: **NEW INTERNAL AUDIT REPORTS**

For further information
on this report contact:

Karen Daniels
Service Assurance Manager
Tel No: 01234 845013

Background Papers:

Baker Tilly Strategy for Internal Audit
Bedfordshire Fire Authority 2015/16 to 2017/18

Implications (tick ✓):

LEGAL		FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
CORPORATE RISK	Known ✓	OTHER (please specify)	
	New	CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To present the report on internal audits completed since the last meeting of the Corporate Services Policy and Challenge Group.
RECOMMENDATION:

That Members receive the attached internal audit report and endorse the associated management comments/actions which will be added to the Audit and Governance Action Plan Monitoring report.

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1.   Background

1.1   Internal audits are completed in accordance with the Internal Audit Annual Plan agreed by the Audit and Standards Committee.

1.2   Each internal audit report details:

- the specific audit conducted,
- the scope of the audit,
- an assessment of the controls in place to manage the relevant objectives and risks,
- the auditors recommendations and priority of these, and
- an action plan which has been agreed with the appropriate Functional Head and approved by the relevant Principal Officer for incorporation into the Audit and Governance Actions Monitoring report.

1.3   All internal audit reports are presented to the appropriate Policy and Challenge Group for endorsement of the actions arising.

2.   <u>Internal Audit Reports</u>

2.1   The Appendix A to this report presents the internal audit reports on:

- Key Financial Controls (completed on 3 March 2016; report finalised on 18 April 2016) (Appendix A). Conclusion: Green – Substantial Assurance.

- IT Shared Service (completed on 12 April 2016; report finalised on 5 May 2016) (Appendix A). Conclusion: Green – Substantial Assurance.

2.2   Follow up (completed on 13 April 2015; report finalised on 26 May 2016) (Appendix A). Conclusion: Reasonable Assurance

2.3   The Follow up audit report was also presented to the Human Resources Policy and Challenge group on the 7th June 2016

2.4   The actions arising from the above audits will be incorporated as 'new' actions within the Audit and Governance Actions Monitoring Report in September 2016 for on-going monitoring by the Policy and Challenge Group.

2.5   Any slippage or other exceptions arising will also be reported to and monitored by the Audit and Standards Committee.

ZOE EVANS
ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Key Financial Controls

FINAL

Internal Audit Report: 5.15/16

18 April 2016

RSM

CONTENTS

Debrief held	3 March 2016	**Internal Audit team**	Daniel Harris - Head of Internal Audit
Draft report issued	24 March 2016		Suzanne Lane - Senior Manager
Responses received	18 April 2016		Alan Grisley - Assistant Manager
			Satnam Parmar - Senior
			Abbas Sayyed - Internal Auditor
Final report issued	18 April 2016	**Client sponsor**	Gavin Chambers - Head of Finance and Asset Management / Treasurer
		Distribution	Gavin Chambers - Head of Finance and Asset Management / Treasurer

1 EXECUTIVE SUMMARY

1.1 Background

An audit of Key Financial Controls was undertaken as part of the approved internal audit periodic plan for 2015/16. Bedfordshire Fire and Rescue Authority (hereafter referred to as the Authority) uses the Great Plains financial system within the finance department and assets are recorded on an 'Asset Working Papers' spreadsheet.

A Treasury Management Strategy Statement is in place which outlines the Authority's position on which types of investments and loans they are willing to undertake, taking into account regulatory requirements.

The aged debt as at January 2016 exceeding 30 days was £16,423. Fixed assets within the service hold a financial value of £21.144m for Land and Buildings and a further Net Book Value £5.942m for Vehicles, Plant and Equipment.

The following areas were reviewed as part of this audit; General Ledger, Cash and Treasury Management, Payroll, Payment and Creditors, Income and Debtors and Asset Management. Sample testing was conducted in each of these areas to confirm compliance with policies and procedures.

1.2 Conclusion

Our findings showed the processes currently in place were adequately designed and consistently complied with as per the policies and procedures. The exceptions we found were classified as being of low risk.

Internal Audit Opinion:
Taking account of the issues identified, the Authority can take substantial assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and operating effectively.
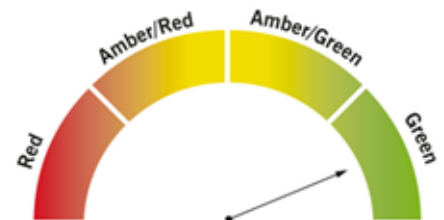
1.3 Key findings

The key findings from this review are as follows:

General Ledger

We tested a sample of 20 journals, 10 staff access rights and six new cost centres from 2015/16. Through testing we confirmed that for journals, segregation of duties was maintained and all were appropriately authorised. We also confirmed that the level of access with regards to the ability to post journals to the ledger was appropriate for each member of staff. For our testing of new cost centres, we found that there was no formal evidence of the approval or oversight of cost centres prior to them being set up, which has led to a **low** priority management action being raised.

We also carried out testing on the creditors, debtors and suspense account reconciliations and confirmed that there were no unreconciled figures, segregation of duties was maintained and all were appropriately authorised within a timely period.

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Cash and Treasury Management

We obtained the Treasury Management Policy and confirmed that it provides details of the approach to investment and borrowing. A total of seven investments had been within this financial year, through a sample test of three, we noted that investments had been made in line with the requirements set out in the Authority's Treasury Management Policy. We noted no loans have been taken out in the current financial year. We also carried out testing on the bank reconciliations and confirmed that there were no unreconciled figures, a segregation of duties was maintained and all were appropriately authorised.

Payroll

We tested a sample of 20 new starters, 20 leavers and 20 detail changes to staff along with pension contributions and expense claims. From this we confirmed that for any new starter, leaver or changes to employee details, forms had been completed and signed to show appropriate review and further checks carried out to ensure accuracy. In relation to pension contributions and expense claims, we noted that the correct amount had been paid and there had been appropriate approval for the expense claims, from testing a sample of 20.

We also reviewed exception reports and the authorisation of the monthly payroll runs and confirmed they were appropriately authorised.

Creditors and Payments

We reviewed a sample of 20 invoices paid during 2015/16 and obtained the corresponding Purchase Orders (POs) and Goods Received Notes (GRN). From testing we confirmed that the POs had been appropriately authorised whilst maintaining a segregation of duties and that the POs, GRNs and Invoices all accurately matched.

We also carried out sample testing on the 20 new suppliers and 20 amendments of details to existing suppliers. Through this we confirmed that appropriate verification checks had been carried out and detailed on the forms.

Income and Debtors

We tested a sample of 20 invoices and all (13) credit notes raised during 2015/16. Through testing we confirmed that invoices and credit notes were subject to approval prior to them being raised. We have raised one low management action around the timeliness of raising invoices as we identified four which were raised more than a week after the requisition form had been completed. We noted that this was due to the Finance Department receiving the requisition forms late. There is a risk that the Authority may receive payments late or bad debts arising.

Alongside this, we tested a sample of five aged debts and noted that we could not evidence any chasing for one of the debts. We did confirm with the Chief Accountant that chasing conducted, however this was not evidenced resulting in one low management action being raised. We confirmed that no debts have written off this financial year and therefore we did not carry out any testing.

Asset Management

We conducted testing around verification of assets, maintenance of the asset working papers and any disposals made this financial year. We confirmed that these processes occur at year-end and were last completed in March 2015 as part of the year-end financial reporting process.

We confirm that annual verification of assets had been completed. We obtained the asset working papers and noted that it is updated on an annual basis. For disposals, we obtained the meeting minutes for The Service Delivery Asset Group (SDAG) and confirmed that all disposals are authorised.

Through discussion with the Chief Accountant, we confirmed that the action raised in last year's report (Key Financial Controls 6.14/15) around the development of a centralised asset register has been superseded due to most of the assets held by the Authority being operational, which are checked on a daily basis by Station Managers.

1.4 Additional information to support our conclusion

Area	Control design*	Compliance with controls*	Priority of Agreed actions		
			Low	Medium	High
General Ledger	1 (4)	1 (4)	1	0	0
Cash, Bank and Treasury	0 (3)	0 (3)	0	0	0
Payroll	0 (7)	0 (7)	0	0	0
Creditors and Payments	0 (3)	0 (3)	0	0	0
Income and Debtors	0 (4)	2 (4)	2	0	0
Assets	0 (3)	0 (3)	0	0	0
Total			3	0	0

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

1.5 Progress made with previous audit findings

Date of previous audit	Low	Medium	High
Number of actions agreed during previous audit	3	2	0
Number of actions implemented/ superseded	2	2	0
Actions not yet fully implemented:	0	0	0
Action not followed up	1	0	0

As part of this review the Bedfordshire Fire and Rescue Service has demonstrated good progress in implementing actions agreed to address internal audit recommendations made within the Key Financial controls (6.14/15) report.

Of the two 'medium' and three 'low' priority recommendations followed up, we confirmed that three have been implemented in full and one has been superseded. We cannot comment if the remaining low recommendation has been implemented or superseded as this was not tested.

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2 ACTION PLAN

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may, with a high degree of certainty, lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
Area: General Ledger					
1.4	We were unable to obtain any evidence of the approval or oversight of cost centres prior to them being set up.	Low	The Service will create a procedure for the management of cost centres and will ensure that this is complied with.	1/4/16	Chief Accountant
Area: Creditors and Payments					
4.1	From our testing of new suppliers and supplier amendments, we found that is some cases it was unclear who had completed the verification checks.	Suggestion	The supplier addition / amendment forms (also called the Creditor Card Changes form) should be amended in order to take out the completed by box and only require one signature to show that a verification check has been carried out and that the details have been entered onto the system.	1/5/16	Chief Accountant

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Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
Area: Income and Debtors					
5.1	From our testing of debtor invoices we found that four invoices had been raised in excess of a week after the service was provided due to the finance department receiving the request forms late.	Low	The Service will reiterate to departments the importance of sending the Sales Order Request forms in a timely manner.	1/5/16	Chief Accountant
5.2	We were unable to obtain evidence of any debt recovery being carried out for one aged debt tested.	Low	The Service will update the aged debt report on a regular basis to ensure that chasing of debts is evidenced.	1/4/16	Chief Accountant

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3 DETAILED FINDINGS

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
Area: General Ledger						
1.4	There is no procedure in place to ensure that there is a record of requests and approvals of new cost centres to be set up on the ledger.	No	No	We were unable to obtain a report of new cost centres and amendments to cost centres for the current financial year and there was no folder for us to take a sample of cost centre amendments from. We were therefore unable to test amendments to cost centres for the financial year. We were, however, able to compare a trial balance from March 15 with a trial balance from January 2016 and noted that there were six new cost centres which had been set up during this time period. We were informed by the Principal Finance Officer that five of the six cost centres related to a restructuring relating to pay and one related to grant funding. Whilst there had been emails sent by the Principal Finance Officer to a number of staff members including the Chief Accountant and Head of Finance to notify them of the cost centres being set up, there was no formal evidence of the approval or oversight of cost centres prior to them being set up. There is a risk of cost centres being created or amended without the appropriate level of approval.	Low	The Service will create a procedure for the management of cost centres and will ensure that this is complied with.
Area: Creditors and Payments						
4.1	When a new supplier is required to be added onto the system, a Creditor Card Changes form is	Yes	Yes	We obtained a report of all new supplier added for during 2015/16 and selected a sample of 20 for testing purposes.	Suggestion	The supplier addition / amendment forms (also called the Creditor Card

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Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	completed. This is then subject to verification checks carried out by Finance Officers before they can be added onto the system for payment. These checks include: • An internet search; and • Contacting via phone / email.			Five were set up of an employee in order to make internal payments (for expenses, pensions and salary repayments) and therefore verifications checks were not needed as the details were obtained through payroll. For the remaining 15, we noted: • Verifications checks had been carried out and detailed on the form; • Supporting evidence was attached in all cases; • Two forms had not been signed by the verifier within the 'completed by' box. Through discussion with the Chief Accountant, we were advised that the person who completed the verification checks and the person who entered the data onto the system were same and therefore they had signed next to the 'entered by' box. We verified that this was the case. We have raised a suggestion as management may want to review the current form to simplify the current process and to prevent the instances where it appears that a step in the process has been omitted.		Changes form) should be amended in order to take out the completed by box and only require one signature to show that a verification check has been carried out and that the details have been entered onto the system.
4.2	When the Authority is notified of any changes to supplier details, a Creditor Card Changes form is completed and sent for processing. The form contains a tick box to show whether the form is for a new supplier or an amendment to supplier details.	Yes	Yes	We obtained a report of all amendments to supplier details for this financial year and selected a sample of 20 for testing purposes. From our testing we noted: • 19 forms had evidence of verification checks being carried out and supporting evidence attached; • One form had not been signed by the verifier. Through discussion with the Chief Accountant, we confirmed that the person who completed the verification checks and the person who entered the data onto the system were same and therefore they had signed next to the 'entered by' box.		Refer to management action in section 4.1

Page 39 appears as a rotated marginal text.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	From this, verification checks are carried out before the details are changed on the system. These verification checks are carried out by contacting the supplier using details of known contact or obtained from an internet search to ensure that the amendments are genuine. Details of the checks carried out are recorded on the form					
Area: Income and Debtors						
	In order for an invoice to be raised, a Sales invoice requisition form is completed. This must be authorised by an appropriate member of staff. Once it has been authorised, a sales invoice can be issued. In some cases a sales order requisition form is not needed. This is because some organisations will incur regular charges from the Authority and therefore the same invoice would be raised on a periodic basis. These are monitored within a yearly costs spreadsheet.	Yes	No	We obtained report of all invoices raised this financial year and selected a sample of 20 for testing purposes. From this, we noted that seven did not require a sales requisition form or authorisation as they were regular charges which are outlined within the yearly costs spreadsheet. For the remaining 13 invoices, we noted: • All had been appropriately requested and authorised; • Four invoices were raised more than a week after the requisition form with the longest difference being 23 days. One form was not dated and therefore we could not confirm if the invoice was produced in a timely manner. Through discussion with the Chief Accountant we confirmed that this delay was due to the finance department receiving the Sales Order Request forms late. If invoices are not produced in a timely manner, there is a risk that the Authority may receive payments late or bad debts arising.	Low	The Service will reiterate to departments the importance of sending the Sales Order Request forms in a timely manner.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
5.2	An outstanding aged debt report is produced on a monthly basis. Any debts which are over 30 days old are subject to chasing on a monthly basis. If an invoice has not been paid: • After 30 days of issue, a first reminder letter is sent; • 30 days since the issue of the first reminder letter, a second reminder letter is issued; • 30 days since the issue of the second reminder letter, a third reminder letter is sent; • 14 days after the issue of the third reminder letter, legal action is taken through a small claims court.	Yes	No	We obtained the aged debt report for January and selected a sample of five for testing purposes. From this we noted: • Two had been appropriately chased with one having led to legal action being taken; • One was under an on-going dispute and therefore no reminder letter was sent • One did not have any reminder letters sent as the invoice was under dispute. The issue has now been resolved and a credit note was issued. • One payment which was between 31 and 60 days old had no evidence of being followed up for payment. Through discussion with the Chief Accountant, we were advised that there was some form of chasing however this could not be evidenced. If aged debts are not appropriately chased, there is a risk that the Authority is less likely to obtain the debt, resulting in financial loss.	Low	The Service will update the aged debt report on a regular basis to ensure that chasing of debts is evidenced.

APPENDIX A: SCOPE

Scope of the review

To evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion. The scope was planned to provide assurance on the controls and mitigations in place relating to the following areas:

Objective of the area under review
Ensure financial controls are robust to minimise financial risk

When planning the audit, the following areas for consideration and limitations were agreed:

Areas for consideration:

General Ledger

- Review over access controls to the ledger,
- Sample review of journals posted to determine whether these have been subject to appropriate levels of review and authorisation.
- Creation, amendment and approval of cost centre/ codes
- Monthly closedown and reconciliation processes undertaken.

Cash, Bank and Treasury

- Review of the Treasury Management Strategy;
- Review of a sample of loan and investments to ensure they are managed in line with the Strategy.
- Review of bank reconciliations.

Payroll

- Review of a sample of new employee 'starters' that have been added to the payroll to check the accuracy of data input and appropriate authorisation.
- Review of a sample of employee 'leavers' to ensure they have been removed from the payroll in a timely manner and any over payments have been identified and recovered.
- Review over a sample of changes to payroll standing data, including increases to pay, hours contract details etc.
- Review over a sample of employees to confirm that pensions contribution rates deducted are at the correct level.
- Review over a sample of expenses paid to employees to verify that appropriate authorisation checks have been made.
- Authorisation of monthly payroll payments and exception report review.

Creditors and Payments

- Process for set and up and approval of new suppliers/ changes to supplier details
- Process for amending supplier details including independent verification.
- Sample testing to verify payments to suppliers are authorised, including checking over the following processes; invoicing, goods receipting, orders and requisitions for compliance with financial thresholds.

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Income and Debtors

- Review of a sample of debtors' invoices raised to check for authorisation and timely production.
- Approval of credit notes.
- Review of a sample of outstanding debts to check these have been appropriately pursued.
- Review of debts written off to confirm all efforts were made to recover the values and that they have been authorised appropriately.

Assets

- Inventories/ Internal verification of assets
- Review over the maintenance of the asset register to determine that this is subject to appropriate review and update to reflect purchases and disposals.
- Review over a sample of asset disposals to confirm appropriate authorisation.

In addition, we will follow up outstanding recommendations from our previous audit report.

Limitations to the scope of the audit assignment:

- We have not examined the back up and disaster recovery controls in place.
- Payroll testing was limited to Starters, Leavers, Expenses and Amendment processes; no testing has been undertaken on Pension payment arrangements only the contribution rates for employees.
- We have not provided assurance that payroll payments have been made into the correct employee's bank accounts.
- We have not provided assurance over the accuracy of payments made to other bodies e.g. inland revenue, pensions agency etc.
- We have not verified that the Fire Service have recovered all monies owed to them, only that sufficient processes are in place to identify and pursue monies due.
- We have not commented on the Service choice of suppliers only that sufficient approval has been sought to process payments made.
- We have not verified that all of the items on the asset register are held.
- We have not given an opinion over the appropriateness of investments made, only that they have complied with the agreed Strategy/Policies in place.
- Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.
- Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Jeremy Harrison, Chief Accountant

- Jackie Hammer, Principal Finance Officer

- Helen Lincoln, Principal Finance Officer

- Melia Taylor, Finance Officer

- Harsha Bechoo, Finance Officer

Documentation reviewed during the audit:

- Standing Financial Instructions, March 2015

- Control account reconciliations

- Treasury Management Strategy Statement, 15/16

- Payroll BACS runs and exception reports

- January aged debt report

Benchmarking

We have included some comparative data to benchmark the number of management actions agreed, as shown in the table below. In the past year, we have undertaken a number of audits of a similar nature in the sector.

Level of assurance	Percentage of reviews	Results of the audit
Green (substantial assurance)	100%	✓
Amber (reasonable / partial assurance)	0%	
Red (no assurance)	0%	
Management actions	**Average number in similar audits**	**Number in this audit**
	3.5	3

This shows the organisation is on a par against other organisations in the sector.

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FOR FURTHER INFORMATION CONTACT

Name: Lee Hannaford

Email address: lee.hannaford@rsmuk.com

Telephone number: +44 (0)1908 687800

Name: Suzanne Lane

Email address: suzanne.lane@rsmuk.com

Telephone number: +44 (0)7720 508148

rsmuk.com

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BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

IT Shared Service

FINAL

Internal Audit Report: 6.15/16

5 May 2016

RSM

CONTENTS

1   EXECUTIVE SUMMARY

1.1 Background

An audit of Bedfordshire Fire and Rescue Service's ("BRFS's") IT Shared Service was conducted as part of the annual audit plan for 2015-16.

In April 2010, the ICT Service Manager for Bedfordshire Fire and Rescue Service presented to the senior management teams of the Service and Cambridgeshire Fire and Rescue Service, an outline business case which considered a number of options for delivering IT services, ranging from maintaining the existing arrangements, through a number of collaboration options, to full outsourcing of the ICT functions.

Consideration of these options identified a clear case for moving forward with a shared IT service arrangement. As a result, a project was formally established encompassing a number of key objectives, including the modernisation and integration of the IT network infrastructures, the formation of a shared IT Team structure, supplying IT services to BFRS and Cambridgeshire Fire and Rescue Service (CRFS) and the creation of the IT Shared Service Agreement which sets out the IT Shared Service Governance arrangements.

On 22 October 2013 Bedfordshire Fire and Rescue Authority authorised the completion of an ICT Shared Service Agreement for a term of five years. The IT Shared Service then entered a 'transition' phase which completed on 31 March 2014, with the new arrangements becoming fully established as from April 2014.

1.2 Conclusion

Overall, we found that the IT Shared Service arrangements for Bedfordshire Fire and Rescue Service were well - controlled and we have identified only two areas for control improvement in this review. These relate to obtaining senior management and Authority approval of a specific IT strategy for BFRS and the documentation of 'end to end' Incident Management procedures.

Internal Audit Opinion:
Taking account of the issues identified, the Authority can take substantial assurance that the controls in place to manage the IT Shared Service are suitably designed, consistently applied and operating effectively.
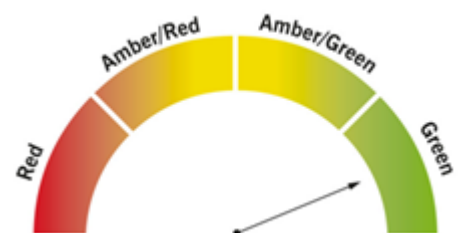
1.3 Key findings

The following controls were found to have been designed adequately:

- The IT Shared Service team structure and allocation of duties have been documented and made available to managers and staff within the Shared Service teams, reducing the risk of lack of awareness by team leadership and team members of their roles and responsibilities, which could have a negative impact on the delivery of BFRS's IT service and business requirements.

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- Formal governance arrangements are in place concerning the delivery of the IT Shared Service, including the establishment of an IT Shared Service Governance Board, reducing the risk of lack of sufficient senior management oversight, monitoring and review of IT operations conducted by the Shared Service teams. This in turn reduces the risk of failure to identify and remedy any shortfalls in service delivery and performance which could have a negative impact on BFRS's business operations.

- A number of processes have been designed and implemented regarding the measurement of the performance of IT Shared Service, including the production of monthly Key Performance Indicator (KPI) reports and the regular and frequent service delivery review meetings between BFRS and IT Shared service management. This reduces the risk of a lack of awareness by BFRS management of any significant shortfalls in the performance of the IT shared service which, if not remedied in a timely manner could negatively affect the business operations supported by the Shared Service.

- Procedures are in place for the management of IT assets, including the use of an asset register and indicators within the register identifying asset owners, reducing the risks of:

  - The inability to accurately account for all IT assets for financial valuation purposes.

  - Difficulties in tracing the movement and location of IT assets.

  - Failure to identify lost or stolen assets in a timely manner which could negatively impact business operations prior to replacements being obtained.

- An activity-based time recording system is in place for IT services undertaken for BFRS and CFRS which is designed to facilitate the management, monitoring and control of service costs, reducing the risk that:

  - The relative costs of the provision of IT services to each partner in the Shared Service will be allocated and calculated incompletely, incorrectly or inappropriately.

  - Excessive deviations from budgeted costs for providing IT services for each Fire Service are not identified in a timely manner and adjustments not made to expenditure where appropriate.

  - Incorrect residual payments (for sums owed by each of the Partners for Shared services provided are made or received at the end of the year.

- A number of control procedures are in place within BFRS for handling Freedom of Information (FoI) requests, including the allocation of responsibility and procedures in place for logging, co-ordinating, and monitoring FoI requests, and guidance provided on the BFRS website for members of the public regarding the request process These arrangements reduce the risks of:

  - The lack of appropriate guidance for members of the public on making FoI requests for information held by BFRS.

  - The inability to track and monitor FoI requests and to confirm compliance with statutory FoI target dates.

No significant instances of inadequate control design were found during our review of the IT Shared Service, though we have identified two minor areas for control improvement for which we have agreed Low priority actions for management. These have been included in the Actions for Management and Detailed Findings sections below. One minor observation on control design has also been included, for management's information only, in the Additional Feedback section below.

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Application of and Compliance with the Control Framework

Our testing identified that the recurring controls identified and evaluated during this audit were generally operating and being complied with; in particular:

- We reviewed a sample of the minutes of IT Shared Service Governance Board meetings, covering the period April 2015 to January 2016. We verified that the meetings were held regularly (every 1-2 months) as planned and that the Shared Service action plans were updated as a result of the meetings.

- We obtained copies of the IT Shared Service KPI management reports produced during 2015-16 and verified that monthly, rolling 6 monthly and combined rolling 6 monthly reports were produced as planned.

- We obtained a copy of the IT Asset Management Plan and appropriate minutes of the Corporate Services Policy and Challenge Group (the committee which includes Fire Authority Members responsible for ICT services) and verified that the IT Asset Management Plan for 2015-16 was produced in a timely manner (in June 2015) and had been approved by the above Group, in line with policy requirements.

- We obtained a copy of the FoI request log covering the period October 2015 to January 2016 and verified that information on all requests has been completed as per the FoI risk request template and that responses were sent out in respect of all requests which had reached their statutory expiry date within (or in one case, within a day of) the 20 day target time.

There were no particular issues identified during our testing which we wish to draw to management's attention.

1.4 Additional information to support our conclusion

Risk	Control design*	Compliance with controls*	Agreed actions		
			Low	Medium	High
The IT Shared Services control arrangements in place are inadequately designed and poorly managed, leading to IT services which fail to meet organisational requirements in terms of availability, performance, data security and confidentiality and cost sharing.	2 (10)	0 (4)	2	0	0
Total			**2**	**0**	**0**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

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1.5 Additional feedback

Observation:

In discussion with the Shared Service Infrastructure Manager that at the time of our audit, a number of legacy shared email accounts were in use across the BFRS computer estate, particularly in fire stations.

In subsequent discussions with the Head of Strategic Support and the joint Service Delivery Manager for the Shared Service we were assured that as part of the Virtual Desktop Infrastructure rollout, which was due to start on 4th April 2016 and finish in July 2016, the usage of separate email logins would cease, as the use of particular email accounts will be linked to users' single sign-on credentials, each of which is unique to the user.

The use of generic email accounts weakens the audit trail and increases the risk of the inability to trace activity back to particular users in the event of investigations into error or system misuse.

However, as noted above, we were informed by management that the above risk will be mitigated when the VDI infrastructure has been implemented across the whole of BFRS. We therefore make no formal recommendation on this matter but have just included it in our report as an observation for management's attention.

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2   ACTION PLAN

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may, with a high degree of certainty, lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
Risk: The IT Shared Services control arrangements in place are inadequately designed and poorly managed, leading to IT services which fail to meet organisational requirements in terms of availability, performance, data security and confidentiality and cost sharing.					
1.7	A draft IT Strategy has been created for BFRS which was found to be designed adequately and in line with best practice. However, at the time of our review, the new Strategy had not been submitted to the appropriate level of senior management for approval and issued to staff across the Service.	Low	The full new IT strategy for BFRS, incorporating the Shared Service arrangements, will be submitted to the appropriate senior management group at BFRS for comments, approved and made available to management and staff across the Service.	30/06/2016	Head of Strategic Support
1.8	Although there is a standard form for recording the result of IT incident investigations, the end to end IT incident management and reporting procedure has not been documented.	Low	Management will design, document and make available to staff an IT incident management and reporting procedure.	30/06/2016	Service Delivery Manager, IT Shared Service

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3 DETAILED FINDINGS

This report has been prepared by exception. Therefore, we have included in this section, only those risks of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
Risk: The IT Shared Services control arrangements in place are inadequately designed and poorly managed, leading to IT services which fail to meet organisational requirements in terms of availability, performance, data security and confidentiality and cost sharing.						
1.7	**IT strategy development and review processes** An Action Plan was produced for the development of the IT Shared Service in response to 23 recommendations made in a SOCITM (Society of Information Technology Management) review conducted for BFRS in April 2015. For BFRS, a record of progress against the recommended development plans is monitored, maintained and regularly updated by the Head of Strategic Support and includes the planned target date, ownership, progress and overall status of each agreed action. Recommendation 5 of the above SOCITM review stated that a separate Strategic Context document be produced by each of the parties to the Shared Service (BFRS and CFRS). In response to this, a draft Service Strategy for ICT had been produced by the Head of Strategic Support. This takes account of the action plans incorporated within the Service's Action Management Plan and identifies further opportunities for development.	No	N/A	The draft IT Strategy and associated IT Asset Management Plans and Action Plan were found to be designed adequately and in line with best practice, as well as comprehensively addressing the key IT issues faced by the organisation. The current/proposed processes for the continual review of these documents were also assessed as being robust. However, the lack of formal approval by the appropriate senior management group of the final version of the full IT Strategy for the next four years increases the risk of lack of corporate support and oversight of the strategy. This in turn potentially negatively impacts the achievement of the strategy's key objectives, the development of the IT service as a whole and the level of support provided in relation to the achievement of the organisation's planned overall business objectives.	Low	Management will finalise the new IT strategy for BFRS and will ensure that it is submitted to the appropriate senior management group at BFRS, approved and made available to management and staff across the Service.

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Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	The Strategy states that the opportunities highlighted will be developed into a roadmap and will be incorporated into the ICT Asset Management Plan and ICT Shared Service action plan as appropriate. It also adds that the newly formed ICT Strategy Group will ensure that the Strategy remains organisation-led and implementation provides value for money. The original target date for the production of the new IT Strategy was February 2016. Although the document was drafted during that month, at the time of our review (mid-March 2016), it had not been submitted to the appropriate level of senior management for comments/approval and issued to BFRS staff.					
1.8	**Shared IT policies and procedures (including those addressing data security matters).** We noted that majority of BFRS's IT policies and procedures, including those addressing data security matters, are the responsibility of BFRS corporate management, rather than the IT Shared Service teams and were therefore not reviewed in detail. However, we noted that the IT Shared Service has responsibility for investigating IT- related incidents and has carried out a number of such investigations since its inception in April 2014.	No	N/A	In the absence of a documented 'end to end' IT incident management and reporting procedure communicated across BFRS, there is an increased risk that staff will be unaware of best practice and the organisation's approach to incident management and that: ▪ IT incidents will not be investigated fully, root causes determined and remediation action taken regarding security weaknesses. ▪ IT incidents will not be reported to the appropriate internal governance Groups (such as the Corporate Policy and Challenge Group and the Shared Service Governance Group) for senior management oversight and scrutiny.	Low	IT Shared Services management will design, document and make available to BFRS staff an end to end IT incident management and reporting procedure.

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Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
	These included, for example, confirming whether a contractor had accessed BFRS premises using an electronic key fob which had not been returned when he ceased working for the organisation; searches for email correspondence between BFRS staff and certain contractors; and reports on door access data for comparison with an employee's annual leave and flexileave requests and timesheet submissions. Notwithstanding this, although there is a standard form for recording the result of IT incident investigations, the end to end incident management and reporting procedure has not been documented.			▪ Incidents will similarly not be reported to the appropriate external bodies, for example the Information Commissioner's Office, in the case of breaches of the Data Security Act. This in turn could have negative legal and financial consequences for BFRS.		

APPENDIX A: SCOPE

Scope of the review

To evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion. The scope was planned to provide assurance on the controls and mitigations in place relating to the following risks:

Objective of the risk under review	Risks relevant to the scope of the review	Risk source
To ensure that the control framework for the organisation's IT Shared Services arrangements is adequately designed and complied with.	The IT Shared Services control arrangements in place are inadequately designed and poorly managed, leading to IT services which fail to meet organisational requirements in terms of availability, performance, data security and confidentiality and cost sharing.	Discussion with management.

When planning the audit, the following areas for consideration and limitations were agreed:

Areas for consideration:

The following areas were considered as part of the review:

- Roles and responsibilities within the shared service;

- Governance of the shared service arrangement;

- Shared IT policies and procedures;

- Performance management and reporting;

- The management of ICT assets (jointly owned and separately identifiable);

- Activity based time recording that leads to the allocation of ICT Shared Services resource expenses;

- IT strategy development and review processes;

- Alignment of IT strategic objectives and plans with corporate strategy ;

- Monitoring of achievement of strategic objectives;

- Data security governance;

- Data security policies and procedures;

- Technical controls regarding data security, including network security, access controls, internet and email controls, remote access and removable media controls; and

- Procedures for handling Freedom of Information requests.

Limitations to the scope of the audit assignment:

- The scope of our work was limited only to those areas examined and reported on, and is not to be considered as a totally comprehensive review.

- The review was limited to identifying the existence of controls in the areas for review, and obtaining supporting documentation.

- All audit testing was carried out on a sample basis.

- We noted at the time of the audit, the BFRS Information/data governance structure was undergoing development. We therefore agreed with management that it was not appropriate for us to review the organisation's information data security governance arrangements at that time.

- At the request of the BFRS Head of Strategic Support, the organisation's technical controls regarding data security were not assessed and tested as part of this audit, as they have been or will be covered within the scope of a number of other IT reviews.

- In addition, our work does not provide an absolute assurance that material error; loss or fraud does not exist.

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APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Alison Ashwood, Head of Strategic Support, BRFS

- Mark Dix, Service Delivery Manager, ICT Shared Service

- Suzanne Hodgkiss, ICT Support Manager, ICT Shared Service

- Paul Brown, Infrastructure Manager, BFRS

- Karen Daniels, Service Assurance Manager, BFRS

- Frank Renouf, Business Information Manager, BFRS

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FOR FURTHER INFORMATION CONTACT

Suzanne Lane, Senior Manager

suzanne.lane@rsmuk.com

07720 508148

rsmuk.com

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Follow Up

REVISED FINAL

Internal Audit Report: 7.15/16

26 May 2016

RSM

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Debrief held	13 April 2016	**Internal Audit team**	Daniel Harris - Partner
	19 April 2016		Suzanne Lane – Senior Manager
Draft report issued	19 April 2016		Lee Hannaford - Assistant Manager
			Shalini Gandhi – Internal Auditor
Responses received	25 May 2016	**Client sponsor**	Alison Ashwood - Head of Strategic Support
			Karen Daniels - Audit and Performance Manager
Final report issued **Revised final report issued**	25 May 2016 26 May 2016	**Distribution**	Alison Ashwood - Head of Strategic Support Karen Daniels - Audit and Performance Manager

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

1 EXECUTIVE SUMMARY

1.1 Introduction

As part of the approved Internal Audit Plan for 2015/16 we have undertaken a review to validate the status of management actions within the Authority's action tracking system. The actions considered during this audit were from the following reports:

- Follow Up (7.14/15);
- Training and Development of Operational Staff (2.15/16)
- Procurement (3.15/16);

Three 'High' and seven 'Medium' priority actions were considered as part of this review.

Staff members responsible for the implementation of actions have been interviewed to determine the status of agreed actions. Where appropriate, audit testing has been completed to assess the level of compliance with this status and the controls in place.

1.2 Conclusion

Taking account of the issues identified in this report, in our opinion management have demonstrated **reasonable progress** in implementing agreed management actions.

Through the work we performed we were able to confirm that seven of the ten management actions had been fully implemented, furthermore one had also been superseded and replaced with a new management action. The remaining actions were partially implemented with the final action due to be completed in June 2016 amd March 2017.

Details of the new action and all the restated actions are included in Section 2 of this report.

1.3 Action Tracking

Action tracking enhances an organisation's risk management and governance processes. It provides management with a method to record the implementation status of actions made by assurance providers, whilst allowing the Audit and Standards Committee to monitor actions taken by management.

Action tracking is undertaken by the Authority's management on a routine basis, with an update provided to the Audit and Standards Committee at each meeting. As part of our Follow Up Review, we have verified this information and completed audit testing to confirm the level of implementation stated and compliance with controls. Of the two management actions where we found that implementation of the action was still ongoing we confirmed that one was reported to the Authority as such, the other had been reported, but was not considered to be embedded and therefore another action has been agreed.

Further details of the actions carried forward are provided in Section 2 of this report.

1.4 Progress on Actions

Implementation status by review	Number agreed	Status of management actions				
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	Not Due (5)
Follow up (7.14/15)	6	5	1	0	0	0
Training and Development of Operational Staff (2.15/16)	2	0	1	0	1	0
Procurement (3.15/16)	2	2	0	0	0	0
Total	**10**	**7**	**2**	**0**	**1**	**0**

Implementation status by management action priority	Number of actions agreed	Status of management actions				Confirmation as completed or no longer necessary (1)+(4)
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	
High	3	2	1	0	0	2
Medium	7	5	1	0	1	6
Low	0	0	0	0	0	0
Total	**10**	**7**	**2**	**0**	**1**	**8**

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2 FINDINGS AND MANAGEMENT ACTIONS

This report has been prepared by exception. Therefore, we have included only those actions graded as 2, 3 or 5. Each action followed up has been categorised in line with the following:

Status	Detail
1	The entire action has been fully implemented.
2	The action has been partly though not yet fully implemented.
3	The action has not been implemented.
4	The action has been superseded and is no longer applicable.
5	The action is not yet due.

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
	Follow up (7.14/15) **Fuel Cards (3.14/15)** To improve control around the fuel reserve log, the Authority need to ensure that: 1) The spreadsheet is consistently used by each station to prevent illegible records; 2) The spreadsheet should be maintained via SharePoint, to allow document history to be monitored; 3) Periodic fuel check or meter readings	31 March 2015	Medium	1	We confirmed as part of the review that spreadsheets were being completed and were accessible. We confirmed by reference to a review of the Kempston Station log that this had been signed by the Officer confirming accuracy and then signed by the station commander as evidence of review. The wider action in respect to implementation and additional controls including the potential of using Sharepoint was completed and moved to business as usual. This does not appear to have been embedded and	2	**Updated Management Actions** **New Action** The authority to undertake a review of the consistency and effectiveness of fuel reserve control activities to ensure these are effective and embedded, taking advantage of appropriate technologies to reduce manual systems.	Medium	March 2017	Head of Operational Support

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
	should implemented on each fuel reserve, to reconcile to the total quantity of fuel held. Records should be updated to demonstrate this has been completed; any discrepancies should be investigated and escalated appropriately.				consequently the practices have not been consistently adopted during changes in personnel. Since his appointment, the current Area Commander with responsibility for this area of operations has instigated additional checks that have addressed the issue of a monthly audit of fuel held at each location. A wholesale review of the process is planned taking advantage of appropriate technologies to enhance controls and reduce manual systems. A new Management action is stated to this effect.		This should include 1. recording (logs), monitoring and historical data, 2. periodic fuel checks or meter readings; 3. reconciliation of records to the total quantity of fuel held; 4. appropriate investigation and escalation of discrepancies.			
2	**Training and Development of Operational Staff (2.15/16)** The Head of Operations, with the aid of the Training and Development Team, will develop a strategy and action plan to engage assessors and increase the quality and volume of	December 2015 (Plan) March 2016 (compliance) June 2016 (audit)	High	1 2	Through discussion with the Training and Development Manager we noted a plan has been established with regards to engaging assessors and increasing the quality and volume of assessments. This was actioned by the Borough Commander North in February 2016 and email evidence was obtained. We confirmed that presentations had been carried out to the Station Commanders regarding the results of the Training and Development of	Plan - 1 Audit – 2 Overall – in progress (2)		High	June 2016	Head of Training and Development

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
	assessments undertaken on PDRPro with regards to both competence completion and the achievement of training outcomes. Regular audits will be undertaken to provide assurance that assessments and verifications are taking place to ensure PDRPro clearly demonstrates competence and the achievement of training outcomes.				Operational Staff audit, with a particular focus on increasing the quality and volume of assessments on PDRPro. We confirmed with the Training and Development Manager that these presentations were provided to engage assessors. Assessors will also be required to complete training to increase engagement. We noted that the service is in discussions with PRDPro regarding a new training element to be added to the system, which allows managers to track the competence and completion of training of their team. This will be RAG rated to evidence compliance. We were therefore satisfied that the Authority had developed an action plan to engage assessors and increase the quality and volume of assessments. We noted that the action regarding regular audits to be undertaken was not due until June 2016. However, we confirmed that Commanders were required to hold station management meetings and invite the Workplace Commander to give presentations on the assessment and verifications on PDRPro. Once the presentations are completed, the Station Commanders will produce					

Ref	Management action	Original date	Original priority	Status reported to Audit Committee	Audit findings	Current status	Updated management actions	Priority issued	Revised date	Owner responsible
					development plans for Watch Commanders to carry out regular testing on the assessment and verifications of PDRPro. This is accurate to the report to the Audit and Standards Committee therefore we have not reiterated the action.					
3	**Training and Development of Operational Staff (2.15/16)** The service will continue discussions with PDRPro to develop the ability to run reports which can provide assurance that assessments and verifications are being undertaken.	March 2016 Medium - compliance June 2016 (Audit)		2	We confirmed through discussions with the Training and Development Manager that the service are still in discussions regarding the ability to run reports with PDRPro. We were advised that discussion with PDRPro on having an ability to run reports on assessment and verification had resulted in a cost-prohibitive quotation for the necessary development work and a lack of certainty around the quality of outcome at this time. It was proposed that a manual process would be implemented whilst solutions were sought. We have concluded that the original action has been superseded and a new action has replaced it based on the information provided.	4	The Service will continue to work with PDRPro to develop a report running solution and in the meantime a manual reporting process will be achieved using sampling and presented within the 6-month report to SDMT.	Medium		Head of Training and Development

APPENDIX A: SCOPE

Objectives and risks relevant to the scope of the review

The internal audit assignment has been scoped to provide assurance on how the College manages the following area.

Objective of the area under review
To ensure outstanding actions agreed as part of previous internal audits performed within the College have been actioned.

Additional management concerns

None noted.

Scope of the review

The three 'High' and seven 'Medium' priority recommendations considered as part of the follow up review are from the following reports:

- Follow Up (7.14/15);

- Training and Development of Operational Staff (2.15/16)

- Procurement (3.15/16);

We will not be reviewing the 11 'low' priority recommendations raised during the following reviews:

- Communication (4.14/15), 1 low priority recommendation

- Performance Management (5. 14/15), 1 low priority recommendation

- Business Continuity including Risk Management (1.15/16), 2 low priority recommendations

- Training and Development of Operational Staff (2.15/16), 5 low priority recommendations

- Procurement (3.15/16), 2 low priority recommendations

Staff members responsible for the implementation of recommendations will be interviewed to determine the status of agreed actions. Where appropriate, audit testing will be completed to assess the level of compliance with this status and the controls in place.

The following limitations apply to the scope of our work:

This review only covered audit recommendations previously made and did not review the whole control framework of the areas listed above. Therefore, we are not providing assurance on the entire risk and control framework of those areas;

Where testing was undertaken, our samples were selected over the period since actions were due to be implemented or controls enhanced; and

Our work did not provide any guarantee or absolute assurance against material errors, loss or fraud.

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APPENDIX B: ACTIONS COMPLETED

From the testing conducted during this review we have found the following actions to have been fully implemented and are now closed:

Assignment title	Management action
Follow Up (7.14/15) Partnerships (1.13/14)	An annual overarching review of partnerships should be performed by the Service and presented to the authority to determine the success of partnerships. The success should include a link to costs and benefits realisation. This review process should also include a gap analysis to determine whether there are any potential emerging partnerships the Service should explore.
Follow Up (7.14/15) Fleet and Equipment Asset Tracking (2.14/15)	The Authority should evaluate the use and application of the following possible methods of improving its data capture and the record keeping of its operational equipment: • Produce and implement an improved spreadsheet, this could be an access database that ensures that sufficient information is captured in a consistent form so the information can be easily sorted and filtered as required. • Implement and use the Authority's existing asset management system. • Procure a new asset management system. The Authority should also consider the application of a barcoding system or portal devices to improve efficiency and accuracy enough to justify the additional cost.
Follow Up (7.14/15) Fleet and Equipment Asset Tracking (2.14/15)	The Authority must undertake an exercise to document and ensure that all equipment that requires safety/service checks are recorded and that such checks are not overdue. In order for this process to be completed efficiently and quickly we would strongly recommend the following approach is taken: The Technical Team should produce a data capture spreadsheet based on the required fields within the MIS system. This would allow the information to be captured consistently and possibly allow the software developer to import the data in to the MIS system. The spreadsheet should then be issued to the stations and stores to populate the data about the equipment they hold and then returned to the technical team (The Service has decided not to do this, see Management comment and amend this bullet point) The returned spreadsheets should then be combined into a single central record and securely protected. The records should then be cross referenced back to the paper record to safety inspection reports to ensure that all equipment that requires a safety check has had one in the required time frame. If any exceptions are found, they should be taken out of use until the checks can be completed.
Follow up (7.14/15) Fuel Cards (3.14/15)	When an Authority vehicle is disposed, or when a member of staff assigned a fuel card leaves the Authority, the Authority need to ensure that Fuel Cards are cancelled and disposed of in a timely manner. Additionally, cards that have expired or been cancelled should be destroyed in a timely manner.

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Assignment title	Management action
Follow up (7.14/15) Fuel Cards (3.14/15)	Following the submission of the annual statement from Allstar, the Authority should perform a formal reconciliation exercise to validate that the details on the annual statement agrees to Authority records, especially around those cards that should be cancelled.
Procurement (3.15/16)	The Authority has enquired with ISC to establish if a report is available from the system detailing all approval limits. It is not and therefore a system of spot checking limits will be introduced and a cycle of periodically reviewing and checking these.
Procurement (3.15/16)	The Authority will ensure that for all contracts between £2k and £10k a minimum of three quotes and/or market evidence of best value are obtained and retained. In addition for all contracts between £10k and £50k, the appropriate written quotes are received and processed through the Bluelight system for E-Tendering. Alternatively, the Authority will ensure that the appropriate waiver forms are completed and approved in line with the Authority's procedure to ensure value for money is being considered.

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FOR FURTHER INFORMATION CONTACT

Suzanne Lane – Senior Manager

Suzanne.Lane@rsmuk.com

07720 508148

Lee Hannaford – Assistant Manager

Lee.Hannaford@rsmuk.com

07816 161439

rsmuk.com

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
9 June 2016
Item No. 9

REPORT AUTHOR: **ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)**

SUBJECT: **AUDIT AND GOVERNANCE ACTION PLANS MONITORING REPORT**

For further information   Karen Daniels
on this report contact: Service Assurance Manager
                              Tel No: 01234 845013

Background Papers:

- Action Plans contained in Internal and External Audit Reports
- Action Plan contained in the Annual Governance Statement 2014/15
- Minutes of the Audit Committee dated 5 April 2012

Implications (tick ✓):

LEGAL			FINANCIAL	✓
HUMAN RESOURCES			EQUALITY IMPACT	
ENVIRONMENTAL			POLICY	✓
CORPORATE RISK	Known	✓	OTHER (please specify)	
	New		CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To report on progress made to date against current action plans arising from internal and external audit reports and from the Fire Authority's 2014/15 Annual Governance Statement.

RECOMMENDATION:

That Members acknowledge progress made to date against the action plans and consider any issues arising and endorse the recommendation to extend the completion date..

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1.   Introduction

1.1   The Members of the Audit and Standards Committee previously endorsed that the Committee should receive monitoring reports at each of its meetings advising of progress against current action plans arising from internal and external audit reports, and the Authority's Annual Governance Statement.

1.2   In their meeting on 5 April 2012, Members of the Audit and Standards Committee agreed that progress on the action plans be reported to each meeting of the appropriate Policy and Challenge Group and action point owners report progress by exception to the Audit and Standards Committee. This is the first report to the Corporate Services Policy and Challenge Group for the year 2016/17

2.   Monitoring Report of Actions Arising from Internal and External Audit Reports

2.1   The monitoring report of progress made to date against agreed actions arising from internal and external audit reports is attached as Appendix A.

2.2   The monitoring report covers, in order, the following:

- Outstanding actions from internal and external audit reports, including those reports received during 2015/16 and those from previous years, which have a proposal to extend the original completion date.

- Outstanding actions from internal and external audit reports, including those reports received during 2015/16 and those from previous years, which are on target to meet the original or agreed revised completion date.

- Completed actions which are subject to a subsequent or follow up audit. These will remain on the report until this follow-up audit is completed.

- Completed actions that are of a Low risk and do not require a follow-up audit. These will be removed from the report once they have been reported as completed to the Policy and Challenge Group.

- Any actions that have been superseded by new actions. (Actions are removed from the report once they have been reported as superseded to the Policy and Challenge Group.)

2.3   There are no requests to extend the original completion date.

3.   Monitoring Report of Actions Arising from the Authority's Annual Governance Statement

3.1   The monitoring report of progress made to date against actions arising from the Authority's Annual Governance Statement is attached as Appendix B.

3.2   The monitoring report covers the actions within the 2014/15 Annual Governance Statement (if applicable) which was formally adopted by

Members of the Audit and Standards Committee, on behalf of the Authority, at their meeting on 25 June 2015, as part of the 2014/15 Statement of Accounts.

3.3   There are no requests to extend the original completion date.

4.   Priority Grades

4.1   The Service Audit Outcomes in Appendix A have a priority grading system. The table below explains the key to the priority grades:

RSM (formerly Baker Tilly & RSM Tenon)	High	Recommendations are prioritised to reflect RSMs assessment of risk associated with the control weaknesses.
	Medium	
	Low	

5.   Organisational Risk Implications

5.1   The actions identified within internal and external audit reports and the Annual Governance Statement represent important improvements to the Authority's current systems and arrangements. As such, they constitute important measures whereby the Authority's overall management of organisational risk can be enhanced.

5.2   In addition, ensuring effective external and internal audit arrangements and the publication of an Annual Governance Statement are legal requirements for the Authority and the processes of implementation, monitoring and reporting of improvement actions arising therefore constitute an important element of the Authority's governance arrangements.

ZOE EVANS
ASSISTANT CHIEF OFFICER (HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT)

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
GOV (15/16) 1.1	**RSM** Feb 16: Final Report (15/16)	Governance Head of Strategic Support	Low	**New** The TOR's should be updated to include the reporting lines of each Committee / Group. .	Terms of References are reviewed by the relevant Committee /Groups annually following the AGM in June and it is being recommended to each that the TORs of reference include reporting lines of each Committee /Group. If agreed the TORs will be updated following approval of the FRA in July 2016	**Original** July 16	In Progress
FC (14/15) 1.7a	**Baker Tilly** Nov 14: Final Report (14/15) **Follow up** Jun15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Fuel Cards Head of Operational Support	Medium	To improve control around the fuel reserve log, the Authority need to ensure that: • The spreadsheet is consistently used by each station to prevent illegible records; • The spreadsheet should be maintained via SharePoint, to allow document history to be monitored; • Periodic fuel check or meter readings should implemented on each fuel reserve, to reconcile to the total quantity of fuel held. Records should be updated to demonstrate this has been completed; any discrepancies should be investigated and escalated appropriately.	This is now business as usual and checks are carried out by Workshops on the spread sheet monthly, where any discrepancies are notified back to the relevant station commander for action. The spread sheet is on sharepoint and there is an audit trail of the monitoring of it. Nb: The action is superseded by a new action in the RSM Follow-up Audit Report 26 May 2016.	**Original** Mar 15	Completed – Confirmed by follow up audit
FEAT (14/15) 2.1	**Baker Tilly** Nov 14: Final Report (14/15) **Follow up**	Fleet & Equipment Asset Tracking Head of Operational	High	The Authority should evaluate the use and application of the following possible methods of improving its data capture and the record keeping of its operational equipment:	The Service has completed an evaluation of the use and application of methods to improve data capture and record keeping of its operational equipment. We have improved our spreadsheets with	**Original** Mar 16	Completed – Confirmed by follow up audit

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
Page 77	Jun15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Support		• Produce and implement an improved spreadsheet, this could be an access database that ensures that sufficient information is captured in a consistent form so the information can be easily sorted and filtered as required. • Implement and use the Authority's existing asset management system. • Procure a new asset management system. The Authority should also consider the application of a barcoding system or portal devices to improve efficiency and accuracy enough to justify the additional cost.	an underlying database in March 2015 to improve recording, management, accessibility and consistency of records through a database-led approach. To support this further the Service conducted themed audits of the management and recording of operational assets at all stations. These audits completed in October 2015. An evaluation of the existing facility in the Service's Management Information System was undertaken in with a full assessment of the capabilities with the support of the supplier. The evaluation, completed in February 2015, found that the benefits were limited by the capabilities of the software and the benefits of the wider improvements in existing records outweighed the significant work and cost required to migrate. The Service has evaluated the capabilities and benefits of modern asset management software and associated tracking devices (such as bar-code systems). A project to implement an Asset Management system is incorporated into the Service's programme of improvement with oversight from the Strategic Programme Board.		

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
PROC (15/16) 1a	**RSM** Nov 15: Final Report (15/16) **Follow up** Jun16: Final Report (15/16)	Procurement Head of Finance & Asset Management & Treasurer to FRA	Medium	The Authority will liaise with ISC to decide if they should acquire the functionality to run reports of all user approval limits and user approval limit changes. If obtained this will then be used to implement a process of regular review and reconciliation of approval limits from the Great Plains System against the hard copy authorised signatory list held by the Finance team.	ISC have advised that the system cannot do this. The Finance Team have therefore implemented a process whereby spot checks/samples, are checked annually.	**Original** Nov-15	Completed – Confirmed by follow up audit
PROC (15/16) 2b	**RSM** Nov 15: Final Report (15/16) **Follow up** Jun16: Final Report (15/16)	Procurement Head of Finance & Asset Management & Treasurer to FRA	Medium	The Authority will ensure that for all contracts between £2k and £10k a minimum of three quotes and/or market evidence of best value are obtained and retained. In addition, for all contracts between £10k and £50k the appropriate written quotes are received and processed through the Bluelight system for E-Tendering. Alternatively, the Authority will ensure that the appropriate waiver forms are completed and approved in line with the Authority's procedure to ensure value for money is being considered.	The Procurement Manager has now introduced a process to capture these purchases and a process to review the files held by Budget Mangers too.	**Original** Nov-15	Completed – Confirmed by follow up audit

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
FEAT (14/15) 2.3	**Baker Tilly** Nov 14: Final Report (14/15) **Follow up** Jun 15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Fleet & Equipment Asset Tracking Head of Operational Support	High	1. The Authority must undertake an exercise to document and ensure that all equipment that requires safety/service checks are recorded and that such checks are not overdue. In order for this process to be completed efficiently and quickly we would strongly recommend the following approach is taken: 2. The Technical Team should produce a data capture spreadsheet based on the required fields within the MIS system. This would allow the information to be captured consistently and possibly allow the software developer to import the data in to the MIS system. 3. The spreadsheet should then be issued to the stations and stores to populate the data about the equipment they hold and then returned to the technical team (The Service has decided not to do this, see Management comment and amend this bullet point) The returned spreadsheets should then be combined into a single central record and securely protected. The records should then	1. This work was completed within a few days, no such equipment was found to be requiring safety checks, all items of equipment were recorded on a new spread sheet. 2. Data cleansing has been finalised for this year and will be exported to the new asset tracking system when procured. The 14 station audits of appliances and equipment has now been completed and we have finalised the population of the cleansed data onto the spreadsheets.for this year 3. Completed and addressed during station audits of operational equipment and appliances. The spreadsheet has now been moved from SharePoint to STEPS. New functionality of the system will ensure stations can access the equipment and update after there testing has been carried out.	**Original** Dec 15	Completed – Confirmed by follow- up audit

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Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
				be cross referenced back to the paper record to safety inspection reports to ensure that all equipment that requires a safety check has had one in the required time frame. If any exceptions are found, they should be taken out of use until the checks can be completed.			
PAR (13/14) 6	**Baker Tilly** Mar 14: Final Report (13/14) **Follow up** Jun15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Partnerships Head of Strategic Support	Medium	An annual overarching review of partnerships should be performed by the Service and presented to the authority to determine the success of partnerships. The success should include a link to costs and benefits realisation. This review process should also include a gap analysis to determine whether there are any potential emerging partnerships the Service should explore.	An annual review of partnerships was undertaken and presented to the Fire and Rescue Authority at their meeting on 15 July 2015.	**Original** May 15 **Agreed Revised Date** Jul 2015	Completed – Confirmed by follow- up audit
KFC (14/15) 1.2	**Baker Tilly** May 15: Final Report (14/15) **KFC Follow up** Apr 16: Final Report (15/16)	Key Financial Controls Head of Finance & Asset Management & Treasurer to FRA	Medium	The Service should ensure that all amendments to supplier bank details are verified with a known contact using an existing or independently sourced telephone number.	It was acknowledged that the system has improved since last year; however taking into account this recent recommendation the forms have been amended to improve the controls further.	**Original** May 15	Completed – Confirmed by follow- up audit

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

APPENDIX A

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
FC (14/15) 1.2a	**Baker Tilly** Nov 14: Final Report (14/15) **Follow up** Jun 15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Fuel Cards Head of Operational Support	Medium	Following the submission of the annual statement from Allstar, the Authority should perform a formal reconciliation exercise to validate that the details on the annual statement agrees to Authority records, especially around those cards that should be cancelled.	At the end of each financial year Transport will undertake formal reconciliation exercise to validate the details on the Allstar annual statement around the cards that should be cancelled against the Authority records. A process has been put in place within workshops that ensures that obsolete cards are disposed of, and cards relating to specific vehicles are cancelled when the vehicle is disposed of. A monthly check on fuel card returns is carried out to validate the use of the card to the correct vehicle/equipment and the correct fuel is being purchased. This ensures that premium fuel (and the associated extra cost) is not purchased. To ensure this process is carried out, emails, briefings and blue bulletin articles were published to all staff. The first annual reconciliation for the fuel statement will take place at year end (April 2015). A monthly reconciliation is completed to ensure the fuel receipts tally with the monthly Allstar statement - this will be checked at year end to ensure all 12 months are accounted for.	**Original** Mar 15	Completed – Confirmed by follow up audit

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Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
FC (14/15) 1.2b	**Baker Tilly** Nov 14: Final Report (14/15) **Follow up** Jun 15: Final Report (14/15) **Follow up** Jun16: Final Report (15/16)	Fuel Cards Head of Operational Support	Medium	When an Authority vehicle is disposed, or when a member of staff assigned a fuel card leaves the Authority, the Authority need to ensure that Fuel Cards are cancelled and disposed of in a timely manner. Additionally, cards that have expired or been cancelled should be destroyed in a timely manner.	Transport of 1.2a audit outcome will ensure the fuel cards are cancelled and disposed of in a timely manner. A process has been put in place within workshops that ensures that obsolete cards are disposed of, and cards relating to specific vehicles are cancelled when the vehicle is disposed of.	**Original** Mar 14	Completed – Confirmed by follow up audit
GOV (15/16) 1.2	**RSM** Feb 16: Final Report (15/16)	Governance Head of Strategic Support	Low	**New** That the annual overarching performance report be clearly visible on the service website.	The annual overarching performance report has been added to the Service website and is clearly visible	**Original** Feb 16	Completed – No follow up required
GOV (15/16) 1.3	**RSM** Feb 16: Final Report (15/16)	Governance Head of Strategic Support	Low	**New** The Authority to ensure that the agreed action plan is revised to contain SMART attributes to enable successful monitoring and where appropriate, specifies lead members / employees for each action.	The agreed action plan has been revised to contain SMART attributes to enable successful monitoring.	**Original** Apr 16	Completed – No follow up required

Monitoring Report of Actions Arising from Audit Reports
(incorporating any actions outstanding at 31 March 2015 from earlier reports)

<div style="text-align: right">**APPENDIX A**</div>

URN	Auditing Body & Source	Audit Area and Responsible Manager	Priority	Agreed Action	Progress Report to Date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
GOV (15/16) 1.4	**RSM** Feb 16: Final Report (15/16)	Governance Head of Strategic Support	Low	**New** The Members Handbook to be reviewed and documents updated to reflect the correct name of the Authority.	The Members Handbook has been reviewed and updated where applicable. Where it is stated in the handbook that the Combined Fire Authority (CFA) had previously made a decision this has not been changed.	**Original** Apr 16	Completed – No follow up required
KFC (15/16) 1.4	**RSM** Feb 16: Final Report (15/16)	Key Financial Controls Head of Finance & Asset Management & Treasurer to FRA	Low	**New** We were unable to obtain any evidence of the approval or oversight of cost centres prior to them being set up	We were unable to obtain any evidence of the approval or oversight of cost centres prior to them being set up	**Original** Apr 16	Completed – No follow up required
KFC (15/16) 5.1	**RSM** Feb 16: Final Report (15/16)	Key Financial Controls Head of Finance & Asset Management & Treasurer to FRA	Low	**New** From our testing of debtor invoices we found that four invoices had been raised in excess of a week after the service was provided due to the finance department receiving the request forms late.	The Service will reiterate to departments the importance of sending the Sales Order Request forms in a timely manner. This has now been actioned by the Chief Accountant.	**Original** May 16	Completed – No follow up required
KFC (15/16) 5.2	**RSM** Feb 16: Final Report (15/16)	Key Financial Controls Head of Finance & Asset Management & Treasurer to FRA	Low	**New** We were unable to obtain evidence of any debt recovery being carried out for one aged debt tested.	The Service will update the aged debt report on a regular basis to ensure that chasing of debts is evidenced. This will now be captured, actioned by the Chief Accountant.	**Original** Apr 16	Completed – No follow up required

Monitoring Report of Actions Arising from 2014/15 Annual Governance Statement   (incorporating any actions outstanding from the 2013/14 Annual Governance Statement)

No	Issue	Source	Planned Action	Progress to date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
1	Medium Term Budget/CRMP	Assurance Statements	Following the general election in May 2015, it is hoped that a multi-year settlement will be provided during 2015/16 for 2016/17 onwards. This will assist in the setting of medium term savings and efficiencies based on the revised forecast budget gap.	2016/17 Budget and Medium Term Plan set in February 2016 9th May 2016 update - The Authority is yet to receive the four year settlement information advising how to sign up to the four year funding offer.	2016/17 Budget and Medium Term Plan set in February 2016	Completed

Monitoring Report of Actions Arising from 2014/15 Annual Governance Statement   (incorporating any actions outstanding from the 2013/14 Annual Governance Statement)

No	Issue	Source	Planned Action	Progress to date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
2	Review of Authority Effectiveness	All actions from the 2014/15 Review of Authority Effectiveness Action Plan to be completed during 2015/16 and formally reviewed by Members as part of the following year's process	All actions from the 2014/15 Review of Authority Effectiveness Action Plan to be completed during 2015/16 and formally reviewed by Members as part of the following year's process.	A Form of Review of the FRA's Effectiveness Questionnaire was agreed and completed by Members at a facilitated meeting on 28 January 2015. On 12 March 2015, the Audit and Standards Committee considered the outcome of the Review, including any identified areas for improvement, and agreed performance objectives for the coming year. The 2014/15 Review of the FRA's Effectiveness and Action Plan for 2015/16 was agreed by the FRA on 31 March 2015 for inclusion in the FRA's Annual Governance Statement, which was agreed to be part of the 2014/15 Statement of Accounts. A Paper, including recommendations, for the 2015/16 Review of Effectiveness, was submitted to the Audit and Standards Committee on 24 September 2015. At the meeting it was agreed a Form of Review Questionnaire be completed by Members for discussion at a facilitated annual review meeting of the Fire Authority 27 January 2016. Following this meeting a report was presented to the Audit and Standards Committee on 17 March to consider and recommend an action plan which was endorsed by the FRA on 19 April 2016 for 2016/17 for incorporation into the Annual Governance Statement	**Original** Mar 16	Completed

Monitoring Report of Actions Arising from 2014/15 Annual Governance Statement   (incorporating any actions outstanding from the 2013/14 Annual Governance Statement)

No	Issue	Source	Planned Action	Progress to date	Timing For Completion	Status ('Not Started', 'In Progress' or 'Completed')
3	Information Security	2012/13 & 2013/14 AGS & Assurance Statements	This is a Corporate Project to ensure that the Authority's information is secure and the policy is in line with ISO Standard 27001	The Authority's Information Security project has now been fully implemented across the Service and policy arrangements align with ISO 27001. The project introduced a bespoke software solution bringing together Information Security, Business Continuity including Protective Security and Risk Management. This holistic and joined up approach provided for an integrated solution in managing critical information and information assets in a structured framework which are supported by new policies and procedures. The Information Security Project will be signed off by the next Programme Board scheduled for 11th March 2016.	**Original** Mar 15 **Agreed Revised Date(s)** 30 Nov 15	Completed

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
9 June 2015
Item No. 10

REPORT AUTHOR: HEAD OF FINANCE/TREASURER

SUBJECT: REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2016/17 AS AT 31 MAY 2016

PURPOSE:

To inform the Corporate Services Policy and Challenge Group, at this early stage of the year, the forecast year end budget monitoring position as at 31 May 2016.

RECOMMENDATIONS:

That the Corporate Services Policy and Challenge Group:

1. Review the forecast outturn and planned savings and efficiencies.

---

1.   Introduction

1.1   On 11 February 2016, the Fire and Rescue Authority (FRA) approved a Revenue Budget Requirement for 2016/17 of £28.985m and a Capital Programme of £1.274m.

2.   Revenue Budget Monitoring

2.1   A full analysis of the Revenue Budget efficiency savings for 2016/17 to 2018/19 can be found in appendix A.

2.2   The funding of the 2016/17 Revenue Budget is by way of Government Funding £8.331m, local Business Rates redistribution £2.197m and Council Tax of £18.205m. There is also funding from a Collection Fund surplus of £0.252m.

2.3   **Forecasting Outturn:**

2.3.1   Table 1 below will be populated during the year in line with the spread sheet returns that Corporate Management Team (CMT) members submit to the Finance Team and also through the meetings that Finance Officers have with CMT members. The forecast outturn positions will be as accurate as the information received from each CMT member.

2.3.2 Table 1 below details the current budget excluding salary budgets, for each CMT service area. The forecast year end outturn is shown in column three, with the variance and RAG (red, amber, green) status shown in columns four and five.

2.3.3 **Table 1: 2016/17 Revenue Budget Forecast Outturn (excluding salary budgets)**

Title	Current Budget £'000	Fcast yr end outturn £'000	Variance £'000	RAG status (see note below**)
Strategic Management	61	61	0	Green
Head of Operations	809	809	0	Green
Head of Operational Support	556	556	0	Green
Head of Community Safety	151	151	0	Green
Human Resources Manager	180	180	0	Green
Head of Strategic Support	1,216	1,216	0	Green
Head of Safety and Special Projects	5	5	0	Green
Head of Training and Development	423	423	0	Green
Head of Finance and Treasurer	4,359	4,359	0	Green
Total	**7,760**	**7,760**	**0**	

**RAG Status: Red would identify where there is a large overspend equal to or greater than £100,000 and/or a key service aspect was not being delivered. Amber would identify where there is a possibility of an overspend and/or a key service aspect may not be delivered. It may be that there are action plans in place to address an issue, where until they are successful it is flagged as Amber. Green identifies where service delivery is being performed and as above, where there are underspends. Underspends are not necessarily always green, if for example, there was a key service aspect not being delivered causing the underspend, it would be shown as Red.

2.3.4 The main areas of over/underspends identified in Table 1 are noted below:

There are currently no predicted over or under spends within any of the CMT service areas.

No major variances to report.

2.3.5 With the salary budgets being such a large proportion of the overall budget, the split from the budgets above is justified.

Table 2: 2016/17 Salary Budget Forecast Outturn

Title	Current Budget £'000	Forecast year end outturn £'000	Variance £'000
Whole-time	13,428	13,428	0
Control	909	909	0
Retained	1,964	1,964	0
Non Uniform/Agency	4,924	4,924	0
Total	**21,225**	**21,225**	**0**

2.3.6 There are currently no over/underspends forecast in Table 2 above:

2.4 **Total Forecast Outturn, Salary and Non Salary:**

2.4.1 The total forecast variance at year end including both the non-salary figure in Table 1 above and for pay and on costs, including agency staff shown in Table 2, is currently expected to be a nil variance.

3. Capital Programme Monitoring

3.1 Table 3 below is a summary of the Authority's 2016/17 Capital Programme. The Red, Amber, Green (RAG) status indicates how well the schemes are progressing (Green being on target for year-end completion within budget; Amber indicating possible slippage or overspend; and Red indicating actual slippage/overspend or deletion of the scheme).

Table 3: The 2016/17 Capital Programme

Scheme	Budget 2016/17 £'000	Forecast Outturn £'000	Variance £'000	Slippage £'000	RAG status
Mobile Technology for appliances (Software & Connection)	175	175	0	0	Green
Capital Works (Service wide)	80	80	0	0	Green
Thermal Imaging Cameras	60	60	0	0	Green
Fitness Equipment	8	8	0	0	Green
Control Kitchen Upgrade	5	5	0	0	Green
Web Design Project	55	55	0	0	Green

Scheme	Budget 2016/17	Forecast Outturn	Variance	Slippage	RAG status
Vehicles	856	856	0	0	Green
Extend & Redesign the BA Technician & Technical Technician workshop	35	35	0	0	Green
Total	**1274**	**1274**	**0**	**0**	

3.2 It should be noted that the Vehicles, ICT and HR System Projects and Property Capital Works Programmes need to be treated with fluidity as the costs and expected completion dates can vary considerably and span across financial years. However, in accordance with the financial regulations, any significant changes of expenditure over 10% of an approved capital scheme need to be reported back to the FRA.

3.3 **Capital Programme – Withdrawals:**

3.3.1 None to report this month.

3.4 **Capital Programme – Additions**

3.4.1 None to report this month

3.5 **Capital Programme – Variations:**

3.5.1 None to report this month.

3.6 **Slippages:**

3.6.1 There is no Capital slippage to report at this stage with regard to the 2016/17 Capital programme.

GAVIN CHAMBERS
HEAD OF FINANCE/TREASURER

Transformational Savings and Efficiencies 2016/17 to 2018/19

Ref	Savings/Efficiencies	£'000s 2016/17	£'000s 2017/18	£'000s 2018/19
1	Continued roll out/removal of 24 Wholetime station-based posts through revision to Wholetime Shift Duty System.	263	157	
2	Service Control/Operational Support Establishment		34	
3	Reduction of One Area Commander post and a Service Operational Commander (SOC) allowance.	3	78	35
4	Hydrant - contributions (estimated) from developers, therefore reduction in revenue budget	10	20	20
5	Non-operational structure review		35	
6	Improved Retained Duty System crewing availability (savings associated with DCLG Transformation bid)	127		
7	Flexi Duty Officer rota review	37		
8	Admin Review (early indication)		50	
9	Anticipated initial savings from Insurance pooling		10	
10	Watch Manager Technical - Change post from Grey Book to Green Book		18	
11	Disclosure Barring Service checks - reduction to specific groups		5	
12	Protection - Risk Based Inspection Programme.(loss of Fire Safety Inspecting Officer post/funding by LA)	40		
13	Potential for sharing Fire Investigation Service with Herts/Cambs FRS			7
		480	**407**	**62**

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For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
9 June 2016
Item No. 11

REPORT AUTHOR: **HEAD OF FINANCE AND TREASURER**

SUBJECT: **TREASURY MANAGEMENT – ANNUAL REPORT FOR 2015/16**

For further information   Mr G Chambers
on this Report contact: Head of Finance and Treasurer
Tel No: 01234 845016

Background Papers:

Treasury Management Strategy 2015/16, as detailed in the Budget Book 2015/16.

Implications (tick ✓):

LEGAL		FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
ORGANISATIONAL RISK	✓	OTHER (please specify)	
		CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To consider the Authority's Annual Report for Treasury Management for 2015/16.

RECOMMENDATION:

That Members consider the report.

---

1.   Introduction

1.1   Since 1 April 2006, the management of the Fire Authority's Treasury operations has been undertaken by the Authority's Finance staff. Treasury management activities are undertaken with the objective of maximising

return/minimising cost, consistent with minimising risk. When investing, the over-riding principle is the maintenance of the capital sum.

In order to support this function, the Authority also employs Capita Asset Services to provide independent, professional treasury advice.

1.2   The Fire Authority's banking facilities are also arranged and monitored by the Finance staff.

1.3   The Fire Authority adopted the Code of Practice for Treasury Management in the Public Services published by the Chartered Institute of Public Finance and Accountancy (CIPFA), introduced in April 2004 and revised in November 2011. One of the requirements of the CIPFA Code is for there to be regular reports on Treasury Management to be presented to the appropriate 'committee'. This is the annual report for 2015/16.

Recent changes in the regulatory environment, place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Authority's policies previously agreed by Members.

This Authority also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Corporate Services Policy and Challenge Group before they were reported to the full Authority.

2.   Borrowing/Investment Strategy for 2015/16

2.1   It was anticipated at the beginning of 2015/16 that the Authority would have surplus funds available for short-term investment either within its Special Interest Bearing Account (SIBA), at its bankers or through the money market. At the beginning of 2015/16 the SIBA account was paying a rate of 0.25%, and remained at this rate through the remainder of the year.

2.2   During 2013/14 this Authority set up a Call account with Barclays Bank. This account has been continually used during 2015/16. At the beginning of 2015/16 the Barclays account was paying a rate of 0.15% with a bonus of 0.30% paid on 31st December 2015. As of 31st December 2015 the rate increased to 0.20% but with a reduced bonus rate of 0.20%.

2.3   During 15/16 we placed £2M in to our 95 day account with Santander, via our Treasury Advisors, Capita at a rate of 0.60%. However we then liaised with Santander direct and opened up two new accounts. One being a 95-day account at a rate of 0.90% and a 180-day account at a rate of 1.15%. As at the end of March 2016 we have £2.5M in the 95 day account and £2.4M in the 180 day account. All monies in the 95 day account placed via Capita have since been withdrawn.

3. <u>Interest Rate Movements during 2015/16</u>

3.1 Bank base rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years.

3.2 Interest rates applicable to temporary investments were short-term money market rates. These investments were fixed for a set period (usually one year), at a greater interest rate than bank base rate. In April, May, June, July 2015, and January and March 2016, the Authority re-invested £10.2m that had reached maturity. There were also additional investments of £3.5m in May, August, September, October, November 2015 and February 2016 ranging between fixed periods of one month to one year.

4. <u>Investment/Borrowing Operations</u>

4.1 **Investments:**

Surplus cash is invested on a temporary basis through the money market. Levels of investment have fluctuated from £10m at the start of 2015/16 down to £5.3m during the year and then up again to £6.7m as at 31 March 2016. Investment interest of £0.080m was generated in the year. In addition, £0.005m was received through the local SIBA account, £0.009m through the Barclays account, £0.006 throught the Santander 95-Day Account (via Capita), £0.008m through the Direct Santander 180-Day account and £0.006m through the Direct Santander 95-Day account. However, interest on PWLB borrowings totals £0.423m, giving a net interest paid of £0.307m.

4.2 The Fire Authority's budgeted investment return (interest receivable) for 2015/16 was £99,400, and actual performance £115,694. Therefore, performance was £16,294 above budget. The budgeted investment return set for 2016/17 is £99,400.

4.3 **Long-Term Borrowing:**

No debt rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

The Capital Programme for 2015/16 was financed by revenue contributions and Capital Grants.

4.4 **Borrowing and Investments Outstanding:**

	Temporary Investments £000s	Long-Term Borrowing £000s
As at 1 April 2015	10,000	10,087
Raised	12,700	0
Repaid	(16,000)	0
Outstanding at 31 March 2016	**6,700**	**10,087**

5.   Prudential Indicators

5.1   Under the prudential code the following Treasury Management indicators were set for 2015/16:

Authorised Limit for external debt	£12.2m
Operational Boundary	£10.3m
Limits for fixed interest rate exposure:	
Upper limit	£(292,000)
Limits for variable interest rate exposure:	
Upper limit	£(97,000)

5.2   Neither the authorised limit nor the operational boundary have been exceeded during the year. Actual interest rate exposure was as below:

Fixed interest rate exposure	£61,496
Variable interest rate exposure	£61,496

5.3   All the Prudential Indicators have been summarised for Members benefit in Appendix A attached, which has been updated in accordance with the 2015/16 Budget Book.

6.   Performance Measurement

6.1   The success of cash flow management and hence the Fire Authority's temporary investment and borrowing activity is measured by comparing the actual rates of interest achieved and borne against a benchmark of the average Local Authority 7 Day Rate.

6.2   For the period ending 31 March 2016, the average interest rate achieved from temporary investments was 0.84%, higher than the average Local Authority 7 Day Rate over the same period of 0.363%.

7.   General Economic Conditions

7.1   In brief, this financial year has seen:

•   Interest rates remain at a constant level of 0.5%.

•   Inflation – Target Inflation (CPI) was at 0% in April 2015 and at 0.30% by March 2016 (0.30% change). Headline Inflation (RPI) was at 1.0% in April 2015 and at 1.30% by March 2016 (0.30% change).

7.2   See Appendix B for a copy of Sector's report on the Economy and Interest Rates throughout 2015/16.

8.   Economic Forecast – (April CityWatch 2016)

The Fire and Rescue Authority's Treasury Advisers, Capita Asset Services, provided the following forecast:

	End Q2 2016	End Q3 2016	End Q4 2016	End Q1 2017	End Q2 2017	End Q3 2017	End Q4 2017	End Q1 2018
Bank Rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%
5yr PWLB rate	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%	2.60%	2.70%
10yr PWLB rate	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.10%
25yr PWLB rate	3.20%	3.30%	3.30%	3.50%	3.50%	3.60%	3.60%	3.70%
50yr PWLB rate	3.00%	3.10%	3.10%	3.30%	3.30%	3.40%	3.40%	3.50%

9.   Conclusion

9.1   The Fire and Rescue Authority is requested to note the report.

G CHAMBERS
HEAD OF FINANCE AND TREASURER

Prudential Indicator	2015/16 Indicator £000	As at 31 March 2016 Actual £000
Capital Financing Requirement (CFR)	9,885	9,391
Gross borrowing	10,087	10,087
Investments as at 1/04/15 and 31/03/16	10,000	6,700
Authorised limit for external debt	12,200	12,030
Operational boundary for external debt	10,300	10,130
Limit of fixed interest rates based on net debt	292	277
Limit of variable interest rates based on net debt	97	92
Principal sums invested > 365 days	0	0
Maturity structure of borrowing limits:		
Under 12 months	0%	1%
12 months to 2 years	1%	0%
2 years to 5 years	0%	0%
5 years to 10 years	0%	0%
10 years and above	99%	99%

The Economy and Interest Rates

Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in 2015/16 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The ECB commenced a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015.

As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to the promise of a referendum on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

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For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
9 June 2016
Item No. 12

REPORT AUTHOR: **HEAD OF FINANCE/TREASURER**

SUBJECT: **ASSET MANAGEMENT POLICY and PLANS ICT, LAND & BUILDINGS and TRANSPORT 2016/17 to 2019/20**

For further information   G Chambers
on this Report contact: Head of Finance/Treasurer
                            Tel No: 01234 845016

Background Papers:

Previous Year's Asset Management Policy and Plans

Implications (tick ✓):

LEGAL		FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	✓
ENVIRONMENTAL	✓	POLICY	
ORGANISATIONAL RISK	✓	OTHER (please specify)	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To present to the Corporate Services Policy and Challenge Group (CSP&CG) for approval, updated Asset Management Plans for 2016/17 to 2019/20 in respect of:

- Fleet and Transport
- Information and Communications Technology
- Land and Buildings (including performance/benchmark indicators for 2015/16),

RECOMMENDATION:

That CSP&CG consider and approve:

The attached updated Asset Management Plans for Fleet & Transport, Information & Communications Technology and Land & Buildings.

---

1.   Introduction

1.1   The Authority maintains an overarching Asset Management Strategy, together with a series of underpinning Asset Management Plans comprising:

- Fleet and Transport;
- Information and Communications Technology and
- Land and Buildings.

The value of the Authority's Property, Plant and Equipment, as at 31st March 2016 was as follows:

Property, Plant and Equipment	£m at 31 March 2016
Vehicles, plant and equipment (incl Heritage Asset)	5.020
Land and buildings	22.067
Assets under construction	1.980
Total fixed assets	29.067

1.2   Whilst the Plans all have a medium-term (three to four year) timescale to align with the Authority's Community Risk Management and Medium Term Financial Planning framework, they are subject to an annual review and updating process.

1.3   The suite of Asset Management Plans produced in 2015/16 were approved by the Corporate Services Policy and Challenge Group in June 2015, in line with its terms of reference. The Asset Management Strategy was updated in 2014 and approved by the CSP&CG. There are no changes proposed to the strategy and it is therefore not attached to this report.

1.4   This paper, presents for consideration and endorsement by CSP&CG updated Asset Management Plans for 2016/17 to 2019/20 (attached at appendices 1 to 3).

Utilities

1.5   Following the review of the 2015/16 year-end figures for utility usage, the benchmark 2016/17 performance indicators are proposed in the Land and Buildings plan.

For 2015/16 these benchmarks were based on averages over the prior two years for electricity and gas (2013/14 and 2014/15).

The roll out of Automatic Meter Readers (AMR) will greatly improve the regularity and reliability of data collection for both gas and electricity. The roll out has predominantly taken place during 2015/16, this is further detailed in the Land and Buildings Asset Management Plan. All water supplies were already on meters.

2.   Contents of the Asset Management Plans

2.1   The detailed Asset Management Plans (Fleet and Transport, ICT and Land & Buildings) underpin the Asset Management Strategy. Whilst the detailed format and layout of each of the plans differs to reflect the differences in the types of assets covered, all are based on recognised best practice and Central Government guidance on public sector asset management. All contain:

- comprehensive information on the current assets within each group;
- a review of the relevant policies, practices and responsibilities for asset management;
- the wider strategic planning context and corporate priorities within which the plans have been developed and key changes planned over the medium-term;
- a focus on asset related performance measurement and management;
- capital and revenue expenditure implications of planned programmes of replacement, repair and maintenance;
- reviews of achievement over the past year and forward looking action plans for the next year and beyond.

3.   Organisational Risk Implications

3.1   The use of the Asset Management Plans forms a crucial tool in minimising the risk of the Authority's major assets failing to support its overall aims, objectives and priorities and thus failing to support efficient and effective delivery of services to the community.

3.2   Establishing suitability of the current asset base, identifying future changes in Service need and monitoring the performance of assets is central to effective forward planning and ensuring assets support the service delivery requirements arising from Authority's strategic priorities and Community Risk Management Plan.

3.3   Good Practice guidance issued by Central Government continues to place ever increasing importance on effective public sector asset management in order to improve on efficiency and the better delivery of services. This philosophy was reinforced by both the national Comprehensive Performance Assessment and Comprehensive Area Assessment frameworks, which required Local Authorities to demonstrate that asset management arrangements were in place that allowed them to plan and improve upon the corporate use of major asset groups. Although these national audit frameworks have now ceased, a focus on robust and effective asset management across all public sector organisations remains core to the current Government's strategy for delivering significant reductions in public spending.

4.   Financial Implications

4.1   The Asset Management Plans are essential tools in assisting the targeting of financial resources in the most efficient and effective way. They provide supporting information that enables the prioritisation of both capital and revenue expenditure on each of the asset groups to feed into the Authority's Medium-Term Financial Plan.

4.2   The focus on performance management of assets plays a crucial role towards the Authority's aims of securing measurable efficiency, effectiveness and value for money in delivery of its services.

5.   Equality Impact Assessment

Equality Assessments will be picked up by each of the plans as and when necessary. For example, prior to the commencement of building works in the Capital Programme.

G CHAMBERS
HEAD OF FINANCE ANDTREASURER

Bedfordshire
Fire and Rescue Service

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Transport

Asset Management Plan

2016/17 to 2019/20

Contents

1.   THE NEED FOR A TRANSPORT ASSET MANAGEMENT PLAN (TAMP)

A Transport Asset Management Plan is necessary to ensure:

- Constantly improving customer and stakeholder satisfaction
- Improving use of natural resources
- The effective and efficient use of capital funds
- Compliance with statutory regulations
- Effective Corporate Management

This helps to:

- Deliver efficiency savings
- Continuously improve Service Delivery
- Implement new ways of working
- Maximise the safety of our Communities by reviewing operational resources to meet identified risks in the Community Risk Management Plan

2.   HOW THE TAMP INTERLINKS WITHIN THE CORPORATE STRUCTURE AND OTHER STRATEGIES

The Authority has established a Community Risk Management Plan (CRMP) that outlines what it aims to achieve and how it will be achieved over this period, supported by a Medium Term Financial Plan (MTFP) In particular, the CRMP sets out the:

- Vision, aims and objectives
- Key policy priorities
- Action plan(s) for achieving the key delivery and planning objectives
- The MTFP sets out the Revenue and Capital strategies for delivering the CRMP

The TAMP provides a comprehensive and integrated approach to the management of the Authority's vehicular and other major operational assets. The TAMP is a 'live' document, which will evolve through time and reflect changes based on current and predicted working practices, legislation, environmental developments and availability of Capital.
The TAMP will link with, and inform, other strategic decisions and plans for the effective management of Bedfordshire Fire and Rescue Service (BFRS). The diagram below sets out the relationship between the TAMP and other Corporate plans:

3.   PURPOSE AND ROLE OF THE TRANSPORT SECTION WITHIN BFRS

The prime purpose of the Transport Section of BFRS is the supply and maintenance of vehicles and major operational equipment which meet:

- User and stakeholder needs;
- Fire and Rescue Service strategies
- Legislative requirements

And, which facilitates and promotes environmental sustainability through the principles of best value.

The services provided by the Transport Section cover three main functions:

- Fleet Supply
- Fleet Management
- Fleet Maintenance

The Transport Section is the main support provider for all transport or transport related services, and additionally provides support for the maintenance and management of many major operational assets, such as;

- The Rescue Boat
- Various trailers
- Positive Pressure Ventilation Fans
- Portable Pumps
- Hydraulic Rescue Equipment
- Ladders etc

4. FUNCTIONS PERFORMED

Fleet Supply	The research, specification, costing and tendering, acquisition, and disposal of all BFRS vehicles and significant operational equipment and vehicle mounted fire fighting equipment.
	Additionally, the current staffing structure in Transport has enabled a much higher degree of 'in-sourcing' to occur, resulting in many aspects of vehicle preparation for conversion to Fire Service use being undertaken 'in-house'.
Fleet Management	The management of the fleet: • Leasing contracts and management of leasing costs • Vehicle Excise Duty • Registration and Licensing • Type Approval Testing (VCA testing). • Fuel Management • Availability of vehicles and major operational equipment monitoring
Fleet Maintenance	The repair and maintenance of vehicles and vehicle mounted operational equipment, and the majority of operational equipment. The Transport Workshops undertake most of the tasks involved. Specialist external contractors are engaged for the repair and maintenance of equipment outside of the expertise or facilities available within the Workshop team / premises, which includes aspects such as major body work repairs, paint spraying and some lager items that require fabrication.

5. LEGISLATIVE REQUIREMENTS

The operation of a fleet of vehicles is a heavily regulated area. The operation is affected by the following legislation, or best practice guidance:

- The Road Vehicles (Construction and Use) Regulations 1986
- The Road Vehicles Lighting Regulations 1989
- The Motor Vehicles (Driving Licences) Regulations 1999
- The Road Traffic Act 1991
- The Road Vehicles (Registration and Licensing) Regulations 2002
- The Health and Safety at Work Act 1974
- Provision and Use of Work Equipment Regulations 1998
- The Management of Health and Safety at Work Regulations 1999
- The Control of Pollution (Oil Storage) (England) Regulations 2001
- British and European Technical Standards
- The Management of Occupational Road Risk
- Chief Fire Officers' Association (CFOA) Recommendations on Emergency Fire Appliance Servicing and Maintenance
- CFOA Transport Officers Group Security Guidance on Decommissioning and Disposal

The list of Acts/guidance is not exhaustive, and by the very nature of the transport environment, various legislative requirements cut across other sections of the Authority. To adhere to vehicle operating legislation the Transport Section utilises a variety of procedures to ensure that the vehicle fleet complies with the relevant regulation(s). The following are some of the current procedures adopted to satisfy the legal requirements and also provide reassurance of the adoption of best practice methodology:

- Safety Inspection Programme
- Defect Reporting System
- Preventative Maintenance Schedule
- Vehicle Inventory
- Vehicle Condition Reports, specifically for the Service Delivery Asset Group (SDAG)

The CFOA guidance on the maintenance of fleet is particularly demanding. Whilst it encourages a frequent and thorough inspection and maintenance programme, it does not adequately reflect the current use of emergency vehicles, the modern technology and modern servicing requirements specified by the manufacturer. This leads to a costly maintenance programme.

The adoption of the full CFOA guidance is currently under review by BFRS. Initial changes being implemented is oil condition testing to reduce significantly the amount of oil used and disposed of annually.

6. TRANSPORT ASSETS – LOCATION, COST

BFRS has a variety of transport assets located at 18 locations. The majority of vehicular assets are located at the Service's Fire Stations. The current fleet operated by BFRS consists of 115 items on the fleet list; and includes vehicles, trailers, boats and demountable modules.

The unaudited NBV figures as at 31 March 2016 are, Vehicles £3,679,407 (including £16,715 leases) and plant and equipment (this includes IT hardware etc) £1,307,498 (including £244,130 leases).

7. TRANSPORT ASSET NEED AND FUNDING, UTILISATION AND EMERGENCY VEHICLE REQUIREMENTS

The 'Need' and Funding

The vehicular assets of BFRS are determined by the needs of the community, as identified in the CRMP. This in turn, is interpreted by the Service to ensure the identified and predicted risks can be met with the correct equipment. Whilst public perception of Fire Service vehicles is the traditional 'Red Fire Engine', there are numerous supporting vehicles required to fulfil a variety of roles.

The need for a vehicle or asset may come as the result of a newly identified risk, or a changed risk, or the replacement of an 'end of life' vehicle or asset, or to support a new task or strategy.

When a replacement vehicle is required, the needs of the Service are reviewed and evaluated with the requirement being scrutinised to determine if the 'need' is still the same. With this information, the specification can be determined.

This specification must have some reflection of what is available in the open market and consider any new technology that could improve performance.

In April 2009, the Service Delivery Asset Group (SDAG) was established to:

1. Provide a Strategic Planning Group to consider the provision or replacement of major service delivery assets

2. Provide recommendations to Service Delivery Management Team (SDMT) on the provision or replacement of major service delivery assets

3. Allocate major service delivery asset provision or replacement projects

4. Monitor the utilisation of vehicular assets and make recommendations to SDMT to achieve best value

Once the need for a particular vehicle or asset has been established, SDAG report to the SDMT on what the need is, and possible solutions together with anticipated

costs. The Chair of SDAG (Head of Operational Support) authorises the setting up of a working group to refine the service delivery needs and user specifications. These working groups consist of representatives from the End Users, Representative Bodies, Health and Safety Team, Workshops Technicians, Service Specialist Advisors and the Transport and Engineering Manager (TEM), and any other relevant persons as required. These working groups are chaired by the Technical Support Manager (TSM).

Where a new or changed risk is identified and additional capital is required to purchase suitable equipment, SDMT make recommendations to the Corporate Management Team (CMT) who authorise the capital investment.

A vehicle replacement Capital Programme has been developed to project the replacement frequency and potential costs for capital planning. This program is monitored through the Capital Strategy Team.

Any new equipment identified to improve service delivery or update old equipment is funded through the budget setting process set out in the MTFP, although the principles of identifying and specifying the equipment follow that detailed above. Where there is an urgent operational need or safety need, there are alternative streams of funding to resolve the issue, the approval by CMT to approach the Fire Authority (FA) for Capital Reserves.

Utilisation

To obtain best value from the vehicular and other major operational assets, BFRS monitors their utilisation. This is accomplished by evaluating data from fuel returns, vehicle mileage sheets and actual use, together with condition reports as required.

The SDAG actively monitors the use of vehicles and major operational assets and reviews their disposition in order to maximise their service life. In addition, the vehicle replacement program is monitored and amended by the SDAG, which considers the vehicle condition reports and recommendations made by the TEM. This results in direction being provided to TEM about purchasing vehicles from lease, extending the life of vehicles and the disposal of obsolete or no-longer required assets.

Since SDAG was established in April 2009, it is estimated that through their monitoring, evaluation and direction, the Service has saved to date £869,025. These efficiency savings have been established via Finance and through the use of calculations agreed with the Head of Finance and Treasurer and the Chief Accountant.

Emergency Vehicle Requirements

The size of the fleet of fire appliances needs to be given due consideration, as by its very nature it is impossible to 'manage the demand' of an emergency vehicle fleet. Statistical evidence is collected and maintained, which provides the best possible indication of the high and low demands on the fleet and is subsequently used to

determine vehicle standby levels and numbers required, in order to best maintain full operational readiness.

The placement of the emergency vehicles is also important. It would seem that all new emergency vehicles should be allocated to the busiest stations. This provides the opportunity for maximum operational use, to identify any issues relating to vehicle warranty, and to get these defects rectified by the manufacturers. However, this means that new appliances are subject to maximum operational wear and tear in their early years in service, resulting in a tired looking, but still operationally sound appliance being allocated to stations where there is less operational use for their middle to end of service life.

SDAG will continue to monitor the impact of allocating new appliances to the busiest stations. If required SDAG can move appliances to smaller and less operationally active stations, in order to ascertain if vehicle life can be extended, by evening out the wear and tear and mileage throughout the vehicles life.

8.   VEHICLE LIFE CYCLE

Vehicles and equipment have a predetermined life cycle. This life cycle follows a course that is set by a variety of factors:

- Legislation
- Procurement practices
- Disposal methods
- Best Practice methodology
- Maintenance and upkeep requirements and costs
- Requirements of end-user departments
- Cost and depreciation
- Level of specification
- Availability and use
- Dependability
- Flexibility
- Service life
- Environmental considerations

The Service's current vehicle replacement policy is:

Rescue Pumps   - Review at 12 years with maximum of 15 years life
Special Appliances   - Review at 15 years maximum of 20 years dependent upon type
Utility Vans   - Review annually from 7 years
Pool Cars   - Review annually from 3 years

This replacement policy allows for prudent financial capital planning by the Capital Strategy Team, but it only provides an indicative cost and due date for replacement. The actual period of replacement is determined by the utilisation and need, monitored by the SDAG, and the costs are dependent on the final user and technical

specifications and the effect of the exchange rate and manufacturers' cost increases (inflation).

SDAG are tasked to monitor and review the provision and replacement of vehicular assets to achieve best value and derive the maximum benefit from operational vehicles. The group will, where necessary and appropriate, make recommendations to SDMT to extend the life of vehicles beyond the above guidelines where this can be achieved without affecting operational capability. This often involves the purchasing of vehicles from lease and extending their life. The implications of this are:-

1.	A large number of vehicles were previously (from the mid 1990s) obtained through leasing arrangements. This was determined to be the best use of financial resources at the time, when the cost of capital borrowing was high, and it was more prudent to invest capital and utilise revenue to fund appliances and equipment.

2.	The financial circumstances changed, and it became more efficient and effective to capital purchase appliances and equipment. That trend has once again reversed for some procurement decisions, and the best funding method for each procurement decision is evaluated, meaning that some assets may now either be leased or capital purchased. The Service utilises the expert knowledge of a consultancy company to provide the advice on which funding stream is the most appropriate for best value.

3.	Previously, a large proportion of the fleet was secured through leasing arrangements. As those leasing periods come to an end an inspection of the condition of the vehicle is carried out to determine suitability of the vehicle for capital purchase from lease. This extends the life of the vehicle and reduces costs through the reduction in revenue leasing expenditure, and provides a residual value that the Service may realise upon disposal of the vehicle. Potential costs to return the vehicle to the leasing company are also reduced (the condition that the vehicles are required to be returned to the lease company in are specified in the lease contract and the Service may incur financial penalties if that specification is not met). The Service can purchase the vehicles for a considerable discount, extend the life of the vehicle and still have a saleable asset for less than the cost of either continuing the lease or returning the vehicle to the leasing company.

4.	If a Vehicle asset is capital purchased from lease (utilising part of its future replacement capital funding allocation) and the asset is subsequently sold, the revenue from the sale will go back into the Capital Programme for Vehicles, to support the new replacement vehicle. This helps to ensure that the projected capital funding stream for the new vehicle will not be adversely affected by fluctuations in vehicle prices.

9. PROCUREMENT

A procurement process is undertaken to acquire the vehicle or equipment at the best possible price for the specification required. This may follow several different paths; all comply with current Service Orders and Legislative/Financial/Procurement requirements.

The majority of vehicles and major operational equipment is procured through framework agreements established by either the Chief Fire Officers' Association (CFOA) or the National Fire and Rescue procurement body 'The Consortium', or other existing frameworks where possible. These frameworks have been established to save on administration and advertising costs and meet the requirement to open up to competition from Europe through the Official Journal of the European Union (OJEU). Where the framework does not exist for a particular vehicle or asset the OJEU process is followed where required, according to the threshold value, and a tendering process is completed.

The final choice of supplier is determined by a tendering exercise based on quotations provided by approved suppliers on the relevant framework agreement.

The final stage of the procurement process is undertaken when the budget requirements for the year ahead are presented to and discussed with FRA Members at the budget setting workshops and then approved by the full Fire Authority in February each year. This takes the form of approval of the Capital Programme and incorporates budget requirements to support the vehicle and equipment replacement programme and details any new vehicles or proposed equipment for procurement for use in the Service.

10. OPERATIONAL LEASES

Prior to the introduction of the prudential capital finance system in April 2004, which removed the restrictions on the Authority to borrow to fund capital investment, the majority of the Authority's appliances were acquired utilising operational lease arrangements. This method of funding vehicle acquisition means that the vehicle is not owned by the Service. Instead, it is deemed to be the registered keeper of the vehicle or vehicles, or asset. During the predetermined lease period, the Service is required to make a number of annual leasing payments to the leaser. The operational lease arrangement does not include any maintenance responsibilities, these are financed and undertaken by the Transport Section.

When the end of each lease period is reached, the vehicle is inspected by the leaser to ensure that the vehicle complies with the return conditions and collection is arranged. Since April 2004, a financial option appraisal is undertaken to identify the most cost effective funding method for vehicle acquisitions and subsequently greater use of capital funding is now being utilised as described above.

The Service employs CAPITA to ensure the most cost effective method of vehicle acquisition is maintained.

11. MAINTENANCE

All vehicular assets are purchased with a minimum of 12 months warranty from the vehicle manufacturer, the majority of light vehicles have a whole vehicle warranty of 24 months duration. In respect of vehicles above 3500 kg gross vehicle weight, the body is generally not produced by the chassis manufacturer and is built and warrantied by a specialist bodybuilder.

The Transport Section provides the operational support to the vehicle fleet. This may be for unplanned repairs or scheduled preventative maintenance. The Transport Section has the responsibility to ensure that all vehicles stay within legislative and predetermined safety requirements.

CFOA provide best practice guidance for the servicing intervals and schedules for emergency fire appliances, which are stricter than those of the vehicle manufacturer.

The Fleet Transport Association is utilised as a third party to sample audit the maintenance work carried out by the Transport Section, in order to provide independent quality assurance.

The Transport Section provide support which includes a reporting mechanism to respond to day-to-day unplanned repairs, and a planned preventative maintenance and inspection schedule to reduce the number and severity of unplanned repairs required. All repairs are documented to ensure that works to vehicle assets are recorded to enable effective asset management. Throughout the vehicles life they are maintained in a safe, legal and roadworthy condition.

12. DISPOSAL (OF PURCHASED VEHICLES OR OTHER MAJOR OPERATIONAL ASSETS)

Once an asset has reached the end of its service life it will be disposed of by one of the following methods:

The Fire and Rescue Authority (FRA) will consider recommendations for the disposal of assets with a value greater than £10,000 and individual requests for the donation of assets with a value exceeding £10,000. In relation to assets with a value of less than £10,000, the Chief Fire Officer holds delegated responsibility for their disposal.

1.   Donate the vehicles to locally based charities and organisations subject to no cost to the FRA other than ensuring the vehicles are fit for purpose.

2.   Donate the vehicles to charities working in developing countries subject to no cost to the FRA other than ensuring the vehicles are fit for purpose.

3.   Dispose by auction (including sealed bids), or by classified advertisement.

4. Write-off the asset for disposal by destruction /scrapping or recycling in accordance with the relevant legislation.

In light of the current financial pressures, the consideration of income generated from the sale of an asset is one of the primary objectives enabling re-investment into the Service.

VAT rules stipulate the payment of VAT on the true value of assets disposed of by donation. This aspect must be considered when donating assets.

13. AGE PROFILE OF FLEET

The current vehicle fleet has evolved over the years to include vehicles ranging from new to circa 20 years old.

The average age of the whole fleet (appliance and support) is 8 years. Whilst it is generally accepted that the specialised, high value vehicles have a longer life and will, therefore, remain on the fleet for a longer period, the older the fleet, the more likely it will become redundant in terms of modern working practices and technology. The risk of obsolescence is a consideration in determining vehicle life extension and refurbishment programmes.

It should be noted that the decisions taken to purchase vehicles from the leasing programme and extend their life comes at the cost of providing an increasingly ageing fleet. The decision to procure vehicles from lease, and push the capital programme for replacement vehicles forward, has implications for both revenue and capital expenditure, as well as the overall age profile of the fleet.

The decision of when to replace vehicles is determined by several factors. Due to the high cost of the more specialised vehicles it becomes beneficial to spread the initial cost over a longer period in accordance with predicted useful life. The major drawback of this is that as technology moves on, there is a danger that the vehicle will become outdated in respect of technological developments. The vehicles effectiveness to the operational function becomes the 'obsolescence gauge' and must be balanced with financial considerations in deciding on vehicle life.

In respect of the 'non-specialised' fleet, the factors guiding obsolescence and subsequent replacement are not subject to the same drivers. Non-specialised vehicles tend not to be as expensive, and a higher residual value is anticipated, whist the capability of the vehicle is not as restrictive for its intended use.

The decision of when to replace these types of vehicles is more financially based than operationally based, and is achieved by evaluating the condition and reliability history of the vehicle and the remaining useable life together with the residual value and replacement cost.

14. FLEET MANAGEMENT SYSTEM

The current Fleet Management System (FMS) utilised by the Transport Section is the FMS module of the Services 'Sophtlogic' Management Information System. The system is used to record, monitor and manage the details of the fleet, information on servicing and maintenance, accident records, and costs.

During the fiscal year 2016/17 the Service is reviewing the need to procure a modern fleet management system.

15. FLEET SUSTAINABILITY

15.1 Environmental Considerations

The adoption of sustainable transport by the public sector is as a result of two key drivers. The Comprehensive Spending Review 2010 (CSR10) which made protecting the environment a key priority, and the pressure on the public sector to address climate change and global warming in response to a suite of International, European and National legislation, action plans and targets.

It is anticipated that all vehicle fleet owners will be required to adopt a sustainable fleet and BFRS are committed to addressing some of the key challenges by researching and implementing solutions that ensure its fleet balances the need for operational effectiveness and fleet sustainability. The Service will also use its influence with other stakeholders to improve environmental performance across a wide range of fire and rescue vehicles and equipment. In particular, the following areas will be the subjects for consideration over the five year period from 2013:

- The fuel management system
- Revised vehicle specification to take into account environmental concerns including the introduction of the Euro 5 (or later) emission regulations
- Investigate alternative fuels feasibility, including electric vehicles
- Manufacturer's environmental policies
- Introduce emissions testing as part of routine servicing
- The use of sustainable/renewable materials in the production of vehicles
- The use of lighter weight materials to reduce overall vehicle weights and therefore increase fuel efficiency
- The use of plastic bodies to improve service life and offer the potential for re-using the bodies on new chassis
- The Introduction of Oil testing to reduce oil usage and waste

15.2 Current Measures

BFRS encourages practical considerations to be introduced to improve the carbon footprint of the Service. Several environmental initiatives are currently in place within the Transport Section.

- The re-cutting, casing and recycling of tyres
- The recycling of lead acid and other batteries

- The environmentally safe disposal of waste engine oil and other engine and vehicle fluids
- The recycling of scrap metals including aluminium ladders
- The introduction of Continuously Regeneration Trap (CRT) exhaust particulate filters to our vehicles to reduce soot /carbon emissions
- The use of 'AdBlue' on some new Heavy Vehicles

15.3   Vehicle Emissions

The Inter-governmental Panel on Climate Change (IPCC) has identified the following as potentially harmful gases:

- Carbon Monoxide
- Methane
- Nitrous Oxide
- Hydro Fluorocarbons
- Sulphur Hexafluoride

The largest global emissions by volume are of carbon dioxide which originates from the burning of fossil fuels including the combustion process that occurs in compression ignition or spark ignition motor vehicle engines.

The recent purchase of new appliances has ensured compliance of Euro 5 and Euro 6 emissions standards whilst the proactive use of CRT exhaust systems and the AdBlue exhaust additives has also contributed to reduced emissions. Diesel exhaust fluid is an aqueous urea solution used in selective catalytic reduction to lower Nitrous Oxide concentration in the exhaust emissions from diesel engines. The solution may also be referred to as AUS32 shorthand for aqueous urea solution, or as AdBlue, a trademark held by the German Association of the Automobile Industry. As new vehicles are bought in to the Service, they will meet the current Euro standards, with the Euro 6 standard being the next to be implemented; however, this comes at a cost. Development of vehicles to meet these exacting standards inevitably leads to increased initial purchase cost.

15.4   Bio Diesel

Bio diesel is a mixture of mineral diesel fuel and vegetable derived fuel. The Service's fuel provider does not currently supply bio diesel and whilst the Service intends to investigate the use of it, there are two specific concerns with regards to bio diesel which will require addressing or mitigation by BFRS. They are:

1. Bio diesel has a reduced calorific value when compared to mineral diesel. This means that the power produced is slightly less than mineral diesel. This is obviously a concern to emergency fleets and their ability to respond quickly.
2. Bio diesel does not have the same lubricant properties as mineral diesel and using bio diesel in larger ratios may necessitate more frequent and regular engine oil changes.

Following a review in 2009, a number of issues surrounding the use of bio diesel have been identified including viscosity at sub-zero temperatures and filter blockages. Due to these findings, the Service has decided against using bio diesel at this time due to the potential implications for interruptions to operational service delivery and associated safety implications. This position will remain under review for future developments in the technical specification of bio diesels. Additives have started to be utilised to remove increased wear and tear on engines but information is still not clear on the potential failure of high performing engines such as response vehicles.

15.5 Carbon Footprint

Measurement of the carbon dioxide produced by the fleet emissions can be calculated using a formula established by the Freight Transport Association. A specific amount of carbon dioxide is produced for a quantity of fuel burned. This calculation assumes that fuel burns completely whilst in reality motor vehicle engines are not 100% efficient and will produce by products of the combustion process. The following formula represents a theoretical approach to quantifying the carbon dioxide emissions of a compression ignition engine:

One litre of diesel fuel burns completely (only if 100% efficient) to produce 2.66kg of carbon dioxide (CO_2). Petrol equates to 2.33 kg of CO_2 for each Litre used.

By studying the fuel used by the fleet it is possible to calculate the fleet's carbon footprint. As new technology is introduced into the fleet, it is plausible that the current fuel usage of the BFRS fleet will reduce and subsequently the size of the carbon footprint. BFRS have begun the introduction of 'clean air technology' in the form of Continuous Regeneration Traps (CRT) and more carbon dioxide friendly engines; currently the Service's LGV fleet comprises of:

- 15 Scania Rescue Pumps (RP's) with Euro 3 engines fitted with Continuous Regeneration Traps
- 3 Scania RP's with Euro 5 engines fitted with Clean Air Technology
- 2 Volvo Water Carriers with Euro 5 engines fitted with 'AdBlue' tanks
- 2 Volvo ALP with a Euro 5 engine fitted with 'AdBlue' tanks
- 3 MAN Rural Water Tenders with Euro 4 fitted with Clean Air Technology
- 6 Volvo/Saxon RP's with Euro 2 engines (not fitted with clean air technology)
- 3 Scania/Browns RP's with Euro 5 engines fitted with Exhaust Regenerations Gas Technology
- 1 Mercedes Special Rescue Unit Euro 1 engine (not fitted with clean air technology)
- 1 Volvo Fire Special Operations Team Euro 1 engine (not fitted with clean air Technology)

From the above CO_2 conversion factors the calculated 2015/16 CO_2 emissions for the Service fleet of vehicles was 424.136 tonnes.

Emissions of Carbon dioxide over the last six years:

	2011/12	2012/13	2013/14	2014/15	2015/16
Carbon Dioxide Emitted in Tonnes	433.231	476.149	475.053	430.864	424.136

15.6 Fleet Monitoring

In 2015/16 the fleet covered 447,444 miles and consumed 159,957 litres of fuel at a cost of £149,216

Total Mileage for vehicles: 2011/12-2015/16.

Vehicle	2011/12	2012/13	2013/14	2014/15	2015/16
Pumps & Specials	168,675	160,016	162,895	129,527	152,275
Ancillary	312,441	333,451	335,415	323,498	295,169
Total	488,116	493,467	498,310	453,025	447,444
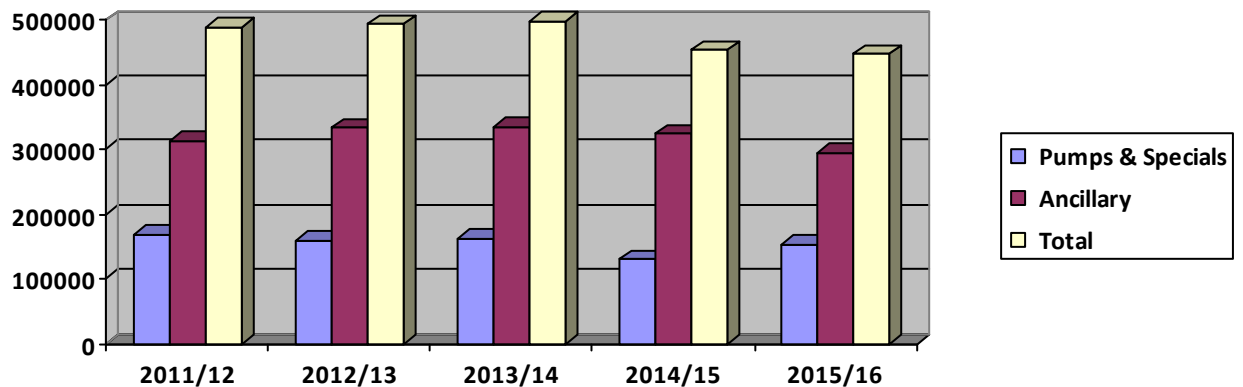
TOTAL FUEL PURCHASED 2011/12-2015/16

Fuel Type	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Petrol	7,660	7,626	5,128	4,746	3,965
Diesel	195,310	205,561	199,179	165,897	137,182
Red Diesel	0	0	0	0	1,480
Total	202,970	213,188	204,307	170,643	142,627
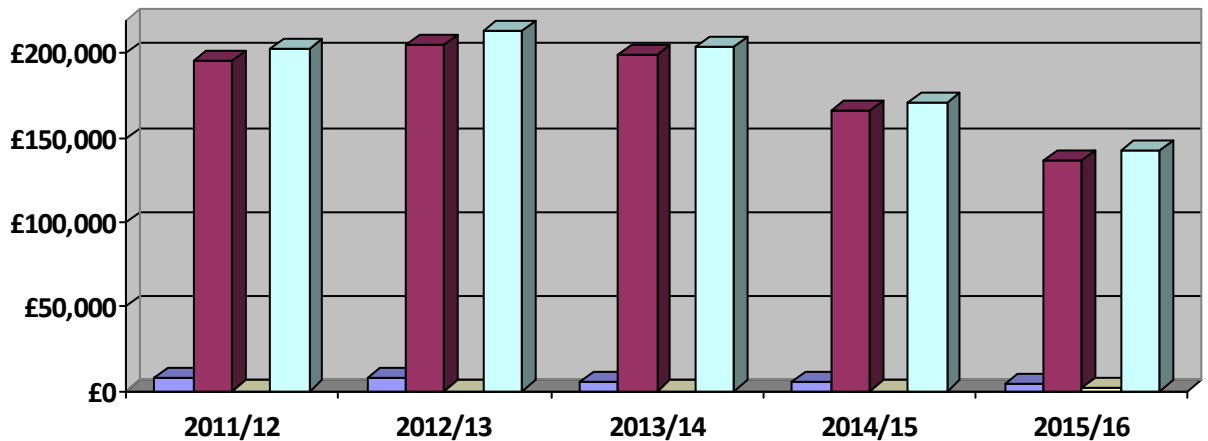
DERV & PETROL PURCHASED AND PRICE PER LITRE 2011/12-2015/16

Fuel Type	2011/12		2012/13		2013/14		2014/15		2015/16	
	Litres	Price Per Litre £	Litres	Price Per Litre £	Litres	Price Per Litre £	Litres	Price Per Litre £	Litres	Price Per Litre £
PETROL	5,803	1.32	5,526	1.38	4,421	1.16	4,892	0.97	4,088	0.97
DIESEL	157,786	1.23	174,163	1.18	174,719	1.14	157,694	1.05	152,425	0.90
RED DIESEL (AP Bedford)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,444	0.43

The ALP at Bedford currently uses Red Diesel as it is classed as 'PLANT' machinery. This is purchased externally as the Service currently does not have a facility to hold Red Diesel stock. During 2016/17 the Service will investigate and implement two Red Diesel storage units based at Bedford and Luton.

There is a substantial amount of maintenance required as the nature of the Service dictates that vehicles will operate on short unplanned journeys. The majority of miles covered are undertaken before the power unit reaches normal operating temperature. There are also a number of legal, safety and environmental issues that need to be constantly addressed, as mentioned previously.

There are a number of potential benefits that may be developed from fleet monitoring:

1. The Driving at Work guidelines published by the Health and Safety Executive/Department for Transport places more responsibility on employers to manage work related road safety

2. Live vehicle utilisation information, (CCTV, DATA downloads from vehicles)

3. Provide information on driving techniques to cut fuel consumption/exhaust emissions with the added benefit of reducing costs

4. Use the information obtained to structure the driver training programme

5. Help to reduce accidents by understanding the cause and use that information to implement changes to Service Policy

6. Support testimony in the current climate of claims culture (CCTV)

7. Utilising a GPS system with driver ID/location, would alleviate the need for the current manual system of driver's records of journeys

15.7   Service Fuel Contingency Plans

During 2012, the Service was faced with the potential to invoke the Fuel Contingency Plan. Information from Government regarding the fuel situation indicated that Unite were balloting for strike action.

The Service reviewed its Fuel Contingency Plans and continued to plan for the possibility of a fuel strike in liaison with other Category 1 and 2 Responders in Bedfordshire Local Resilience Forum. The liaison meetings discussed progress on plans and action to be taken by each organisation to make sure that business continuity arrangements were in place.

The actions agreed and taken to minimise the fuel disruption risk include:

1. All stations should check their diesel stock (where held) and an order for sufficient fuel to top the tanks up to the maximum capacity.

2. A list of essential staff was compiled for the issue of Temporary Logos, which would allow prioritised access to fuel at Designated Filling Stations (DFS) when the Department of Energy and Climate Change (DECC) initiate the National Emergency Plan – Fuel (NEP-F). Under this plan, the Emergency Services Scheme (ESS) is designed to prioritise the distribution of fuel to Blue Light Emergency Services, with the DFS being pre-identified and having the sole purpose of supplying fuel to priority users under the ESS. The use of the Temporary Logo and Service identification (and method of payment) will enable those designated as essential staff to buy fuel.

3. Dunstable station and the HQ site had old fuel pumps and storage tanks re-commissioned to increase fuel reserves.

4.   The following Fuel Management Measures were implemented.

- Use filling stations before using internal fuel supplies. (Refuel at filling stations to conserve station stocks: whilst this is more expensive, it allows for our stocks to be resilient and enables business continuity.)

- Consider temporarily suspending events that would incur high fuel usage.

16.   FUTURE FLEET AND WORKSHOP PROVISION

The need to drive efficiency and effectiveness is ever presented by the fiscal climate and austerity measures being implemented by the Government.

This Service has previously reviewed the opportunities for collaboration with other local authorities. These reviews have not produced a significant saving in return for the projected investment, or required significant capital investment funded by grant. Previously, joint funding bids were unsuccessful and resulted in the termination of the collaboration projects.

The effect of this was to look more closely internally, to identify areas for improvement. One key area identified was the cost of outsourcing work, both for capital and revenue expenditure. A project to demonstrate the improved value (effectiveness, efficiency and quality) of insourcing work was completed, which made a clear business case for investing in human resource to deliver many previously outsourced aspects in-house. This has resulted in the increase of the staffing levels by one technician, and an increase in training in new skill areas, such as air conditioning repair and maintenance, tyre re-grooving, hose-reel testing, electrical installation testing, maintenance and repair (PAT Testing) and vehicle specific skills (such as required for the Aerial Ladder Platform). In addition, investment has been made in equipment to enable these skills to be used, and includes aspects such a computers to interrogate, alter and re-set the vehicle electronic systems, tyre re-grooving equipment and hose testing equipment, to name a few.

This strategy has led to a decrease in the cost of maintenance and repair associated with outsourcing this work of £76,457, whilst the benefit of employing an additional technician has been the improvement in quality, turn-a-round time for the rectification of defects and the ability to undertake many aspects of new vehicle build prior to the release of the vehicle to the body-builder, creating significant savings in capital expenditure.

In addition, the Service has collaborated with other Fire and Rescue Services in the Eastern Region to procure the replacement Rescue Pump fleet. This has involved the design and specification, contractual arrangements and OJEU framework created in order to gain best value through economies of scale. This Service has committed to the procurement of the Rescue Pump requirements through this route for three years from 2013/14 (although the award of the contract had slipped due to OJEU technicalities and the actual delivery timescales changed slightly as a result) this meant that the first of three appliances were not delivered in 2014. However, appliances 1 and 2 were in build (May 2015) and have now been delivered to the

Service and were available for operational deployment May 2016; appliances 3 and 4 are also expected in May 2016. It is anticipated that a further 6 appliances will be delivered to Service by August /September 2016

The Service will continue to undertake further collaborative work with other organisations and Fire and Rescue Services. Work has commenced with a meeting of Service Operational Commanders, to discuss and identify what areas of collaboration can be undertaken between Cambridgeshire and Bedfordshire FRS.

Firstly, a base-line of performance between the Services will occur, which will identify areas of best practice and enable mentoring arrangements to be initiated to drive change and improvements in both Services. Secondly, opportunities for sharing equipment, on-call technicians and software to manage the fleet will be explored.

The Service has also successfully collaborated with the Bedfordshire Police for the servicing of light vehicles such as Vauxhall cars and vans, and BMW motorbikes. The Police are approved Vauxhall and BMW servicing agents.

When the Service has a period of high servicing demand to maintain operational readiness, and light vehicle servicing is required, the Transport Support Officer will use the Police servicing team in Kempston, as transport servicing resilience.

A further area of potential saving identified is the cost of lease cars and essential user provision. During 2015/16, a review of the base cost for a lease car has been carried out that meets the Service minimum operational specification. This was based on enhanced safety requirements and operational resilience during spate conditions. The base cost for operational lease cars will be reviewed annually by the TSM.

17.   CHANGES IN THE USER'S OPERATION

The Transport Section's operational strategy needs to be flexible to adjust to the requirements of the users. During previous years the Service has increased resources to the prevention and reduction of fires. This trend will no doubt continue and whilst this change of focus will not reduce the establishment costs of having an emergency fleet on standby, it will continue to reduce some of the operational running costs, as demonstrated by the reduction in Diesel fuel purchased year on year.

The improved targeting of the prevention of fires may produce a change in user needs and could reduce the number, or influence the design, of the emergency vehicles required.

18. PROJECTS 2016/17 to 2019/20

As technology improves, both in vehicle design and fire fighting principles, the demand on the vehicle and major operational asset requirements will alter.

The projects for the next 3 years include:

Project	Rationale	Completion Date
Rescue Pumping Appliances	To replace 10 Rescue Pumping (RP) appliances with modern up to date units that meets the operational needs of the Service.	2016/17
Rescue Pumping Appliances	To replace 4 Rescue Pumping (RP) appliances with modern up to date units that meets the operational needs of the Service.	2016/17
Special Rescue Unit, Kempston	To replace existing unit.	2016/17
1 Fire Bike	To replace existing Fire bike	2016/17
3 Station Vans	To replace existing this will be reviewed annually.	2016/17
1 Respiratory Equipment Van	To replace existing.	2016/17
Hydrant Technician Van	To replace existing unit this will be reviewed annually.	2016/17
Rescue Pumping Appliances	To replace 3 Rescue Pumping (RP) appliances with modern up to date units that meets the operational needs of the Service.	2017/18
Operational Support Unit 1 Bedford	To replace existing unit that meets the changing needs of the Service, this will be reviewed annually.	2017/18
9 Station Vans	To replace existing this will be reviewed annually.	2017/18
6 Pool Cars	To replace existing.	2017/18
Rescue Pumping Appliances	To replace 3 Rescue Pumping (RP) appliances with modern up to date units that meets the operational needs of the Service.	2018/19
1 Mini bus	To replace existing.	2018/19
Review the CFOA guidance for servicing and maintaining emergency vehicles	Reduce costs associated with servicing and maintenance, in accordance with manufacturers modern recommended servicing schedules and actual use of vehicles.	End of March 2017
Review the base line for Service contribution to lease car provision	To re-align the Service contribution to lease contributions based on minimum vehicle specification.	Annually

19. FINANCIAL PLANNING

19.1 Capital

Broadly, 'Capital expenditure' is the term used to describe the acquisition of assets that have a long-term value to BFRS, in excess of a purchase cost of £3,000. The Transport Section capital expenditure will form part of the Authority's Capital Strategy and will be drawn from the replacement cycle of vehicles and equipment. The anticipated transport capital expenditure for the period 2016/17 to 2019/20 is detailed below:

Year	£000's
2016/17	856
2017/18	825
2018/19	839
2019/20	755

19.2 Revenue Budgets

The Transport Section revenue budget will be heavily influenced by the Vehicle Replacement Programme mentioned above. It is unlikely that year-on-year capital spending will remain constant and there will be fluctuations in the costs transferred to the revenue budget. To even-out revenue expenditure it would be necessary to concentrate on the level scheduling of vehicle purchases over an anticipated lifespan, or to accept that fluctuations will occur between different years.

The contingency to counter this would be to make predictions and consequently financial provision for them in the years that they are likely to occur. A similar concept applies to vehicle maintenance expenditure - as vehicles age, more costs will be incurred. Unless the same numbers of vehicles of the same type are purchased each year there will be fluctuations in vehicle maintenance revenue expenditure. Improved asset management planning can ease the fluctuations to enable more even and accurate budget forecasting.

20. PERFORMANCE MANAGEMENT AND DATA

20.1 National Performance Indicators

The CFOA Transport Officers Group (TOG) undertook a pilot bench marking project which involved 15 Services took part. On the understanding that the CFOA TOG would determine if benchmarking could work and what difficulties there might be. The pilot proved successful although there was a considerable amount of work to be done to ensure comparable measurement. For example, is a 'support vehicle' a car used for Community Fire Safety or is a Community Fire Safety vehicle part of the operational fleet? Also is an annual service carried out in one FRS the same as a major service carried out in another?

What was key to develop from the pilot was that benchmarking is not about changing one's own practices to mirror that of another FRS it is about understanding your position in the group and whether your resources meet your customer's needs.

However, enough learning was obtained to move to developing a user requirement in order to develop a national bench marking group through CFOA.

Work continues on the national bench marking and is constantly fed back to Regional TOG meetings.

The NPI's initially tracked, are as follows:

Standardised WLC	Whole life cost of vehicle/role to date using standardised figures for labour rate and fuel.
WLC per Available Day	Whole life cost of vehicle/role for the number of days it has been available for operational use - ie number of days – downtime.
Maintenance Costs	Cost for Service/Maintenance and Repair for Vehicle/Role.
% Availability	Percentage of reserve (spare) to core vehicles.
Vehicle Reliability	Number of workshop visits a vehicle/role experiences.
Vehicle Downtime	Amount of time a vehicle/role spends in the workshop.
Fuel Consumption	Average and actual fuel consumption for vehicle/role (need to consider pumping and idle running consumption).
Vehicle Utilisation	Number of miles per annum vehicle/role achieved.
Commissioning Costs	Cost of getting vehicle or modifying vehicle for FRS use.
Staff Ratios	Number of vehicles per vehicle technician - excludes operational/support technicians.
Mileage over Vehicle Life	Number of miles by vehicle/role achieves before it is disposed of - probably support fleet only.
Residual Values	Residual value achieved by vehicle/role on disposal.

20.2   Performance Indicators

Key Performance Indicators (KPIs) – those aspects that are key/essential to ensuring operational service delivery and safety. These KPIs are reported to the Fire Authority.

The Service Transport and Engineering Manager utilises Local Performance Indicators to manage other aspects of the fleet – these are not reported to the Fire Authority.

The following KPI's have been utilised since July 2014 (to be reviewed in 2016/17).

- Appliance = Operational Appliance – for example a Rescue Pump, but could be any operational vehicle. This excludes pool cars and ancillary vehicles that do not form part of the operational response capability.
- Special Appliance = Supporting Operational Appliance – for example a Rescue Unit, Aerial Ladder Platform, Water Carrier etc.

Grade of Defect:
- Grade A – requires immediate attention by Workshops.
- Grade B – requires attendance by Workshops within 24 hours of being reported.
- Grade C – requires attendance by Workshops within seven working days of being reported.
- Grade D – will be attended to during next service.

Examples of each grade of defect are listed at the end of the performance tables.

As only Grade A defects result in the loss of operational availability, these are considered to be KPIs. All other grades of defect are LPIs.

The time calculations are based on 24 hours x 365.25 per reporting period, 8766 total hours.

To provide context, where the percentages used in the PIs below relate to the number of days available, these are indicated in the following table as rounded days:

%	Days
1	4
2	7
3	11
4	15
5	18
10	36
85	310
90	328
100	365

WS1a and WS1b - Grade A defect response time	**What does this KPI measure?** This KPI measures the speed of response to Grade A defect by a Service technician, to ensure operational appliances are kept available for Service Delivery Response. Note: This KPI concerns the speed of response to the defect, not the resolution of the defect as this varies from a minor issue such as a headlight bulb, through to a major issue such as a gearbox or engine failure, or accident damage. Most defects are relatively minor in nature; major defects will be reported separately as exceptions.

Purpose/Aim	To monitor the speed of response of workshop staff in attending to a Grade A defect, leading to reduced 'down time' of operational vehicles, enhancing fire fighter safety.
Definition/Calculation	The number of Grade 'A' defects that were attended by a Service technician within the target timescale from receipt of notification to the time of booking in attendance at the vehicle location, calculated as a percentage
Target	To respond to 85% of all Grade A operational appliances vehicle defects within 1 hour of being notified of the defect, and to 95% within 2 hours.
What is the information gathering process?	Vehicle defect reporting and job card system currently in place. A sample audit of the Automatic Vehicle Location System data will periodically be undertaken to confirm the details logged by the Technician are accurate.
Result	WS1a Grade A Defect 1 hour 89% WS1b Grade A Defect 2 hour 97%

WS2a– Turn-a-Round Time - Rescue Pumping Appliances Unavailable for Operational Response	**What does this KPI measure?** Turn-a-round Time - The percentage of time that the Service's Rescue Pumping Appliances are unavailable for operational use due to defect/servicing/ other works (including minor accident damage that can be dealt with by Workshops, but excluding major accident repairs dealt with by external companies or requiring investigation or replacement vehicles) as required.

Purpose/Aim	To monitor the 'turn-a-round time' of operational rescue pumps, demonstrating the efficiency of workshops in dealing with servicing, repair and other works as required.
Definition/Calculation	The total time in hours expressed as a % when Rescue Pumping Appliances were unavailable for operational use due to an annual service, defect or other works.

This work includes a significant amount of operational equipment servicing specific to the appliance, including for example, ladders, hydraulic rescue equipment, light portable pumps, positive pressure ventilation fans, LOLER and PAT testing etc to meet legislative requirements.

Work may also include minor accident damage repairs, and any major defects such as engine and gearbox repairs as occasionally required.

The calculation is based on the number of hours the appliance is unavailable in the reporting period.

This KPI is calculated from and defined as the time the vehicle entered workshops for the defect, service or other works until the time the vehicle is ready for collection – the turn-a-round time.

Note: Appliances suffering from major accident damage are excluded from this KPI as they may require significant repair, replacement or investigation which will take time outside of the control of Workshops. These instances will be reported by exception. |
Target	A notional target has been set at 5%, subject to review after 12 months once historical data analysed.
What is the information gathering process?	Vehicle defect reporting and job card system currently in place.
Result	WS2a Rescue Pumps unavailable for Ops Response 2.73%.

WS2b Aerial Ladder Platforms and WS2C Other Operational Appliances Unavailable for Operational Response	**What does this KPI measure?** 'Turn-a-round Time': The percentage of time that the Service's Operational Appliances (other than Rescue Pumps) are unavailable for operational use due to defect/servicing/other works (including minor accident damage that can be dealt with by Workshops, but excluding major accident repairs dealt with by external companies or requiring investigation or replacement vehicles) as required whilst they are in the Workshop.
Purpose/Aim	To monitor the 'turn-a-round time' of operational appliances, demonstrating the efficiency of workshops in dealing with servicing, repair and other works as required.
Definition/Calculation	The total time in hours expressed as a %, when Operational Appliances (other than Rescue Pumping Appliances) were unavailable for operational use due to an annual service, defect or other works. This work includes a significant amount of operational equipment servicing specific to the appliance, including LOLER and PAT testing etc to meet legislative requirements. Work may also include minor accident damage repairs, and any major defects such as engine and gearbox repairs as occasionally required. This KPI is calculated from and defined as the time the vehicle entered workshops for the defect, service or other works until the time the vehicle is ready for collection – the turn-a-round time. The calculation is based on the number of hours the appliance is unavailable in the reporting period. Note: Appliances suffering from major accident damage are excluded from this KPI as they may require significant repair, replacement or investigation which will take time outside of the control of Workshops. These instances will be reported by exception.

| Target | An initial target has been set for each vehicle by type. This is because Special Appliances are complex and vary in the service times required.

These targets will be reviewed following a complete reporting period, to ensure they are suitable to demonstrate the efficiency of Workshops and reflect the realistic timescales when improved measuring and monitoring processes are utilised.

Aerial Ladder Platform – 5%
Specialist Rescue Unit – 5%
Other Units – 1% |
|---|---|
| What is the information gathering process? | Vehicle defect reporting and job card system currently in place. |
| **Result** | WS2b ALP's & SRU unavailable for Ops Response
WS2c Other appliances unavailable for Ops Response |

| 4. **WS4 – All Appliances Unavailable for Operational Response** | **What does this KPI measure?**

Idle Time - The total time in hours when ALL Appliances were unavailable for operational use due to waiting for an annual service, defect or other works to be completed, or awaiting return to operational service following such work. |
|---|---|
| Purpose/Aim | To monitor the 'idle time' of operational appliances, in order that they are only removed from service immediately prior to being accepted into workshops for work to commence, and are returned to operational service as soon as possible following completion of work. |

| Definition/Calculation | This is based on the number of hours the appliance is unavailable for operational response in the reporting period, other than for the time measured under the turn-a-round time.

This is defined as the time the appliance was sent to workshops and was not available for operational use prior to entering workshops for the defect, service or other works to be completed, or following completion of the works prior to acceptance by the relevant Station – this is the 'idle time'. |
|---|---|

Target	A notional target has been set at 2%, Subject to review after 12 months once historical data analysed.
What is the information gathering process?	Vehicle defect reporting and job card system currently in place.
Result	WS4 All appliances unavailable for Ops Response -Idle Time 1.06%

WS5 – Total Time All Appliances Available for Operational Response	**What does this KPI measure?** **Up Time** - The total time expressed as a % when ALL appliances were available for operational use after the turn-a-round time and idle time are removed from the total time in the reporting period.
Purpose/Aim	To monitor the total 'up time' of operational appliances, in order to demonstrate the total availability of all operational appliances.
Definition/Calculation	This is based on the number of hours operational appliances are available for operational response in the reporting period. This is defined as the total time in the reporting period multiplied by the total number of operational appliances, minus the combined turn-a-round time and idle time, expressed as an overall percentage.
Target	A notional target has been set at 93%, subject to review after 12 months once historical data analysed.
What is the information gathering process?	Vehicle defect reporting and job card system currently in place.
Result	WS5 Total Time All Appliances Available for Operational Response - Up time 97%

EXAMPLES OF TYPES OF DEFECT ASSOCIATED WITH THE APPROPRIATE GRADE (THIS LIST IS NOT EXHAUSTIVE).

Grade A	Type of defect
Requires immediate attention by Workshops. **Vehicles must be taken off the run immediately**. Steps should be taken to prevent the vehicle being used such as removing the keys and / or placing signage on the vehicle, until the grade of defect and whether the vehicle should remain off the run is confirmed either by advice given by telephone or following visual inspection by a vehicle technician.	Lights not working
	Horn not working
	Brake defect
	Steering defect
	Suspension defect
	Windscreen wipers not working
	Puncture
	Worn out tyre – tread below 1.6mm (Car). Below 1mm (LGV)
	Insecure bodywork
	Defective seatbelt
	Accident damage – Major
	Cracked windscreen – Major
	Exhaust leak – Major
	Pump will not create a vacuum
	Rescue equipment defect
	Anything suspect eg a knocking noise from underneath the vehicle
	Any concern for the safety of the vehicle where the crew do not have sufficient experience to make a judgement

Grade B	Type of defect
Requires attendance by Workshops within 24hrs of being reported.	One blue light not working which is duplicated
	Audible warning not working but back up audible warning available
	Worn tyre treads between 1.6mm and 2mm (Car). 2mm and 3mm (LGV)
	CCTV System/Camera fault
	Delivery valve leak – Minor
	Door lock adjustment
	Accident damage – Minor
	Cracked windscreen – Minor
	Exhaust leak – Minor
	Ladder defect – Major
	Ladder defect – Minor
	Hosereel hose leak/damage
	Blocked water or air filters
	LPP defects
	PPV defects
	Headlamp washers defects
	Equipment stowage issues – Major
	BA Stowage issues

Grade C	Type of defect
Requires attendance by Workshops within seven working days of being reported.	Minor mechanical issues
	Bodywork damage – Minor
	Defective conspicuity – Major
	Worn tyres but still above 3mm both car and LGV
	Stowage issues – Minor
	General wear and tear

Grade D	Type of defect
Will be dealt with by Workshops on next Service	Defective conspicuity - Minor
	Bodywork damage - cosmetic
	Air conditioning
	Non safety related modifications
	Stowage issues - cosmetic

21.   ACTION PLAN

The emphasis of the action plan is to determine the relevant stages of improving the management of the vehicular and major assets. The actions required to progress development of the TAMP will need to be commensurate with the pace at which action can be delivered with the resources available, these are indicated in the action plan below.

Action Point	Title	Description	Owner	Target Date for Completion	Notes
A	Review Fleet Management Systems	Research into the development of and migration to a new fleet management system.	TEM	March 2017	A review of the Fleet management system will be undertaken with the Chief Fire Officers Association Transport Officers Group (CFOA TOG) of other neighbouring FRS's. Potential for collaboration with other FRS in the joint research and implementation of a fleet management system will be explored.
B	Introduction of Asset Management system	Research into the development of and migration to a new physical asset management process for building, fleet and operational equipment.	Head of Strategic Support and TSM	March 2017	The Service is currently researching number of companies that provide asset tracking and tagging of equipment. The research is completed and we are confident of developing a solution that will provide robust detailed asset tracking information. A project group has been formed to initiate the implementation of the asset tracking software. Tender documentation is being completed pending release.

C	Establish relevant benchmarking syndicates	Will enable comparisons to be made on performance against other Fire and Rescue Services and potentially with other local authorities.	TEM	March 2017	The integration of this project to performance reporting will be in the timescales available within Strategic Support. Work is on-going with the CFOA TOG to develop benchmarks. This work is driven nationally and is still ongoing.
D	Compare and Contrast Workshops provision with surrounding FRS	Review working practices and results of attaining quality standards for efficiency and effectiveness. Benchmark against each other. Put in place arrangements to mentor each other for improvements in effectiveness and efficiency.	TEM/TSM	March 2017	This work will support the Service Savings and Efficiency plan, and will explore opportunities for collaboration.
E	Review the base line for Service contribution to lease car provision	To re-align the Service contribution to lease cost.	TSM	Annually	This work will support the Service to maintain high safety specification vehicles for operational response and resilience.
F	Compare and contrast Workshops with surrounding FRS	To undertake peer review of working practices in surrounding FRS workshops.	TEM/TSM	Annually	This work will support efficiency changes in Workshops to reduce the time vehicles are away from operational response. It will enable workshops to function more effectively.

Anticipated Vehicle Replacement Programme 2016/17

DESCRIPTION	ALLOCATION £
Rescue Pump F63	196,574
Rescue Pump F66	196,574
Rescue Pump F 67	198,543
Rescue Pump F 68	198,543
Rescue Pump F 69	198,543
Rescue Pump F 70	198,543
Rescue Pump F 64	200,000
Rescue Pump F 71	200,000
Rescue Pump F 72	200,000
Rescue Pump F 73	200,000
RPE van (F124)	21,000
Fire Bike	17,000
TOTAL	**2,021,320**

Performance Review 2015/16

1.   Achievements

The table below details the vehicles which were procured and brought into service over the last twelve months.
# denotes vehicles that have been ordered or are in build, but we await delivery completion.

Fire Bike	#Rescue Pump F66
Rescue Pump F88	#Rescue Pump F60
Rescue Pump F89	#Rescue Pump F94
Rescue Pump F90	#Rescue Pump F67
Rescue Pump F44	#Rescue Pump F68
Rescue Pump F45	#Rescue Pump F69
Pool Car F129	#Rescue Pump F70
Pool Car F119	#Rescue Pump F63

During 2015 to 2016 Workshops staff completed a total of 111 annual services:

Service by Type	Number of services
Special Appliances	25
Rescue pumps	29
Ancillary vehicles	44
Trailers & Pods	13

Bedfordshire
Fire and Rescue Service

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Asset Management Plan 2016/17 to 2019/20

Information and Communication Technology

Contents

1   THE NEED FOR AN ICT ASSET MANAGEMENT PLAN (AMP)

Bedfordshire Fire and Rescue Authority is responsible for the provision of the fire and rescue service within the Local Authority areas of Bedford Borough, Central Bedfordshire and Luton Borough. Its three main objectives are to:

- Respond effectively, manage risks and reduce the number of emergency incidents that we attend.

- Ensure high standards of corporate governance and continued service improvement.

- Create a safe, fair and caring workplace for our staff.

This Asset Management plan sets the context and a programme of action for ICT over the medium-term and is designed to facilitate rational ICT decision-making based on identified service priorities. It is intended as a practical tool which helps to define, implement and measure how the Authority:

- Makes its investment decisions.
- Maintains and improves its assets.
- Increases the cost effectiveness of its portfolio.
- Promotes innovation and development in asset management.
- Listens and responds to property users.

The Plan has been developed in line with the Authority's overarching Asset Management and ICT Strategies and implements a comprehensive approach to the management of the Authority's ICT assets. It is intended for a wide audience including:

- Members - to support decisions on investment priorities in the portfolio.
- Service managers - to identify changes to meet their needs.
- The community – as a statement of the Authority's ICT asset management practices and priorities.

This plan seeks to
- Ensure the provision of user focussed and cost effective ICT, which will be sufficiently flexible to adapt to the Authority's long term requirements.
- Deliver a cost effective and responsive service, which supports operational needs.
- Help to strategically plan ICT for the future.
- Contribute to the Authority's community safety initiatives through the provision of ICT infrastructure and applications.
- Provide the Authority with long-term value for money.
- Support the Authority's corporate risk management in relation to its legislative and environmental obligations.

2   HOW THE ICT AMP INTERLINKS WITHIN THE CORPORATE STRUCTURE AND OTHER STRATEGIES

The Authority has an established Community Risk Management Plan that outlines what it aims to achieve and how during the next four years. It sets out in particular:
- Community Risks.
- Who is at Risk
- Delivery of our Services
- Service Improvements
- Consultation Responses

This ICT AMP implements a comprehensive approach to the management of the Authority's ICT assets. The AMP is a live document that evolves through time and reflects appropriate changes based on up to date practices.

The AMP links with and informs other strategic decisions and plans for the effective management of our fire and rescue service.

The diagram below sets out the relationship between the Asset Management and other corporate plans:

Corporate Planning Framework

3   BACKGROUND

The ICT Strategy details how Bedfordshire Fire and Rescue Service continues to shape and deliver its ICT arrangements with an approach that is
- geared to the realisation of our Service's vision, objectives, plans and aspirations
- driven by the requirements of the organisation
- tuned to the needs of our workforce.

This ICT Asset Management Plan ensures investment ICT is appropriately managed, supported by renewal policies and reviews.

In July 2013 Bedfordshire FRS and Cambridgeshire FRS established the ICT Shared Service responsible to the ICT Shared Service Governance Board comprising Principal Officers and Managers from both Services and reports against a combined set of performance indicators. This ICT Asset Management Plan takes advantage of the benefits that arise from joint working within this Shared Service, ensuring the investment arising from the earlier ICT Strategy is appropriately managed, supported by renewal policies and reviews.

4   PURPOSE AND ROLE OF ICT

The primary objective of the ICT Shared Service is the efficient, resilient and economical provision of infrastructure, communications and end user technologies in support of front line Services, support services and our partners. Users of these services are both internal (Fire and Rescue Headquarters, Area Offices, Fire Stations, Service Emergency Fire Control and the Service Training Centre) and external partner organisations.

The ICT Shared Service acts as the 'prime contractor' for all such technology services provided to users. Users, therefore, deal directly with the ICT Service Desk on all matters concerned with IT and communications; the Service Desk then in turn arranges the involvement of either internal expertise or external parties (eg computer vendors, software developers and user manual producers) as required.

The relationship between the ICT Shared Service and users has been formalised by the implementation of an ICT Services Catalogue with associated Service Level Agreements (SLA).   This Service Catalogue enables Bedfordshire Fire and Rescue Service (BFRS) to optimise full use of ICT assets and the shared service, including business continuity resilience arrangements to support the delivery of frontline services.

4.1 Functions Performed

The general functions performed by ICT are:

Infrastructure and delivery of

- Standard desktop applications
- Retained availability system
- Control GIS
- Email
- Finance management system
- Internet
- Intranet
- Mobile data terminals
- Data management information system
- Fireground radio
- Telephones fixed
- Telephones mobile
- Remote access
- Service desk
- Mainscheme radio
- Emergency call handling mobilising system

Corporate Functions supporting the delivery of frontline Services

- ICT Strategic direction aligned to Service vision and plans
- Contingency/disaster recovery
- Identification and maintenance of ICT risk information
- Policy documentation
- Project management and ICT 'Intelligent Customer' role
- ICT security and threat management.

5 LEGISLATIVE REQUIREMENTS

How ICT equipment is used and operated is affected by the following main legislation:

- Freedom of Information Act
- Data Protection Act
- Human Rights Act
- Regulation of Investigatory Powers Act (RIPA)
- Computer Misuse Act
- Radio Telegraphy Act
- Telecommunications Act
- Waste Electronic and Electrical Equipment Regulations

ICT Policy documents provide guidance on how the Authority complies with the above Acts. The Head of Strategic Support monitors the requirements of existing and emerging legislation to ensure statutory compliance.

6 ICT ASSETS

BFRS has a variety of ICT assets located throughout the Service area. This section examines the general location of those assets, the key stakeholders in maintaining the asset and maintenance contracts. A comprehensive ICT register is maintained and available on the Service IS Systems drive.

ICT staff are responsible for first line support and maintenance of all server hardware, Infrastructure hardware & cabling, desktop devices, wireless services, mobile and fixed phones, fireground & national radio and mobile tablet devices. Second and third line support is provided by individual support or warranty arrangements. Repairs are usually covered by warranty. Cover for the Financial System software, is provided by a third party, Microsoft gold partner. Our retained duty system (Rappel) server is supported by Fortek and our Management Information System (MIS) is provided by SophtLogic. Connectivity between sites and to the internet (commonly known as the Wide Area Network) is a managed service with the Service being a founding member of the Cambridgeshire Public Sector Network.

The Communications Section within the ICT team is directly responsible for all maintenance. 24/7 cover for mobilising is provided via an external contract. BT is responsible for network lines feeding the control room.

6.1.1 Overview of Hardware Assets

Servers

BFRS Virtual servers and key network assets are based on BFRS premises with mirrored services on Cambridgeshire FRS premises.

Networks

All sites have primary and secondary high speed links connecting them to the corporate network. These are highly resilient and fully managed.

There are direct links to the station mobilising system via the Service Wide Area Network (WAN). Should the Service WAN fail then ISDN lines provide the connectivity. Should they fail as well connectivity is provided via PakNet radio bearers.

Clients

There are a variety of client devices deployed across the Service. These are a mixture of PC's, Laptops, Smartphones, tablets, thin clients as well as a range of Audio Visual (AV) equipment which includes projectors, amplifiers, speakers and DVD players. All fire stations and area offices have number of PC's, terminals, two e-learning and one audio-visual (AV) PC per , and a number of netbooks to assist in the completion of IRS data. Terminals and where appropriate PCs and laptops are undergoing a programme of replacement with Virtual Desktop endpoints which began in March 2016 as part of our Virtual Desktop Infrastructure project. This is expected to be complete in third quarter of 2016/17.

Service Control operates nine 'Sun' Linux workstations including secondary control and learning facilities.

The Incident Command Training Suite is equipped with PC, AV and telecoms equipment.

Devices on Appliances

All Rescue Pumps have incorporated a mobile data terminal on a hardened tablet PC platform and Automatic Vehicle Location System (AVLS). The Incident Command vehicle is provided with AVLS, laptops and other AV equipment. ICT staff are responsible for 1st line maintenance.

Telephony

Currently in use is a network consisting of three Meridian Option11 and five Nortel BCM PBX. The network is interlinked using VoIP trunks over Private Wires. A variety of telephone instruments are deployed at all locations (analogue, digital and ip) and voice mail provided Fax machines are also provided at various locations throughout the Service. Primary fax machine is implemented using call pilot (Meridian voice mail system) providing email fax message facilities. RDS stations are provided with a PSTN line. ICT staff are responsible for provision, changes, system maintenance and handsets. A maintenance contract for second line repair also exists with BT.

Portable Computer Equipment

To assist flexible working practices, laptops, Smart Phones and tablet devices have been issued for use across the Service. ICT staff are responsible for supply, administration, audit and first line maintenance. In addition, ICT have enabled a secure web service allowing up to 250 BFRS staff to have full access to the Corporate Network work from any computer with an internet connection in the event of civil contingency.

Message Pagers, Radio, and Mobile Phones

To provide communication facilities for senior staff, flexible duty officers and lone working staff seventy-four message pagers and over one hundred mobile phones have been issued. Additionally, many Service laptops have full 3G connectivity. ICT staff are responsible for the supply, administration, first line maintenance, and auditing of the above. In-depth maintenance is on an as required basis with a local repair facility. Message pagers are rented on a three year contract.

Printers

There are 32 multi function printers across the BFRS providing printing, copying, scanning facilities. This is a managed service contract from Canon; ICT staff are responsible for contract management.

6.2 Overview of Software Assets

ICT manages the day to day running of the Services software assets. This includes server management, first line maintenance of the hardware and system security. Any major issues are escalated to the software suppliers via maintenance agreements including Microsoft Gold Partners.

Functional support, and training is provided through the Strategic Support (Business Information Team) in liaison with System owners and ICT.

Business applications

Microsoft Dynamics GP - Is the Authority's financial management system which integrates all the Authority's financial ledgers and also provides a purchase ordering system, a stock control system and an electronic stock requisition system. The system is accessed on a daily basis by Finance staff, Budget Managers, Procurement Section, Stores and stations.

Pharos, supplied by Sophtlogic Ltd, is the system is used by the entire Service. Databases integrated include; Pay and Personnel, Employment Records, Sickness and Attendance, Training, and Fire Safety including Legislative Fire Safety. The system is also used to provide information to the Department of Communities and Local Government and in workforce planning. The day-to-day running, maintenance and development is managed and provided by Strategic Support (Business Information Team).

Other applications include MS Windows, MS Outlook, MS Office, MS Server, Incident Recording System, Rapel (Retained Availability), Support Works (ICT Servicedesk), ReqLogic (Procurement), IPDS and GGP.

In addition, support is provided for ESOS, the Service Payroll services. Though provided by outsource contract, maintenance and development is managed by both BFRS and the contractor.

Corporate Performance System
Corporate performance data is managed and stored in Microsoft SharePoint. SharePoint provides a controlled document management and project management workspace and assists in analysing BFRS corporate performance.

Integration and Process Automation

Automation of Service processes and integration of business applications is derived from Integration Bus and Business Process Manager delivered on servers operating AIX technologies amongst other tools. First line management is provided by the Strategic Support (Business Information) Team, with escalation through the maintenance and support contracts.

7 THE NEXT FOUR YEARS

The following changes are aligned to the Corporate Plan and Medium Term Financial Plan. They underpin the ICT Roadmap for the next five years. As can be seen in the Medium Term Financial Plan, monies have been designated to ICT to deliver these services.

7.1 ICT Shared Service projects

The ICT Shared Service formed in July 2013 by Bedfordshire Fire and Rescue Service (BFRS) and Cambridgeshire Fire and Rescue Service (CFRS) provides a shared ICT team that supports both Services.

The ICT Shared Service will continue to build on five joint infrastructure projects.

- **Shared servers and disaster recovery**. The underlying infrastructure has been established with BFRS and CFRS providing ICT back-up for each other. This is a public sector first and provides state of the art back-up and recovery. This is continuing to be enhanced providing realtime mirroring with enhanced high speed, highly resilient connectivity between the two services and server capability.
The resilience requirements will be built into the specification for the procurement of WAN services when the current contract finishes in 2017. This continues to be a joint venture with other mid-Anglia public sector bodies and Cambridgeshire Fire and Rescue Service.

- **Hardware replacement programme** based on policies which include a review of the asset at mid point to identify opportunities for extended life to optimise the 'sweating of the asset' without compromising performance or security. These policies are described in Appendix 2

- **Security and Resilience** including further enhancement of our network infrastructure and remote access arrangements. The programme of penetration testing continues.

- **The ongoing enhancement Service's County-wide networks and internet connections**. Initial deployment Completed in 2013 is subject to ongoing enhancements to performance and resilience as these become available through the Cambridgeshire Public Sector Network managed service.

- **The delivery of new desktop equipment and services.** An exploratory trial of the technology conducted in 2013/14 provided a backdrop for the Virtual Desktop Infrastructure Project. In Q4 of 2014/15 the roll out began with the delivery of the server hardware and procurement of end user equipment in preparation for a Service wide roll out Q3 15/16.

- **An assessment of cloud-ready capability** to ensure the Service is able to take advantage of appropriate cloud technologies and infrastructures.

The new internal network and desktop services that are currently being implemented provide a platform upon which ICT can deliver a whole range of improved services. BFRS and CFRS identified a number of areas in which business requirements are aligned. The benefits of this alignment allows a sharing of cost and prioritisation of ICT Shared Service resources to deliver these projects which include:

- IP Telephony as part of the move to unified communications, facilitating mobile working and reducing costs
- Video Streaming and Storage. Building on the investment in a virtual desktop infrastructure, facilitating the transmission of video across the network, both live (i.e. from the fireground) and recorded.
- Remote, Secure access from anywhere, and single sign on for all applications
- Server validation and migration to optimise server resources and security
- Combined projects to underpin the Virtual Desktop Infrastructure including software auditing, applications packaging and backup arrangements.

7.2 ICT supported projects

7.2.1 Replacement Mobilising System
The Service's project to replace its existing mobilising system is being undertaken in partnership with Essex Fire and Rescue Service. This will provide a comprehensive managed system for Fire Control Operations at Bedfordshire Fire and Rescue Service with increased resilience and continuity arrangements.

7.2.2 Retained Availability System
The Service is implementing a replacement retained availability system which provides significant improvements in the assessment of availability of our retained, on-call firefighters. The system, Gartan, also provides links to payroll replacing manual systems of record.

7.2.3 Service Transformation and Efficiency Programme (STEP)
In partnership with other Fire & Rescue Services BFRS continues to develop integration and process management technologies. Government innovation funding has led to the inception of a central team shared by the FRS partners, and development of a cloud environment that will serve technology agnostic processes such as retained recruitment. It is anticipated that these processes will be available to the Fire Service Community over the next two years. The aims of this shared project include:

- Maximise the capture of data at source including from a mobile environment.
- Integrate business systems to provide a 'single version of the truth' data framework.
- Allow the automation of processes reducing time, cost and risk
- Have the ability to analyse the data effectively to provide 'intelligent information'.
- Make the information available in "real-time" to improve responsiveness and allow dynamic planning.
- Provide the right information to the right person at the right time.

The Service's own integration and process tools will be enhanced to provide support and handoff to new and existing business systems as the Service's Management Information System is replaced over the period of this plan.

7.2.4   HR and Payroll System
The HR and Payroll system is the Service's second cloud based application. The system was procured in April 2016 and will go through two phases of implementation over the next 18 months with Core HR, payroll and manager self-service expected to be completed by the end of Quarter 3 2016/17.

7.2.5   AddressBase Premium (previously the National Land and Property Gazetteer)
Address Base Premium is a national address gazetteer hosted and managed by Cambridgeshire FRS under the remit of an SLA. This ensures BFRS has resilient access to one corporate addressing dataset improving the provision of timely accurate incident mapping and analysis and to integrate this central addressing into business systems.

7.2.6   Microsoft Operating Systems and Applications
BFRS is 'Enterprise Licenced' allowing upgrades to take place in-line with business need through the ICT Shared Service. The Service is assessing and evaluating the potential of cloud based and open source software where this is appropriate to our needs following central government direction.

7.2.7   Asset Management and Asset Tracking
An Asset Management and Tracking tool, to assist the Service in maintaining accurate and timely records of all the Services' assets to include their location, servicing record, value, replacement date and modification record, forms part of the Business Systems improvement programme.

8   FINANCIAL PLANNING

The Head of Strategic Support (HSS) is a member of the Service's Capital Strategy Group (CSG). HSS will annually provide capital bids using the Revenue and Capital Project Appraisal Form (FMS3/4) for consideration by CSG and the budget approval process.

Any Corporate Management Team member seeking an improved ICT facility that would be subject to a capital bid is required to discuss and consult with HSS. HSS is then required to provide the technical elements to the business case bid ensuring appropriate consultation is undertaken with CFRS to ensure opportunities for harmonisation of technologies are identified and acted upon. If agreed, the proposal will be taken to the Fire and Rescue Authority (FRA) for formal inclusion in the Capital Programme. The Services Objectives, plans, ICT Strategy and asset replacement policies provide the framework for forward planning of ICT requirements, including by means of annual reviews of this Asset Management Plan, with the associated ICT related budgetary provisions incorporated into the Service's Medium-Term Financial Plan.

9 REVIEW OF ACTION PLAN 2015/16

Progress against each of the actions within the 2015/16 Action Plan is detailed in the table below:

REFERENCE NUMBER	ACTION	Status
ICT AMP1/15-16	Produce revised ICT Asset Management Plan for 2015/16 to 2018/19 updating previous content and incorporating new ICT roadmap and applicable corporate projects from Community Risk Management Plan.	Complete
ICT AMP2/15-16	Continue to participate in the Asset Management Project start-up to provide a method of managing and tracking assets including ICT Assets	Ongoing for the life of the project
ICT AMP3/15-16	Facilitate the embedding of a replacement mobilising system for the Service (Strategic Project)	Ongoing for the life of the project.
ICT AMP4/15-16	Test and Deploy Virtual Desktop Infrastructure (VDI)	Technology established and testing completed. Dec 15 Phase 0 Completed Servicewide Roll out continues in 16/17 for completion in Q3 2016/17
ICT AMP5/15-16	Implement Secure Email to provide the capability to delivery and receive email up to and including Restricted	Completed. CJSM secure email implemented.
ICT AMP6/15-16	Replace Telephony system .	Solution for Replacement mobilising system communications with Essex completed. Project continues in 16/17 with Service wide implementation of Unified comms.
ICT AMP7/15-16	Upgrade Netback-up and Active Directory to 2012	Completed

ICT AMP8/15-16	Support Migration of IBM Server to Windows Server.	Deferred to 16/17 pending assessment of technology infrastructure options.
ICT AMP 9/15-16	Review Customer Satisfaction 14-15	Completed
ICT AMP10/15-16	Review Customer Satisfaction 15-16	To be undertaken in July 2016.
ICT AMP11/15-16	Produce ICT Strategy and Road Map aligned to medium and long term Service objectives and vision.	ICT Strategy completed – roadmap to be further developed in 16/17 including assessment of ICTSS cloud-readiness.
ICT AMP12/15-16	Establish the ICT tactical response to the Emergency Services Mobile Communications Programme ESMCP national project to replace Airwave, assessing technical requirements and impact on existing infrastructure and resources and future Strategies	ICT Shared Service is fully engaged with the ESMCP Project which will continue through the life of the project including adjusting and adapting strategies and plans as the detail of the solution becomes clearer.

9.1 Other Achievements in 2015/16

In addition to the activities detailed within the Action Plan, the following key actions were achieved during 2014/15

- Introduced full range of IT Infrastructure Library working practices, focussed on a customer centric (outside-in) approach.
- Undertook a full review of the operations of ICT shared service with actions arising incorporated into an ICT shared service improvement plan. (shared activity with ICT SS partner, CFRS)
- Implemented a programme of security testing including physical and social engineering testing.
- Upgraded the link to the Servers from Bedford, and the south of the county to increase capacity in support of the VDI rollout.
- Established the Control Room video wall.
- Increased resilience with diverse routing of links to the CFRS mirrored server site, including upgrading capacity of the links.. (joint project with ICT SS partner, CFRS).
- Upgraded resilient link network end points to take advantage of increased capacity.
- Extension of real-time monitoring of server, network and applications allowing remedial work to be undertaken before impact on users.
- Instigated programme to provide secondary network switches to stations where required.
- Increased memory on host servers to address increase in demand on servers through successful widening of tICT use across the service and provide capacity for planned applications.
- Delivered the infrastructure for synchronous replication with ICT SS Partner, CFRS.
- Delivered a printer replacement programme providing multi-function devices, reducing the number of printers from 64 to 32.
- Achieved and audit opinion of "substantial assurance" in the 15/16 ICT Audit undertaken by RSM, the Service's external auditor.

10 ACTION PLAN 2016/17

Activities planned for continuation, commencement or completion in 2016/17 are show in the table below. It aims to build upon the previous year's achievements to ensure continuous improvement in ICT services delivery.

REFERENCE NUMBER	ACTION	TARGET DATE for COMPLETION
ICT AMP01/16-17	Produce revised ICT Asset Management Plan for 2016/17 to 2019/20 updating previous content and incorporating new ICT roadmap and applicable corporate projects from Community Risk Management Plan.	April 2016
ICT AMP02/16-17	Continue to participate in the Asset Management Project start-up to provide a method of managing and tracking assets including ICT Assets	Ongoing through the life of the project.
ICT AMP03/16-17	Facilitate the embedding of a replacement mobilising system for the Service (Strategic Project)	Ongoing through the life of the project.
ICT AMP04/16-17	Complete the core Roll out Virtual Desktop Infrastructure (VDI)	September 2016
ICT AMP05/16-17	Implement remote access solution with dual authentication to complement VDI.	September 2016
ICT AMP06/16-17	Implement applications packaging to support future complex user migration to VDI.	December 2016
ICT AMP07/16-17	Implement Unified communications solution including replacement of switchboard and provision of voice and video conference, messaging and integration with VDI.	August 2016
ICT AMP08/16-17	Review customer satisfaction and adopt findings into ICT Shared Service Plan as appropriate.	July 2016
ICT AMP09/16-17	Review and refine ICT Strategy Roadmap.	July 2016
ICT AMP10/16-17	Develop the strategy for and technical support to, the use of wraparound technologies and tools to provide an integrated and unified approach to service activities and business intelligence.	September 2016
ICT AMP11/16-17	Embed a user focused ICT culture that engages across the Service by establishing an effective, consultative network of users to integrate thinking and inform the development and implementation of ICT plans and technologies.	October 2016
ICT AMP 12/16-17	Comprehensive review and refresh of mobile working technologies and associated assets informing ESMCP project.	October 2016
ICT AMP13/16-17	Complement secure email facility with additional solution to support secure communciations with organisations operating outside of the government secure network.	January 2017
ICT AMP14/16-17	Upgrade of SQL Server and Sharepoint environment providing technical infrastructure facilities.	December 2016
ICT AMP15/16-17	Upgrade Active Directory and Exchange to 2013	March 2017

REFERENCE NUMBER	ACTION	TARGET DATE for COMPLETION
ICT AMP16/16-17	Establish the ICT tactical response to the Emergency Services Mobile Communications Programme assessing technical requirements and impact on existing infrastructure and resources and future Strategies	September 2017
ICT AMP17/16-17	Work with CPSN partners to establish next generation Mid-Anglia Public Sector Network including actively supporting procurement process for PSN services.	September 2017
ICT AMP18/16-17	Provide technical input into the design and implementation of realtime Business Intelligence services.	December 2017

11 ICT PERFORMANCE

The ICT Services Catalogue provides a detailed description of the support the shared team provides to Bedfordshire Fire and Rescue Service (BFRS) and Cambridgeshire Fire and Rescue Service (CFRS). The catalogue identifies the shared ICT across both Services with annexes for those ICT systems that are unique to a particular Service. Each entry aims to describe the ICT service being delivered from a user perspective, when it is available, what is included and how the level of service is measured. The Catalogue was drawn up in collaboration with senior ICT users across both services. Their advice and guidance on how each system is used, where it is needed and when was critical in ensuring each ICT system was given an appropriate level of cover.

11.1 ICT Performance 2015/16

The Table shown at Appendix 1 gives the performance for 2015/16 and targets for 2016/17.

The ICT Performance has continued to show a steady improvement as the practices, controls are embedded and infrastructure capacity increased, achieving or exceeding performance targets across the suite of ICT indicators for the first time in 2015/16. The risk based assurance audit undertaken by RSM in 15/16 resulted in an overall performance of "Substantial Assurance".

11.2 ICT Perfomance Targets 2016/17

In 2016/17 the performance targets have been made more stretching. The Virtual Desktop Infrastructure will be rolled out focussing on improving user experience and bringing about a change in the way user IT is supported. The performance of ICT will benchmark the impact of VDI and provide a three year trend following the introduction of the ICT Shared Service. This will lay the foundation for a review of the measures and targets in 2017/18 reflecting the new technologies introduced and anticipated.

ICT Corporate Indicator Targets are supported by local operations measures with stretch targets to assess, at a tactical level, the embedding and improvement of ICT services and practices over time.

APPENDIX 1 – ICT PERFORMANCE 2015/16 AND TARGETS 2016/17

		ICT							
	Measure				**2014-15 Year End**				
No.	**Description**	**Aim**	**Full Year Target**	**Average in over Last 5 Years**	**Q4 2013 -14**	**Q4 Actual**	**Q4 Target**	**Performance against Target**	**Comments**
IM1	**The Number of Incidents on Mission Critical services resolved within 1 Hour**	Higher is Better	90%	n/a	100%	100%	90%	Green	11% Better than target
IM2	**The Number of Incidents on Business Critical services resolved within 2 Hours**	Higher is Better	86%	n/a	92%	100%	86%	Green	16% Better than target
IM3	**The Number of Incidents on Business Operational services resolved within 4 Hours**	Higher is Better	83%	n/a	92%	100%	83%	Green	20% Better than target
IM4	**The Number of Incidents on Administration Services resolved within 8 Hour**	Higher is Better	80%	n/a	88%	94%	80%	Green	18% Better than target
AV1	**Core ICT services availability**	Higher is Better	97%	n/a	97%	100%	97%	Green	3% Better than target
AV2	**Business Applications Availability**	Higher is Better	97%	n/a	96%	100%	97%	Green	3% Better than target

APPENDIX 1 – ICT PERFORMANCE 2015/16 AND TARGETS 2016/17

INFORMATION AND COMMUNICATION TECHNOLOGY PERFORMANCE TARGETS 2016/17								
Ref	**Performance Indicator**	**Source of Performance Indicator**	**Frequency of Reporting**	**Benchmark Performance Data**	**BFRS Baseline Performance**	**BFRS Target 2015/16**	**BFRS Target 2016/17**	**Target Setting Rationale**
ICT1	User Satisfaction		Annual	Better than ICTSS 60.2% starting benchmark set by earlier survey.	2014 60.73% 2015 67.5%	70%	70%	Performance improving from inception of ICT Shared Service although target of 70% still to be achieved.
IM1	The Number of Incidents on Mission Critical services resolved within 1 Hour	Joint Catalogue of Services	Quarterly	Catalogue of Services SLA. All Mission Critical, Priority A and B Incidents resolved within 1 hour.	2014/15 100% 2015/16 Q3 100%	90%	98%	Resources are diverted from other incidents and work to deal with Mission Critical Services incidents.
IM2	The Number of Incidents on Business Critical services resolved within 2 Hours	Joint Catalogue of Services	Quarterly	Catalogue of Services SLA. All Business Critical, Priority A and B Incidents resolved within 2 hours.	2014/15 92% 2015/16 Q3 100%	86%	96%	Performance in 14/15 and first three quarters of 15/16 have consistently exceeded target. The 16/17 target is increased whilst acknowledging that resources may be diverted to Mission Critical Incidents and Projects. The small number of incidents of this type makes the impact of a single incident on performance significant.

APPENDIX 1 – ICT PERFORMANCE 2015/16 AND TARGETS 2016/17

Ref	Performance Indicator	Source of Performance Indicator	Frequency of Reporting	Benchmark Performance Data	BFRS Baseline Performance	BFRS Target 2015/16	BFRS Target 2016/17	Target Setting Rationale
IM3	The Number of Incidents on Business Operational services resolved within 4 Hours	Joint Catalogue of Services	Quarterly	Catalogue of Services SLA. All Business Operational, Priority A and B Incidents resolved within 4 hours.	2014/15 92% 2015/16 Q3 99%	83%	90%	
IM4	The Number of Incidents on Administration Services resolved within 8 Hour	Joint Catalogue of Services	Quarterly	Catalogue of Services SLA. All Administration I Priority A and B Incidents resolved within 8 hours.	2014/15 88% 2015/16 Q3 94%	80%	90%	The highest proportion of incidents fall into this category. Performance has consistently exceeded target by 15%. The anticipated draw on resources to support priority projects throughout 2016/17 is expected to reflect in the performance outcome for these lower category incidents.
AV1	Core ICT services availability	Joint Catalogue of Services	Quarterly	Catalogue of Services Core ICT availability median 98%	2014/15 97% 2015/16 Q3 100%	97%	97%	Target meets the agreement for levels of Service from ICT.
AV2	Business Applications Availability	Joint Catalogue of Services	Quarterly	Catalogue of Services Core ICT availability median 98%	2014/15 97% 2015/16 Q3 100%	97%	97%	Target meets the agreement for levels of Service from ICT.

APPENDIX 2 – ICT ASSET MANAGEMENT REPLACEMENT POLCIES

Renewal Policy	Renewal Point	Consideration	Renewal Restriction	Applying the policy
Desktop Hardware/end points	5yrs	Limit of Warranty	Like for like functionality	Additional functionality that is not available within the specification of a like for like replacement will be payable from Function Budget
Servers	5yrs	Limit of Warranty, technology viability	Subject to the ICT Strategy and Asset Plan	At Y3 the Service will commence review of future requirement aligned to ICT Strategy to be built into an options appraisal at leading into Procurement process (including specifications and requirements) Options examples - extend life, explore new technologies- replace like for like.
Software	10 yrs	Legislation, Supplier and technology viability	Subject to Service Business Plan and Technology Plan	A requirements document will be prepared for each business system and reviewed annually by the System Owner supported by BIM. Yr 7 - Options Appraisal. Yr 8 Confirmation of Requirements, Assessment of Market Yr 9 Procurement Process begins (may be deferred in time if OJEU not required)

APPENDIX 2 – ICT ASSET MANAGEMENT REPLACEMENT POLCIES

Renewal Policy	Renewal Point	Consideration	Renewal Restriction	Applying the policy
Network hardware	5yrs	Limit of warranty, technology viability	Subject to the ICT Strategy and Asset Plan	At Y3 the Service will commence review of future requirement aligned to ICT Strategy to be built into an options appraisal at leading into Procurement process (including specifications and requirements) Options examples - extend life, explore new technologies- replace like for like.
Mobile technology	3yrs	Limit of warranty, external national projects infrastructure	Subject to the ICT Strategy and Asset Plan	Review at Yr 3. The mobile phones/smart devices are commoditise items which are generally replaced due to wear and tear during the three year plan of the total system.
Structured Cabling	5yrs	Technology Standards	Subject to the ICT Strategy and Asset Plan	All Service sites, however noted that Kempston site is the most complex and whilst the majority has been renewed some additional work will be required at 5 year replacement
Paging Systems	3 yrs	Commodity	Subject to Service delivery strategy	Review at Yr 3. The pagers are commoditise items which are generally replaced due to wear and tear during the three year plan of the total system.
Printers	5 yrs	Managed contract	Subject to the ICT Strategy and Asset Plan	Review at Yr3 with start of options appraisal. Procurement to begin at Yr4

APPENDIX 2 – ICT ASSET MANAGEMENT REPLACEMENT POLCIES

Renewal Policy	Renewal Point	Consideration	Renewal Restriction	Applying the policy
Main Telephony	5yrs (8yrs)	Unified communications	Subject to the ICT Strategy and Asset Plan	Review at 5 years with view to extend to 8

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Bedfordshire
Fire and Rescue Service

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Land and Buildings

Asset Management Plan

2016/17 to 2019/20

Contents

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1.   INTRODUCTION

1.1   The Need for a Land and Buildings Asset Management Plan

Bedfordshire Fire and Rescue Authority are responsible for the provision of the fire and rescue service within the Local Authority areas of Bedford Borough, Central Bedfordshire and Luton Borough. The Service has three key objectives:

- To respond effectively, manage risks, and reduce the number of emergency incidents that we attend;
- To ensure high standards of corporate governance and continued service improvement; and
- To develop our employees and create a safe, fair and caring workplace for our staff.

In order to support the Authority's primary functions, it is necessary to provide or secure use of a range of premises from which to:

- deliver emergency response and community safety services
- train and develop staff
- provide technical and administrative support, and
- house certain staff and their families

As at 31 March 2016, the Authority owns land and property with a value of £22.067m. The Statement of Accounts for year ending March 2016 is currently being finalised. In the financial year 2016/17, the planned revenue expenditure for on-going management and maintenance of the Authority's premises is £1.25m (including salaries, repairs and maintenance, gas, water, electricity, rates, waste disposal, cleaning, insurance, but excluding income) and the planned capital expenditure on premises improvement projects is £0.120m, which when including some 2015/16 slippage and planned plus ad hoc 2016/17 additions is likely to be higher.
Budgeted income totals £70k from the houses, garages and charges for the use of stations as bases by other emergency services.

This Land and Buildings Asset Management Plan identifies the key strategic policy and resource influences which are impacting upon the Authority's approach to managing its land and buildings portfolio and sets a broad direction for the **management of these assets over the medium term (three to five years).** The overall aim of this Plan is to enable the Authority's property portfolio and associated professional support services to be optimised to meet the identified strategic needs.

The plan sets the context and **a programme of action for the property portfolio over the medium-term** and is designed to facilitate rational property decision-making based on identified service priorities. It is intended as a practical tool which helps to **define, implement and measure how the Authority:**

- **Makes its investment decisions.**
- **Maintains and improves its assets.**
- **Increases the cost effectiveness of its portfolio**.
- **Promotes innovation and development in asset management.**
- **Listens and responds to property users.**

The Plan has been developed in line with the Authority's overarching Asset Management Strategy and implements a comprehensive approach to the management of the Authority's property assets. It is intended for a wide audience including:

- **Members** - to support decisions on investment priorities in the portfolio.
- **Service managers** - to identify portfolio changes to meet their needs.
- **The community** – as a statement of the Authority's asset management practices and priorities. The Plan also takes account of national guidance and recognised best practice in public sector asset management, including that contained within 'Building On Strong Foundations – **A Framework For Local Authority Asset Management' (Communities and Local Government, February 2008) and the Operational Efficiency Review – Property (HM Treasury, May 2009). In line with this guidance, this plan** seeks to:

- Ensure the provision of **high quality and cost effective accommodation**, which will be sufficiently **flexible to adapt to the Authority's long term requirements**.
- **Deliver a cost effective and responsive service, which supports operational needs.**
- **Help to strategically plan accommodation for the future.**
- **Contribute to the Authority's community safety initiatives through the design of fire stations and other facilities.**
- **Provide the Authority with long-term value for money.**
- **Support the Authority's corporate risk management in relation to its <u>legislative and environmental obligations.</u>**

1.2   How the L&B AMP links with Other Corporate Plans

This Plan also links with and informs other corporate plans for the effective management of the Service. The Plan is designed to support and integrate with these other plans by reflecting how the Authority's property portfolio and its management needs to be developed to ensure the Authority's priorities are delivered. The diagram below outlines the key relationships between the Asset Management Plan for Land and Buildings and other corporate plans:

Corporate Planning Framework

1.3 Format and Content of the Plan

Following this introductory Section, the plan is arranged in four further Sections:

- Section 2 provides a statement of **strategic direction for property asset management** through an analysis of the environment in which the Authority is operating and its own priorities in response to this.

- Section 3 describes the Authority's current policy and practice with respect to asset management, and is designed to provide a commentary against current **'Best Practice' in asset management.**

- Section 4 provides information on the size and nature of the property portfolio under thematic headings, providing a review of portfolio **performance and highlighting specific current and emerging issues in the estate.**

- Section 5 reviews the asset management actions and **capital programme of major property projects undertaken over the previous year and details the major property projects for the current year. The action plan is structured in accordance with the broad strategic direction** defined through Section 2.

2. THE PLANNING CONTEXT AND STRATEGIC DIRECTION

2.1 External Influences for Change

As noted in Section 1.2 above, this Plan does not exist in isolation but is set within the context provided by other corporate plans. These plans are in part a response to the wider external drivers impacting on Bedfordshire Fire and Rescue Authority. In this broader context, the following five broad external factors have been identified as having significant property asset implications for Authority:

a. *Changing Patterns of Service Delivery* – With the removal of prescriptive national standards of fire cover in 2004 and their replacement by local Integrated Risk Management Planning, the focus for emergency response has shifted from property risk to life risk. There are also other major shifts in patterns of response including the impact of fire prevention contributing to reduced numbers of fire incidents, increasing responses to road traffic collisions and the increasing demands of wider civil emergencies such as inland water rescues and flood related incidents from climate change. In addition, there are specific responsibilities for responses to other incident types such as mass decontamination and urban search and rescue incidents under Civil Contingencies legislation. These changes in the demands of emergency response have clear implications for the location and design of fire stations. Equally fundamental in its implications for the design of operational premises is the increasing and wide ranging role of the service in preventative, community safety and broader community wellbeing initiatives – captured by the concept of the 'community fire station'. As these modified service delivery models evolve – for both response and prevention, they are driving revised patterns of accommodation to support them.

b. *Demographic Changes and Local Development Plans* – By 2021, the population in the county is expected to grow to 679,400. This population growth may change the geographic pattern of risk and hence require review of the positioning of, and response times from the existing portfolio of fire stations. The changing demography of the area may also affect the distribution and nature of demand for the Service's response. The infrastructure needs associated with new housing and population growth plus a changing demographic profile, such as an increasingly elderly population, will contribute to a changing geography of risk and hence of service response. Again this may support re-profiling of facilities, including relocation of existing facilities to ensure adequate response is maintained.

There is currently a planning consultation taking place for the redevelopment of Leighton Buzzard town centre that potentially has implications for the Fire Station there. The Service is engaging in the consultation as necessary.

c. *Expenditure Constraints* - The current climate of severe public expenditure constraints and, within this, the Authority's own budgetary pressures are likely to have continuing impact over the medium term and beyond. The requirements to reduce public expenditure will result in increased pressures to reduce overall property costs, in both absolute and relative terms, in order

to protect front-line operational services. There will be a need to demonstrate that the portfolio is optimised as far as is possible and that no unnecessary expenditure is being incurred. This will include considering closely the opportunities to release monetary resources tied-up in buildings as a mechanism to modernise and improve service performance.

A energy efficiency drive will be re-launched in 2016/17.

d. *Collaboration, Partnership Working and Shared Services* - There is a continuing and growing expectation that all public sector organisations vigorously pursue opportunities for efficiencies through collaboration, developing shared service models or outsourcing in areas such as fleet management and ICT. In addition, there is a continuing Government agenda to promote 'joined up' local services through initiatives which seek to more customer- focused, integrated service delivery models and improved resource efficiency **through better or shared use of accommodation and improved integration between public sector agencies. These are all drivers for potentially significant changes to the Authority's property portfolio which may lead to co-location of functions with partner Authorities/agencies or removing the need for accommodation for some functions altogether.** Discussions are currently taking place with other emergency services regarding their potential use of our properties.

e. The FiReControl Project – The regional working agenda introduced with the Fire and Rescue Services Act 2004, included a national project to replace individual fire and rescue service control centres in England with nine regional controls. On December 20th 2010 the Government terminated the Regionalisation of Emergency Fire Control Centre's; therefore the proposed movement of the Authority's mobilising and control function to the new regional base in Cambridgeshire, did not happen.

The Service was successful with a bid to the DCLG for £1m to replace our mobilising system. We are working in collaboration with Essex FRS to get our individual control centres upgraded, but with built in resilience with collaborative working. The anticipated completed date for our service is autumn 2016. Property related works on the control building were completed during 2014/15.

2.2   The Authority's Strategic Priorities and Aspirations

In accordance with its corporate planning cycle, the Authority undertakes a strategic assessment each year to consider the strategic environment within which the Service is operating and set overall priorities and direction to guide corporate strategies and plans for the following year and the medium-term. **The Land and Buildings Asset Management Plan will adapt to ensure it is aligned to the these priorities.**

2.3   The Financial Resources Context (Revenue and Capital Expenditure)

The Authority's Medium-Term Financial Strategy (MTFS) for 2016/17 to 2019/20 recognises the extreme revenue budgetary pressures facing the Authority and the public sector in general, with a requirement to do more with less.

Whilst it is recognised that staff costs represent circa 80% of Authority revenue expenditure, the current budget climate also necessitates a focused approach to asset management to identify efficiencies.

The budgeted premises running costs for 2016/17 total £1.25m. This includes the Property Team, repairs and maintenance, utilities, contracts, insurance etc

The capital budget for property projects in 2016/17 amounts to £0.40m and is likely to be higher than this amount that is in the Capital Programme when including 2015/16 slippage, budgeted condition survey works of £80k and additions in 2016/17.

Funding for the current years capital programme has been achieved from revenue contributions, without the need to undertake any further borrowing in the form of Public Works Loan Board. The capital funding from the DCLG or Home Office, via direct grant or through a bidding process has ceased for 2016/17 and currently the following years.

The Authority is also aware that its property portfolio itself represents latent capital (locked up in land, bricks and mortar) and the release of this form of capital could make an important contribution to reducing future revenue and capital budget pressures.

2.4   **Strategic Direction for Land and Buildings Asset Management**

Based upon the above considerations, the over-arching strategic direction for land and buildings asset management over the next three years can be summarised as **a more robust and systematic challenge to the need for and performance of the assets in the portfolio**. This as well as providing a response to the key issues identified above set a broad strategic direction around which resources and action can be coordinated. This direction can be summarised as:

- **Reviewing the operational asset base** - This is an on-going activity at the core of the Authority's service obligations and in furthering its strategic priorities under the theme of a more rigorous, business like approach, the Authority continues to 'Match Operational Resources to Risk'. The initial phases of the project have involved an in-depth analysis of the need for the number, type and location of fire stations in order to explore the full range of possible options, comparing the existing portfolio against a 'blank canvas' plan for the number, type, size and location of fire stations and what opportunities this might allow for asset rationalisation. In terms of operational and resource efficiency, questions were raised in relation to some Retained Duty System fire stations as to whether the same level of service and response times be provided from the existing full time urban stations or from a reconfigured smaller portfolio. The outcomes of the work undertaken to date have indicated that there is no clear case, at present, to dispose of or change the location of any of the Authority's fire stations and the capital programme for buildings for 2016/17 onwards has been developed on this basis.

    Changes that have been made in the past following the above work includes the crewing at Toddington Fire Station, with the removal of day crewing.

    A key step in the rationalisation and use of our premises was made during 2013/14, where the Operational Support Team moved out of leased premises and into HQ and other sites. This was achievable through the better utilisation of available space, after making some changes to building layouts.   This process also brought together the Functional Heads into one floor at HQ, rather than being spread across the county at numerous sites.

- **Active portfolio management** – In line with the Authority's commitment to a businesslike approach and the planning and financial context, there is an increasing need to ensure that the property portfolio is contributing effectively to the Authority's core objectives and that every opportunity is taken to minimise cost, generate income, to enhance or release value. This requires a much more robust approach to performance measurement and management of the portfolio. **Within asset management there is need to embrace and demonstrate consistency with best practice, use of performance measures and a strategic, innovative and collaborative approach to the use of assets.** This includes, for example, more active recognition that unused or under-utilised space is a hidden cost which needs to be minimised and that similarly buildings can in certain circumstances **provide the basis to generate income from third party lettings.** This is especially true of the non-operational space such as offices, training facilities and other ancillary facilities. Whilst a relatively small portfolio and thus any efficiency gains from improved utilisation maybe limited, it is nevertheless an area which requires robust challenge through examining whether, for example:

  - better promotion of flexible working practices could reduce demand for office space and intensify utilisation;
  - joint working arrangements with partners are being exploited to ensure facilities are fully utilised;
  - income earning opportunities are being actively sought;
  - there is equity in office facilities in different parts of the portfolio;
  - as noted above, with the cessation of the Authority's one leased property, the Authority owns all the premises that it uses.

As noted above, discussions are currently taking place with other emergency services and it is looking likely that as well as existing shared arrangements, more are being developed to be introduced during 2016/17. This will generate income to the Authority, albeit in the main to contribute to existing costs such as rates, heating, lighting etc.

- **Using Authority assets to support wider community role** - In line with its aspirations for demonstrating civic leadership and playing a wider community role, the Authority and Service are increasingly being recognised as a focus for the community. With this community role allied to the increasing preventative nature of the service there is a requirement to ensure buildings are welcoming and easily accessible to the public. Due to the nature of the service it is not possible to make all areas of fire stations publicly accessible and so the approach needs to focus on use of ancillary areas of existing stations or within new stations to provide community facilities without compromising safety, security or effective response to incidents. There is a need to define the nature of this community role and issues such as how the community focus supports the BFRS mission and overall objectives; the operating basis of community facilities (subsidy or self-supporting), facilities provided; mixing of operational and community activities need to be considered. The Dunstable station provides the model of such community engagement.

  - **Promoting shared asset use** – Closely aligned to both the theme of Civic Leadership and Robust, Businesslike Approach is the issue of taking a more robust approach to exploring shared asset use (with other agencies). The current financial pressures in the public sector are leading to greater collaboration and shared asset use amongst public sector agencies. The previous, largely passive approach to this is no longer appropriate and a more robust and proactive approach is required. Whilst the Authority is likely to be a minor partner (in terms

of its portfolio size) in comparison with other public sector agencies this does not prevent it from taking a lead on a multi-agency basis; especially in the emergency services sector. There are potential benefits to be achieved from reducing operating costs or releasing cash (from possible property asset rationalisations) and the agency that takes the lead on this may be best placed to secure such benefits. The Service does receive income from the Ambulance Service and St John Ambulance for the use of our property assets. As noted above, further discussions and opportunities are being explored.

3.   LAND AND BUILDINGS ASSET MANAGEMENT POLICY AND PRACTICE

3.1   Overall Approach

In line with the priority of a rigorous, business-like approach, asset management is gaining an increasingly high profile within the Authority and Service.

The following sections provide a brief overview of some of the key arrangements for the Authority's land and buildings asset management.

3.2   Roles and Responsibilities

The following posts/groups undertake key roles in the asset management process for land and buildings:

Individual/Group	Role
Fire and Rescue Authority	Approve the Community Risk Management Plan and Medium-Term Financial Plan, including annual capital programme and revenue budget for property.
Corporate Services Policy and Challenge Group	Approve Asset Management Policy and Asset Management Plans. Monitor implementation and performance of plans, scrutinising and challenging as appropriate.
Capital Strategy Team (Principal Officers and Head of Finance/Treasurer)	Develop Asset Management Strategy and Plans. Develop Capital Programme for property for approval by Authority and monitor/oversee implementation, receiving regular update reports. Prioritise capital investment proposals. Assign and consider post implementation reviews.
Corporate Management Team (Principal Officers and Functional Heads)	Develop Community Risk Management Plan and annual revenue budget for approval by Authority and monitor and manage in-year implementation.

Head of Finance/Treasurer	Undertakes the role of 'Corporate Asset Officer.'
	Monitors and reports capital and revenue expenditure against budget/programme to Authority, Capital Strategy Team and Corporate Management Team.
	Oversees day to day operation and implementation of the Asset Management Policy and Land & Buildings Plan.
Property Manager	Undertakes role of 'asset officer' for land and buildings – has day to day responsibility for all property related matters.
	Manages implementation of the Asset Management Plan and implements Capital Programme and revenue budget for property (project managing, procuring services, monitoring progress/outcomes, prioritising work, managing budget etc).
	Liaises closely with the Head of Finance/Treasurer on asset related issues.

An external review in a previous year of asset management indicated no issues with the roles, responsibilities or skills profiles of those involved in asset management, it highlighted that the small size of the Property Team (Property Manager plus admin support) created capacity issues regarding more strategic asset management functions which tended to be neglected as a result of the need to focus on tactical and operational issues. It also highlighted the potential resilience issues inherent in such a small team. The options for creating greater capacity and resilience through collaborative working or a shared service approach to property management with Cambridgeshire Fire and Rescue Service will again be reviewed.

3.3 Management of Capital Programme Property Projects

Proposals for capital property projects are invited on an annual basis, when Service managers submit a pro forma for consideration by Capital Strategy Team which comprises the three Principal Officers plus the Head of Finance/Treasurer. The process commences annually in July and is supported with technical information from the Property Manager. All proposals are scrutinised and evaluated against Service strategic priorities. The proposals are then presented to Members for discussion and challenge at successive budget workshops prior to the final programme being agreed by the Authority in February as a component of its annual budget.

The Asset Management Review found that the allocation of funding reflected the priorities as identified in the Community Risk Management Plan and other strategic plans and that the process was undertaken in an open way with key proposals on property matters presented to Members for decision with appropriate recommendations.

3.4 Managing Properties in Use

The Property Team maintains records of the nature, location and function of all the Authority's property. A compliance register is also maintained, which is vital is the effective management of the property which includes asbestos, legionella, gas checks, electricity checks, lightening checks, Health & Safety matters, Environmental and Equality & Diversity etc.

A continuous condition survey is carried out on the whole portfolio to obtain an up to date assessment of the properties and the priority to medium term capital and revenue works that are required. This will then inform the following year's budget process with the latest capital and revenue expenditure forecasts.

Budget bids and condition surveys are discussed at regular meetings between the Head of Finance/Treasurer and Property Manager and are linked into the Property Manager's annual personal action plan.

The day-to-day management of the operational buildings is the responsibility of the station/section managers although they have the support of the Property Team as and when maintenance issues arise.

3.5 Review of Need, Utilisation and Cost

Data held by the Authority which can support not only an effective asset management function but also a robust and systematic process of challenge to the need for and performance of individual property assets includes:

- Asset values for capital accounting purposes are undertaken on a three yearly basis or more frequently if there have been significant movement in values. They were fully re-valued as at 31 March 2014 and more recently a desk top valuation was carried out as at 31 March 2016.
- Property running costs are available for each property through the financial management system. The costs of 'owning' and 'occupying' property is known and readily identified through the financial management system for individual managers.
- The development potential of all operational properties sites are continually assessed.

3.6 The Transparency Code

The Code requires local authorities to publish details of all land and building assets, amongst other areas. There are some exclusions that may apply for the Authority where details are not required, such as assets of national security.

For each land or building asset, the following information must be published together in one place:
- Unique asset identity
- Name of building/land or both
- Street number
- Street name
- Postal town
- UK postcode
- Geocode (easting and northing)
- Whether freehold or leasehold
- Whether land only or land with permanent building

The above information is published on the Authority's website, there is a dedicated page for the full suite of Transparency Code subject areas including procurement, the organisational structure etc.

The above data should be published at least annually.

3.7 Collaboration and Partnership Working in Property Asset Management

The Authority has undertaken some partnership working with the ambulance trust and has responded favourably to initiatives as they have arisen. For example, there was considerable direct engagement with the public on the provision of community facilities at Dunstable. St Johns Ambulance does have a rental agreement with the Authority too for use of part of Dunstable Station.

Whilst it may not be expected for the Authority to take a lead on collaborative asset management it is keen to play an active part in multi-agency projects, particularly where related to community safety.

4. REVIEW OF PROPERTY PORTFOLIO

4.1 Number and Type of Premises

The Authority has a duty to provide premises that are safe for users and visitors, accessible for staff and public and provide an economic and effective service to the public. The Authority will provide buildings that make efficient use of energy, minimise any harmful effects to the environment and make a positive contribution to the appearance of the local community.   A summary of the numbers and types of premises occupied by the Authority is listed in the Table below:

Summary of Property Occupied by the Fire and Rescue Authority (All property assets are owned by the Authority)

Premises Type	No
Fire Stations – Shift Duty System (one of which located on Headquarters site)	5
Fire Stations – Day Crewing Duty System	1
Fire Stations – Retained Duty System	8
Service Control (located on Headquarters site)	1
Service Training Centre (located on Headquarters site)	1
Vehicle Servicing and Maintenance Workshops (located on Headquarters site)	1
Headquarters Offices	1
Area Offices	2
Houses	7

4.1.1 Fire Stations

The locations, types and sizes of fire stations are determined by the risk to the community and the ability to respond to incidents in terms of the time and number of appliances according to specific types of incidents. The positioning of fire stations is therefore location sensitive with proximity to the road network and areas of risk being critical.

Staff duty systems (wholetime, day crewed or retained) influence the provision of facilities at each station. Wholetime stations are in use around the clock and require some staff to spend extended periods in these buildings; day-crewed fire stations are in use for large parts of the day, whilst retained fire stations have far less staff activity on site and therefore require fewer facilities. In general terms the pattern of fire station provision is for whole-time and day crewed fire stations to be in urban centres and retained fire stations to be in rural areas**.**

Fire station design has over recent years been significantly affected by the aspirations of the Authority for community safety services and a wider community role. This has led to design of a range of public access areas on the sites of some stations (a specialised interactive community fire safety education facility has been built at the Luton Fire Station site) as well as within the existing station buildings themselves (such as the extensive community facilities at the Dunstable Community Fire Station) and the on-going programme to expand and enhance such facilities at all other stations.

As the principal requirement for fire stations is to meet standards of emergency cover, it is essential that this Asset Management Plan is based on a sound understanding of the existing and possible future emergency cover requirements.

Following the replacement of national standards of fire cover with local Integrated Risk Management Planning in 2004, the Authority developed and implemented local standards of incident response that matched fire appliance attendance times against risk. These locally determined standards will be a primary influence on any options for change to location of stations. The Authority's Community Risk Management Plan (CRMP) details how the Authority assesses community risk and its current arrangements for managing that risk through prevention, protection and response.

4.1.2   Emergency Fire Control Centre

The location and design of the Emergency Fire Control Centre is determined by a number of factors including the fact that it operates 24 hours per day, 365 days per year and forms a vital part of the Service's operational capability. The loss of use of this facility can impact more significantly on the operational effectiveness of the service than any other single building and so the premises and services are to the highest standard of reliability and security. In addition, alternative facilities are provided in case of an emergency evacuation of the main control room.

4.1.3   Training Facilities

The Authority has a specialist Service Training Centre comprising a range of facilities including teaching rooms, a 'hot' and 'cold' fire training complex, driver training and domestic facilities.

In addition, a range of specialist training facilities are required at fire stations including 'smoke' houses, drill towers and yards. All fire stations are provided with multi-media equipment to allow training to be carried out in lecture room environments.

4.1.4 Servicing of Vehicles, Equipment and Supplies

The Authority has vehicle and equipment workshops and a supplies facility at Fire and Rescue Headquarters. They provide all the necessary technical support to equip and maintain the fire and rescue service.

4.1.5 Residential Accommodation for Day Crewing and Retained Staff

Firefighters who operate at the day crewing station provide extended hours of cover. They are required to live in close proximity to the fire station to enable them to respond to the fire station when a fire call is received. The Authority provides housing for staff at the Leighton Buzzard Fire Station. The accommodation must be suitable for the normal domestic requirements of the staff and their families. The current project to improve the match of operational resources to risk may lead to a changed requirement for such accommodation in the future.

There is also housing available for retained firefighters at the Toddington Fire Station, where under a licence to occupy the fee paid is at a comparable public sector market rate.

4.1.6 General Standards

The Authority will apply certain standards to all buildings, regardless of their function, although the way standards are achieved will vary according to the specific needs. These include:

Health and Safety: The Authority protects the health, safety and welfare of its employees and visitors, and provides a safe working environment in the premises under its control.

Accessibility: The Authority is committed to providing an 'inclusive environment'. For reasons of safety, it is not possible to provide public access to all areas on fire stations; however, it is the aim to provide welcoming and clearly available access to relevant parts of the Authority premises. All new buildings and refurbishment will include specific provision for access. In existing premises, the Authority will seek effective ways of providing access to services.

Equality and Diversity: Until relatively recently, fire stations have been designed to accommodate the traditionally exclusively male operational fire fighting staff. The designs of older fire stations did not include gender segregated showering and changing facilities for operational staff, although the more limited facilities necessary for female non-operational staff were provided. All stations operating the wholetime duty system and retained stations now have adequate facilities with improvements carried out in 2015/16.
The Property Team have now documented all E&D related facilities at the Authority's premises and will liaise on an ongoing basis with the Diversity Advisor. Any required works will be met from the annual capital works budget.

Sustainability: The Authority is committed to ongoing measures to ensure the property portfolio contributes to its aspiration to minimise the adverse environmental impact of its activities and to reduce its overall carbon footprint. An overall reduction in space used is an important contribution to this target, as is promoting sustainability

through procurement and design of new buildings and retro-fit of existing buildings through measures such as use of double glazing, insulation, energy efficient lighting and appliances. The age profile of the Authority's portfolio creates some challenges in this respect and means that continuing consideration will need to be given to the environmental aspects of buildings, such as energy and water consumption and to the overall carbon footprint of the portfolio.

Building Standards: In addition to meeting the legislative and planning requirements, the Authority will seek to provide buildings that offer a cost effective solution to the planned whole life of the building. It will not be assumed that all stations will have a life of 50 – 80 years, particularly in areas of the county where significant changes that may affect fire cover are foreseeable. Where appropriate, low cost modern building systems will be used. Buildings will be sympathetically designed and will make a positive contribution to the environment of the local community. Building methods and services will be selected to meet the requirements of the Building Regulations and, as described above, to minimise the use of energy and water, therefore, making a positive contribution to a sustainable environment. Statutory and regulatory controls are managed by structured inspection and testing regimes.

4.2   Cost of Ownership and Occupation

There is a recurring cost borne from the revenue budget to own and occupy property. Assuming the portfolio is fit for purpose and in a reasonable state of repair the objective should be to minimise this expenditure in order to release revenue for operational priorities.

Such expenditure includes smaller items of routine maintenance that are identified within the condition surveys, items of preventative maintenance carried out on a pre-determined cycle, regular premises cleaning and dealing with unforeseen repairs. The budget also meets all costs arising from heating and lighting and payment of premises related insurance, rents and rates. In the financial year 2016/17, the planned revenue expenditure for such ongoing maintenance and management of the Authority's premises is £1.25m.

4.3   Value and Income

The Authority owns land and property with a value of £22.067m, as at 31 March 2016.

As well as providing the accommodation from which to deliver services, property can also be considered as a 'productive asset' which is capable of releasing value (from property disposals) or generating income (from rental lettings). Although not its primary purpose, this can make a valuable offsetting contribution to capital projects or operating costs.

In 2016/17, the Authority has a budget for rental income from property lettings of approximately £70k. This budget may be exceeded with additional rental income from discussions with partners that are currently progressing.

The Authority continues to consider the commercial value of its premises and land particularly those located in prime town centre areas or areas of high residential

property values. It is recognised that on-going discussions with developers may generate opportunities for the Authority to benefit from the disposal of older premises on commercially valuable sites, using the income to fund replacement stations. There are also areas of station land that could be sold off in the future should there be a financial or other requirement to drive this.

The operational considerations of such proposals are paramount and because of the essential operational requirements for strategic locations, this approach may not yield usable options. As the approach is dependant on the availability of alternate sites or shared sites, and the commercial value of existing sites, the Authority's options will be kept under constant review.

4.4   Condition of Premises

It is important to understand the condition of the building stock in order to be aware of immediate health and safety issues in the portfolio, incipient risks and liabilities to the Authority; and the investment needs associated with ensuring buildings are in a reasonable state of repair - as required by the Authority to meet its service obligations. It is also an important element of 'Best Practice' within current asset management guidance.

The bulk of the portfolio buildings (70%) are over 30 years old with less than 20% aged less than twenty years. This age profile may indicate incipient issues in the portfolio related to building maintenance and constrain the ability to promote a 'green' portfolio which is consistent with the Authority's sustainability objectives. The age profile of the Authority's premises is identified in the table below:

Age Profile of Premises

Building	Duty Systems Employed	Date of Construction and Major Extension
Ampthill Fire Station	Retained	1953
Bedford Fire Station	Wholetime & Retained	1968 and 1988
Biggleswade Fire Station	Retained	1959 and 1985
Dunstable Fire Station	Wholetime	2008
Harrold Fire Station	Retained	1971
Kempston Fire Station	Wholetime & Retained	1970 and 1989
Leighton Buzzard Fire Station	Day Crewing & Retained	1961 & 1987
Luton Fire Station	Wholetime	1956
Potton Fire Station	Retained	1973
Sandy Fire Station	Retained	1957 & 1992
Shefford Fire Station	Retained	1968
Stopsley Fire Station	Wholetime	1984 & 2009
Toddington Fire Station	Retained	1973
Woburn Fire Station	Retained	1997
Service Headquarters	Not Applicable	1970 & 1997
Service Training Centre	Not Applicable	1987 & 1997
Area Office (North)	Not Applicable	1968
Area Office (South)	Not Applicable	1956

The age profile shows that a significant number of fire stations and other buildings that are owned by the Authority were built during the 1950s, 1960s and 1970s. Eight properties have had major extensions since they were first built. However, age of buildings is not necessarily the sole driver of replacement plans; indeed, all the fire stations are in good structural condition and have the potential to last many more years. On the other hand, due to the increasing development in the Authority's area there may be a future need to consider the location of fire stations to ensure they meet the requirements of the Community Risk Management Plan.

Nevertheless, it is essential that a proactive programme of repair, maintenance and refurbishment takes place. The Authority has completed a data and condition survey that is used as the basis for planning programmes of work. A five year rolling programme was been developed that identifies the condition of the main elements of buildings and generates a score. These scores are utilised to help develop programmes of work either specific to the elements considered or to whole premises. This methodology helps to target those premises in greatest need of attention and to ensure that programmes of work are targeted in a balanced and structured way. Legislative requirements for premises are also considered and specific programmes for improvements to premises to comply with food hygiene regulations and other health and safety issues are in place.

5. PROGRAMME OF PROPERTY PROJECTS AND ASSET MANAGEMENT ACTIONS

5.1 Capital Programme of Property-Related Projects

Based upon all the above considerations and factors, the Authority develops a programme of major property refurbishment and improvement projects which aims to make the best use of the existing strategic sites and buildings by enhancing and sustaining suitable premises and extending their effective life. Such refurbishment requires significant investment and entails some disruption to the users of the building. Premises and works included in the in the programme will reflect an assessment of cost and benefits of investing in the property or site and will, in the case of fire stations, take account of any potential need to remove or relocate the station to meet changed requirements for emergency cover.

Such major property-related projects form an integral part of the Authority's Capital Programme as contained within the Medium-Term Financial Plan.

5.1.1 Review of Capital Programme Property Projects 2015/16

The following completed works during 2015/16 are worth noting:

Premises	Project	Actual Spend £	Status
Potton	Exterior, interior, new toilets, shower, heating, windows, decorating, kitchen	41,400	Completed
Sandy	Exterior, interior, new toilets, shower, heating, windows, decorating, kitchen	36,700	Completed
Control	Generator, Uninterrupted Power Supply (UPS), completion of improvements	29,400	Completed
Biggleswade	Station improvements	6,400	Completed
HQ	Comms Office improvements, now the Property Office, HR Office, Corridor, air con	15,500	Completed
	Total	**129,400**	

Some of the more significant achievements over the last two years, through which the Authority demonstrated its commitment to asset management include:

- Compliance registers – asbestos, gas, electricity, air conditioning, lightening protection, legionella etc

- Drawings/plans – numerous, covering lighting, drainage, asbestos, fire alarms, security alarms, door/room numbers, heating etc

- Generators, UPS review/servicing

- Drop down charges for Rescue Pumps in all station bays

- Energy saving replacement windows where a priority

- Movement detection sensors for internal lighting and external floodlights

- Replacement of lighting with new LED economical upgrades

- New economical A rated boilers

- Development of asset registers for each property

- Service house improvements

- Disabled access improvements – door widening, flooring improvements

- HR Office improvements

5.1.2 Planned Programme for 2016/17 to 2019/20

In the 2016/17 Capital Programme, the specific projects for the Property Team are:

- Extend and Redesign the BA Technician & Technical Technician Workshop £35k
- Control Kitchen Upgrade £5k
- Generator – Bedford
- Security works HQ – including Control, traffic flow, additional parking
- Improvements to the FSOT garage based at Leighton Buzzard (DCLG grant received for this work)
- Continued Floodlighting upgrades
- Car parks and drill yards re-tarmacked including drainage
- Appliance bay floors
- Re-roofing older stations

Some of the above will be funded from the annual capital budget for Condition Survey related work of £80k. This is as well as revenue budgets for minor works and repairs and maintenance.
All future work will be considered against the possibility of future co-location to a yet to be determined extent. Therefore works, including those noted above, will be subject to a final review before proceeding.

Areas of revenue and capital priority will include:

- Running Costs: Assessing how to improve the energy efficiency of the portfolio, which may include cavity wall insulation, replacing single glazed windows with double glazed, Reducing energy costs and introduction of cyclical painting programs that should in turn reduce the repairs budget. New economic LED lighting, with movement detectors to reduce wasted energy, timers on heating and lights, Installation of new AAA rated boilers to reduce CO_2 and reduce energy etc.

- Energy management & Utilities :Linked with the above, is the collation and analysis of accurate utility usage date for water, electricity and gas. This will be much improved in the future with the roll out of automatic meter readings for electricity and gas, the installation of which has now commenced.

- *Equality Diversity and Accessibility*: Identifying the priority needs for Equality, Diversity and Accessibility. New widened front doors some with electronic access, widened doors to community rooms .New DDA toilets. Giving access to more areas within building & scope for promoting shared asset use

- Health & Safety. Review of Drill yards and parking area assessments with special review of any hazardous areas , new one way systems & protected or proscribed pedestrian walk ways & DDA parking bays that may lead to works

- Building Standards. Sustainability Improvements to: - Station bay floor works. Update of Kitchens, Toilets, renewal of roofs, Repointing & painting programs

- Space utilisation - Improved use of buildings

- Compliance .Statutory, Regulatory and Best Practice. New management systems for the continual use of premises making sure of sustainability within the Estate. This would include continuation of the removal of asbestos when works are undertaken at premises, lighting protection, GAS Safe program & Electrical periodicals

- New Cyclical maintenance program to reduce call out costs and reduce overall maintenance costs

- Security – assessment and remedial works to improve security, particularly around HQ and Control.

- Generators/Uninterrupted Power Supply (UPS) - a service review and works where necessary for the generators and UPS. Changes of requirements include Control with the new mobilising system and associated communications.

5.2 Summary Strategic Themes and Actions

The analysis of the planning context in Section 2.0 and the identification of strategic direction provide a framework within which to set key actions for asset management. A programme of action to respond to key the issues identified over the short, medium and long-term is presented below under the four identified strategic themes.

The actions identified are the strategic actions concerned with developing asset management and are in addition to the more regular actions which are set through the Property Team's annual action plan. There is no implied priority or sequencing for the identified actions and similarly no identified lead or target date for completion. The identified actions were considered as part of the annual corporate planning processes of the Authority and actions will be progressed according to available resources and organisational capacity and in light of corporate priorities reflected through the CRMP. It is anticipated however that many of the actions listed below will be reflected through the Property Team's action plan over the coming years.

Key Asset Management Themes and Actions

Review of the operational asset base
- Ensure full integration of asset management considerations and principles into on-going implementation of the 'Matching Operational Resources to Risk' project.

Active portfolio management
- To annually review the expenditure on utilities (water, gas and electricity) and look into any anomalies.
  - To ensure that an up to date compliance register is in place and being regularly used and updated.

Use of assets to support wider community role
- To assist the Community Safety Team and Station Commanders in utilising the accommodation to the best effect with community groups.

Promoting shared asset use
- Continual review of existing and potential future opportunities for shared use of property assets.

5.3 Performance Indicators and Targets for 2016/17 onwards

The Authority procures gas and electricity through the LASER group. LASER is a public sector energy buying group and part of Kent County Council's Commercial Services division. LASER was founded in 1989 to manage the procurement opportunities created by the deregulation of the gas and electricity markets. LASER purchases energy on behalf of 115 Local Authorities and 45 wider public sector bodies. Current contracted volumes for electricity and gas amount to 6.7 TWhs of energy, equating to an annual delivered spend of over £350m. This is approximately 1.7% of the UK's non-domestic energy demand.

LASER's flexible procurement model aggregates the energy volumes of all customers. LASER closely monitors energy market prices and drivers, purchasing the energy requirements in multiple blocks over a period of time, prior to the point of use. Gas and electricity market prices are highly volatile and price movements of more than 10% in a week are not unprecedented. To spread market price risk, and to avoid buying during periods of peak market pricing, the Pan Government Energy

Project recommended that 'all public sector organisations adopt aggregated, flexible and risk-managed energy procurement', which LASER provides.

Water is supplied to the Authority by two providers, Anglian Water and Affinity. An external company is currently involved in supporting the reduction of water usage.

Meter Readings:

Water is monitored accurately via meters. For Gas and electricity, the accuracy of the manual readings has in past years led to inaccurate figures being used. The Automatic Meter Readers have now been rolled out during 2015/16 and in early 2016/17 across nearly all of the service premises and this will now significantly improve the management information available going forward. The meters start from a reading of zero, hence why some of the figures below are again estimates. However, as most of these have been fitted during 2015/16, the real time monitoring of the accurate information can commence for the 2016/17 year.

The usage of gas and electricity can vary considerably between years with a cold winter one year, followed by a mild winter the next.

Water:

Water consumption based on cubic meters (m3) used. The benchmark below will be used to assess the usage in 2016/17. The target is to reduce water usage. This is being enabled by the use of an external organisation supporting our water usage reduction with aids such as limiters and timers on pipes reducing water usage.

Location	Average 2013/14 and 2014/15 for 2015/16 Benchmark	2015/16 Usage	2016/17 Benchmark	Comments
Ampthill Supply 1+2	345.49	182.26	345	15/16 usage appears low, to be investigated. Keep benchmark at previous figures, subject to review
Bedford	850.83	867.75	850	
Harrold	101.20	99.51	100	
Ops Comms Centre	189.09	166.32	170	
Kempston & HQ	2,131.06	2008.58	2010	
Potton	85.02	50.33	65	
Sandy	90.54	60.25	80	
Shefford	134.71	554.84	135	The 2015/16 usage is far too high, this will be investigated.
Toddington	196.53	291.27	200	More in line with 13/14 usage, keep as is for benchmark, review
Woburn	88.07	79.72	80	
Leighton Buzzard	361.95	387.89	380	
Biggleswade	129.84	124.11	125	
Dunstable	957.75	949.28	950	
Luton supply 1+2	1,862.89	1,758.26	1800	
Stopsley	651.78	623.77	650	

Electricity and Gas:

Unlike water, electricity and gas supplies were not all on meters and therefore the accuracy of the usage has in prior years caused the monitoring to be inaccurate. As noted above, predominantly all premises have had meters installed during 2015/16, these dates are shown in the tables below. When the meters are fitted, they start from a nil reading, so the proposed benchmark below is based on using the best available usage data from the old and new systems. From 2016/17 the usage will now be accurately monitored with real time information, to enable monthly reviews and stations to be advised if there are peaks in usage, to therefore try to establish the cause of these and take remedial action. Future tables will detail more accurate information, including usage detail compared to benchmark per station.

Overall, the benchmark set for electricity usage in 2015/16 was 1,164,441 kwh compared to an estimated usage total of 1,332,505 kwh (estimated to be over by 14%). The 2015/16 gas benchmark was 196,521 M3, compared against an estimated usage of 194,419 M3 (under by 1%).

Electricity Usage - Location	2016/17 Benchmark	Date Meter fitted
Ampthill	21,000	27/10/15
Bedford	80,000	30/05/16
Biggleswade	16,500	30/10/15
Control	181,000	Prior year
Dunstable	188,000	Prior year
Harrold	18,000	27/10/15
HQ	333,000	Prior year
Leighton Buzzard	24,000	17/02/16
Luton (incl SAO)	105,000	26/04/16
NAO	10,000	27/10/15
Potton	18,000	30/10/15
Sandy	14,000	30/10/15
Shefford	21,000	16/03/16
Stopsley	41,000	26/10/15
Toddington	24,000	17/02/16
Woburn	52,000	Prior year

Gas Usage - Location	2016/17 Benchmark M3	Meter installed
Ampthill	4,400	26/06/15
Bedford	No gas	
Biggleswade	6,000	15/05/15
Control	6,000	25/08/15
Dunstable	20,000	To be installed
Harrold	3,900	26/06/15
HQ	60,000	To be installed
HQ Trng Centre and gym	16,500	To be installed
L. Buzzard	19,250	14/08/15
Luton	28,000	12/06/15
NAO	2,500	29/05/15
Potton	1,850	17/11/15
Sandy	1,790	29/02/16
Shefford	3,425	29/02/16
Stopsley	No gas	
Toddington	12,000	02/09/15
Woburn	No gas	
SAO	7,235	30/03/16

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For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and
Challenge Group
9 June 2016
Item No. 13

REPORT AUTHOR: **HEAD OF SAFETY AND STRATEGIC PROJECTS**

SUBJECT: **CORPORATE RISK REGISTER**

For further information   Service Operational Commander Tony Rogers
on this Report contact: Head of Safety and Strategic Projects
                              Tel No: 01234 845163

Background Papers: None

Implications (tick ✓):

LEGAL			FINANCIAL	
HUMAN RESOURCES			EQUALITY IMPACT	
ENVIRONMENTAL			POLICY	
CORPORATE RISK	Known	✓	CORE BRIEF	
	New		OTHER (please specify)	

Any implications affecting this report are noted at the end of the report.

PURPOSE:
To consider the Service's Corporate Risk Register in relation to Corporate Services.
RECOMMENDATION:
That Members note and approve the review by the Service of the Corporate Risk Register in relation to Corporate Services.

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1.   Introduction

1.1   Members have requested a standing item to be placed on the Agenda of the Policy and Challenge Groups for the consideration of risks relating to the remit of each Group. In addition, the Fire and Rescue Authority's (FRA) Audit and Standards Committee receives regular reports on the full Corporate Risk Register.

1.2   An extract of the Corporate Risk Register showing the risks appropriate to the Corporate Services Policy and Challenge Group will be available at the meeting. Explanatory notes regarding the risk ratings applied is appended to this report.

2. <u>Current Revisions</u>

2.1 The register is reviewed on a monthly basis during the Service's Corporate Management Team (CMT) meetings and by CMT members between these meetings if required. A copy of the risks relevant to the Corporate Services Policy and Challenge Group are attached for your information and approval.

2.2 Changes to individual risk ratings in the Corporate Risk Register:

- **CRR23: The Service IT infrastructure is unable to handle secure e-mails from external partners:** The service has provided an alternative access to secure email through the Criminal Justice Secure email system, managed by the Business Information Manager. This gives access to all government secure email networks including the Police National Network (PNN). Nominated users have access to this which is available via webmail. Service users also have access to secure emails sent by partner public sector organisations using their own internal Egress system or equivalent. This action is closed with the risk mitigated. Future plans to refine and optimise secure email provision include the potential to establish Egress internally once the demand and requirements are identified. This is closely linked to the developments in the emergency services network as part of the ESMCP. Therefore, following a review of the risk and the control measures in place the Inherent Likelihood has been reduced from 3 to 1 and the Inherent Impact has been reduced from 4 to 3 reducing the overall Inherent Risk rating to 3 aligning with the Residual Risk and will now be transferred as a Tolerable Risk.

- **CRR29: Poor communications both internal and external to the Service:** Following a review of the risk controls and action plan aligned to CRR29 that included the external communications audit outcome providing substantial assurance to the Service, and the appointment of the *Communications and Engagement Manager* Role that undertakes a broader aspect of public relations and internal/external communications, the Inherent Risk rating has been revised. The outcome of the review has reduced the Inherent Likelihood from 3 to 2 with an overall reduced Inherent Risk rating from 9 to 6.

- **CRR39: If we have inadequate data management due to poor implementation, inappropriate specification of requirements or poor quality control measures then we are at risk of using the wrong information throughout the organisation and thus potentially affecting the delivery of our services:**   The project aligning Service information activities to ISO27001 Information Security Framework is now being embedded with residual risks being monitored through the Abriska Risk Management System. This process is now being refined by the Head of Safety and Strategic Projects ahead of handover to business As usual. Following a review of the risk and the actions taken so far the Inherent Likelihood has been reduced from 4 to 3 resulting in an overall reduction in the Inherent Risk Rating from 12 to 9.

2.3   Updates to individual risks in the Corporate Risk Register:

- **CRR05: If we are unable to provide adequate asset management and tracking facilities then we may cause serious injuries to our staff due to a lack of safety testing. We may also incur unnecessary significant costs and be in breach of health and safety legislation:** CRR05 has a number of control measures in place to assist in mitigating the risk to the Service which includes the introduction of an Asset Tracking system. Following on from the previous update to Members the Technical Equipment Manager has reviewed a number of asset tracking systems and is now in the process of writing the technical specification to enable a tendering process to begin. The tender will take into consideration the needs of the Service and will be procured using allocated funding.

  The procurement of a new software based solution will significantly improve the automated recording of assets and provide a system that will enable an in-depth audit of our resources, maintenance and testing of equipment, however the current system in place continues to provide assurance that appropriate maintenance and testing regimes are secured.

3.   <u>Business Continuity</u>

3.1   As part of the Service's Business Continuity (BC) arrangements a programme of testing is now being developed that will cover all of the Service's BC plans on a cyclical process. The thorough testing of these plans will ensure that in the event of functional or service wide business interruption the Service is still able to deliver vital services to the communities.

SERVICE OPERATIONAL COMMANDER TONY ROGERS
HEAD OF SAFETY AND STRATEGIC PROJECTS

Explanatory tables in regard to the risk impact scores, the risk rating and the risk strategy.

Risk Rating

Risk Rating/Colour	Risk Rating Considerations / Action
Very High	High risks which require urgent management attention and action. Where appropriate, practical and proportionate to do so, new risk controls must be implemented as soon as possible, to reduce the risk rating. New controls aim to: • reduce the likelihood of a disruption • shorten the period of a disruption if it occurs • limit the impact of a disruption if it occurs These risks are monitored by CMT risk owner on a regular basis and reviewed quarterly and annually by CMT.
High	These are high risks which require management attention and action. Where practical and proportionate to do so, new risk controls *should* be implemented to reduce the risk rating as the aim above. These risks are monitored by CMT risk owner on a regular basis and reviewed quarterly and annually by CMT.
Moderate	These are moderate risks. New risk controls should be considered and scoped. Where practical and proportionate, selected controls should be prioritised for implementation. These risks are monitored and reviewed by CMT.
Low	These risks are unlikely to occur and are not significant in their impact. They are managed within CMT management framework and reviewed by CMT.

Risk Strategy

Risk Strategy	Description
Treat	Implement and monitor the effectiveness of new controls to reduce the risk rating. This may involve significant resource to achieve (IT infrastructure for data replication/storage, cross-training of specialist staff, providing standby-premises etc) or may comprise a number of low cost, or cost neutral, mitigating measures which cumulatively reduce the risk rating (a validated Business Continuity plan, documented and regularly rehearsed building evacuation procedures etc)
Tolerate	A risk may be acceptable without any further action being taken depending on the risk appetite of the organisation. Also, while there may clearly be additional new controls which could be implemented to 'treat' a risk, if the cost of treating the risk is greater than the anticipated impact and loss should the risk occur, then it may be decided to tolerate the risk maintaining existing risk controls only
Transfer	It may be possible to transfer the risk to a third party (conventional insurance or service provision (outsourcing)), however it is not possible to transfer the responsibility for the risk which remains with BLFRS
Terminate	In some circumstances it may be appropriate or possible to terminate or remove the risk altogether by changing policy, process, procedure or function

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For Publication

Bedfordshire Fire and Rescue Authority Corporate Services Policy and Challenge Group
9 June 2016
Item No. 14

REPORT AUTHOR: **CHIEF FIRE OFFICER**

SUBJECT: **WORK PROGRAMME 2016/17**

For further information on this report contact:

Karen Daniels
Audit and Performance Manager
Tel No: 01234 845013

Background Papers: None

Implications (tick ✓):

LEGAL			FINANCIAL	
HUMAN RESOURCES			EQUALITY IMPACT	
ENVIRONMENTAL			POLICY	
CORPORATE RISK	Known	✓	OTHER (please specify)	
	New		CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To report on the work programme for 2016/17 and to provide Members with an opportunity to request additional reports for the Corporate Services Policy and Challenge Group meetings.

RECOMMENDATION:

That Members review the work programme for 2016/17 and note the 'cyclical' Agenda Items for each meeting.

PAUL M FULLER CBE QFSM
CHIEF FIRE OFFICER

CORPORATE SERVICES POLICY AND CHALLENGE GROUP (CSPCG) PROGRAMME OF WORK 2016/17

Meeting Date	'Cyclical' Agenda Items		Additional / Commissioned Agenda Items	
	Item	Notes	Item	Notes
9 June 2016	• Election of Vice Chair • Terms of Reference • Minutes of Shared Service IT Governing Body • New Internal Audit Reports Completed to date • Audit and Governance Action Plan Monitoring Report • Corporate Services Performance 2015/16 Year End Report and Programmes to date • Treasury Management Annual Report • Asset Management Policy and Plans – ICT, Land & Buildings and Transport • Corporate Risk Register • Work Programme 2016/17 • Review of Use of the Regulation of Investigatory Powers Act (RIPA)			

Meeting Date	'Cyclical' Agenda Items		Additional / Commissioned Agenda Items	
	Item	Notes	Item	Notes
14 September 2016	• Minutes of Shared Service IT Governing Body • Revenue Budget and Capital Programme Monitoring 2016/17 • 2017/18 Revenue Budget and Capital Programme (Planning Arrangements) • New Internal Audit Reports Completed to date • Audit and Governance Action Plan Monitoring Report • Corporate Services Performance 2016/17 Quarter 1 and Programmes to date • Annual Review of the Operation of ICT Shared Service Agreement' • Corporate Risk Register • Work Programme 2016/17		• Community Facilities Charges at Stations	Added at FRA Briefing 24 May 2016

Meeting Date	'Cyclical' Agenda Items		Additional / Commissioned Agenda Items	
	Item	Notes	Item	Notes
6 December 2016	• Minutes of Shared Service IT Governing Body • Revenue Budget and Capital Programme Monitoring 2016/17 • New Internal Audit Reports Completed to date • Audit and Governance Action Plan Monitoring Report • Corporate Services Performance 2016/17 Quarter 2 and Programmes to date • Treasury Management Mid Year Review Report • Review of the Fire Authority's Effectiveness • Corporate Risk Register • Work Programme 2016/17			

Meeting Date	'Cyclical' Agenda Items		Additional / Commissioned Agenda Items	
	Item	Notes	Item	Notes
14 March 2017	• Minutes of Shared Service IT Governing Body • Revenue Budget and Capital Programme Monitoring 2016/17 • New Internal Audit Reports Completed to date • Audit and Governance Action Plan Monitoring Report • Corporate Services Performance 2016/17 Quarter 3 and Programmes to date • Proposed Corporate Services Indicators and Targets 2017/18 • Treasury Management Strategy and Practices • Corporate Risk Register • Review of Work Programme 2016/17		Review of Protection Programme and Insurance Provision	HFT – March 2016

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