Public Document Pack

BEDFORDSHIRE FIRE AND RESCUE AUTHORITY

Councillor M Riaz
Councillor M Headley (Chair)
Councillor F Chapman
Councillor D McVicar
Councillor Y Waheed
Councillor P Duckett

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 **Tuesday, 6 December 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.	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.
3.	Communications		
4.	Minutes	Chair	*To confirm the Minute of the meeting held on 14 September 2016 (Pages 1 - 8)
5.	Corporate Services Performance 2016/17 Quarter 2 and Programmes to date	ACO	* To consider a report (Pages 9 - 22)

Item	Subject	Lead	Purpose of Discussion
6.	Audit and Governance Action Plan Monitoring Report	CFO	* To consider a report (Pages 23 - 28)
7.	Revenue Budget and Capital Programme Monitoring 2016/17	HFT & Treasurer	* To consider a report (Pages 29 - 36)
8.	Treasury Management Mid-Year Review Report	HFT & Treasurer	* To consider a report (Pages 37 - 46)
9.	Review of Corporate Services Policy and Challenge Group Effectiveness	ACO	* To consider a report (Pages 47 - 54)
10.	Corporate Risk Register	CFO	* To consider a report (Pages 55 - 60)
11.	Work Programme 2016/17	Chair	* To consider a report (Pages 61 - 68)
	Next Meeting		10.00 am on 14 March 2017 at Conference Room, Fire and Rescue Service Headquarters, Kempston, Bedford MK41 7NR

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 14 SEPTEMBER 2016

Present: Councillors F Chapman, M Headley (Chair), D McVicar, M Riaz
and Y Waheed

CFO Fuller, ACO Z Evans, AC C Ball, Mrs A Ashwood and Mr G Chambers

16-17/CS/015 Apologies

There were no apologies.

16-17/CS/016 Declarations of Disclosable Pecuniary and Other Interests

There were no declarations of interests.

16-17/CS/017 Communications

Members received the Minutes of the meeting of the ICT Shared Services Governance Board held on 6 June 2016.

ACO Evans reported on the CFOA Conference held on 12 September 2016 which had been attended by the Fire Services Minister. The Minister's speech had emphasised that Government wished to see the pace of transformation increase. Legislation was being passed to enable the title of Police and Crime Commissioners to include reference to Fire and Rescue Services where it was appropriate to do so. It was also likely that an inspection regime would be introduced in the spring of 2017 for implementation by 2018. This may be part of the HMIC but other options were being considered.

CFO Fuller added that there had been a subtle change in the language relating to the introduction of a single employer model for Police and Fire and Rescue Services and this would now be subject to the development of a 'strong' business case. It appeared that there was now more of a focus on transformation, change and collaboration.

RESOLVED:

That the Minutes of the meeting of the ICT Shared Services Governance Board held on 6 June 2016 be received.

16-17/CS/018 Minutes

RESOLVED:

That the Minutes of the meeting held on 9 June 2016 be confirmed and signed as a true record.

16-17/CS/019 Corporate Services Performance 2016/17 Quarter 1 and Programmes to Date

ACO Evans submitted the performance report for Quarter 1 of 2016/17 and gave an update on the programmes within the Group's remit. She advised that there were no active workstreams under the Shared Services project as all opportunities for collaboration were currently reported directly to the full Fire and Rescue Authority.

The Business Systems Improvement, Business Process Improvement and Telephony System Replacement (Unified Comms) projects were all green and the Information Security Management Systems project had now been completed.

In response to a question, ACO Evans reported that the 'new technical architecture' would be replacing IBM technology at the end of a five-year contract. The cost arising from the renegotiations of the contract of approx. £80,000 per year for each authority was prohibitive so the Authority was transitioning to an alternative based on Open Source technology as part of a move away from high-cost technology and towards cloud-based solutions.

Mrs A Ashwood, the Head of Strategic Support, confirmed that the Authority would be utilising a blend of products which met the Government's digital strategy.

ACO Evans reported on the delay to the Virtual Desktop Infrastructure project that had been caused by a problem in the Server Area Network. The total delay to the project would be seven weeks and the project was now scheduled for completion in December 2016. If the extension to the project was agreed, the project would be reported green at the next meeting against the new timescale.

In relation to the performance indicators, the Group was advised that all the ICT and Fleet and Workshops indicators were reporting on green for the quarter.

Mr G Chambers, the Head of Finance and Treasurer, gave an update on FNP6 (percentage of outstanding debt over 90 days old), which had missed its target for the quarter. He reported that the total debt outstanding at the end of June 2016 was £20,852.35, with £5,584.14 or (26.78%) being over 90 days old. Two of these debts related to a flooded culvert and were being progressed through the small claims court.

The Head of Finance and Treasurer suggested that, in order to be consistent with the indicators measuring overdue invoices, all debts that were being contested should be removed from the indicator and reported by exception as required.

RESOLVED:
1.   That the progress made on Corporate Services Programmes and Performance be acknowledged.
2.   That the seven week delay to the Virtual Desktop Infrastructure be noted.
3.   That indicator FNP6 be amended so that only debts that are not in dispute are included in the percentage, with any notable outstanding contestable debt reported by exception to the Policy and Challenge Group.

16-17/CS/020 Audit and Governance Action Plan Monitoring Report

ACO Evans introduced the 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.

No extensions had been requested and all the actions were either in progress or completed, some subject to follow up audit.

RESOLVED:
That the progress made to date against the action plans be acknowledged.

16-17/CS/021 Revenue Budget and Capital Programme Monitoring 2016/17

Mr G Chambers, the Head of Finance and Treasurer, submitted the forecast year-end budget monitoring position as at 31 July 2016. He reported that the current forecast non-salary underspend was £15,000 with a forecast salary underspend of £114,000 as a result of a reduced firefighters pay award.

The £40,000 overspend under the Head of Community Safety related to lower than anticipated income from Luton Borough Council to support the rogue landlords scheme. It transpired that Luton Borough Council had not budgeted any financial support for this scheme for the current financial year although it had done in 2015/16 and would do so again in 2017/18 following discussions about the future of the scheme.

The Head of Finance and Treasurer advised that the extension and redesign of the BA Technician and Technical Technician workshop in the Capital Programme was being reconsidered and it was likely that this would reduce in scope.

RESOLVED:
That the forecast outturn for the revenue budget and the Capital Programme be received.

16-17/CS/022 2017/18 Revenue Budget and Capital Programme (Planning Arrangements)

Mr G Chambers, the Head of Finance and Treasurer, presented his report on the current planning arrangements for the 2017/18 Revenue Budget and Capital Programme and submitted a proposed timetable for agreement. The culmination of the programme was the setting of the budget at the Authority's meeting on 9 February 2017.

RESOLVED:
That the report and timescales within be agreed.

16-17/CS/023 Community Facilities Charges at Stations

Mr G Chambers, the Head of Finance and Treasurer, introduced his report setting out the Authority's current position on charging for the use of Authority premises and seeking agreement for the approach going forward. A comparison of charges levied by similar facilities in the Bedford and Luton Borough areas was provided in the report for Members' information.

Members were assured that the introduction of charging was to recover the costs associated with the use of facilities and that charities and local groups would pay the standard rate of a £15 standing charge (with the standing charge for the larger rooms at Dunstable Community Fire Station being higher) with an additional £9 hourly charge. It was proposed that corporate and business users be charged an increased rate. It was also proposed that discretion on charging could be delegated to Officers under the Service's Scheme of Delegation.

It was noted that these charges would not apply to full time use and access of stations with current partners such as the Ambulance Service, Police and St John's Ambulance. These were subject to individual negotiations.

Concern was expressed about the impact of an increase in charges and the uncertainty about the charging policy on the many local, charitable groups that used the Service's facilities, particularly those at Dunstable Community Fire Station. It was suggested that some discretion in charging could be made for regular charitable users, with the possibility of an annual fee being agreed for regular use of the Service's facilities. This would allow those groups to be able to plan and budget for the room hire.

The Head of Finance and Treasurer assured Members that a detailed policy and procedures would be developed and that the Service would continue to operate a pragmatic charging policy. He reported that the VAT implications were still being assessed.

RESOLVED:
1. That the Fire and Rescue Authority be recommended to adopt the charges for use of meeting rooms as detailed in Table 1 of the report.
2. That the Fire and Rescue Authority approve a reduced rate for charities and local groups (first hour free) and a higher levy for businesses (50% increase to standing charge and hourly fee).
2. That the Fire and Rescue Authority be recommended to permit discretion on charging to the Chief Fire Officer under the Scheme of Delegation.

16-17/CS/024 Annual Review of the Operation of ICT Shared Service Agreement

Mrs A Ashwood, Head of Strategic Support, submitted the annual review of the operation of the ICT Shared Service for the year ending 31 March 2016. The initial five year agreement had commenced on 31 October 2013 on which date the Shared Service Governance Board was established. This Board was co-Chaired by ACO Evans and the Deputy Chief Executive of Cambridgeshire Fire and Rescue Service.

This was the second annual review of the Shared Service. The actions arising from the first review were to consider alternative governance arrangements for the Service, to agree a combined project plan and five year strategy, to continue to support the IT Project Management role and to undertake a customer satisfaction survey.

A customer satisfaction survey was undertaken on 4 September 2015 and the results were reported to the Group at its meeting on 26 November 2015. There were plans to undertake another survey following the completion of the VDI project in December 2016.

The review of alternative governance arrangements was not being progressed at this time.

Arising from the second annual review, it was noted that there had been significant improvements made against all five of the shared service objectives. This included the improvement of the 24/7/365 cover that was provided by the team to support both of the Services and to the resilience of the systems.

The Head of Strategic Support highlighted the 29% improvement to responding to incidents within the time set out in the Service Level Agreement and the 36% improvement in fix times as examples of the significant improvements that had been made following the introduction of the shared service. The development of an asset network and joint contracts and procurement, such as VDI, were also significant achievements.

Improvements were still required to the operation of the Service Desk, particularly in relation to the prioritisation of non-critical incidents, and these would be progressed during the year.

A watching brief was being kept on the developments arising from changes to EU legislation on data protection for employees from other countries within the EU.

An independent review of cloud readiness was also being jointly commissioned and both Fire and Rescue Services had agreed to continue to support the shared ICT Project Manager post.

In response to questions, the Head of Strategic Support confirmed that both Services wished to continue with the ICT Shared Service at this point in time.

ACO Evans advised that the Group would be kept fully informed of any significant changes proposed through the review leading up to the decision of whether to continue, and on what basis, the ICT Shared Service after the initial five-year period.

In response to a question about the threat arising from malware, the Head of Strategic Support acknowledged that this was a constant challenge. In addition to the security package purchased from Virgin Media, the Service also had additional security and robust monitoring systems in place to defend itself from attacks.

It was noted that, as part of the VDI project, additional information on cyber security awareness was being presented to all staff. It was recognised that the shared service arrangements strengthened the Service's defence against malware threats.

The Chair suggested that the Members of the Group may benefit from seeing the new VDI in action when it had been rolled out across the Service.

RESOLVED:
That the outcomes of the second annual review of the operation of the ICT Shared Service Agreement be acknowledged and the progress in achieving the aims of improved resilience, flexibility, cover, quality and customer focus be noted.

16-17/CS/025 Corporate Risk Register

ACO Evans presented the report on the Corporate Risk Register.

Members noted that a new risk around the threats arising from malware had been introduced as CRR45 (Exchanges of information such as email, web browsing, removable media, social media, exposes the Service to malicious code and content (malware).

There is a risk that malware could seriously damage the confidentiality, integrity and availability of our Service's information and ICT resulting in disruption to the delivery of our Services, unauthorised export of sensitive information, material financial loss and legal or regulatory sanctions) and the measures to mitigate against that risk had been discussed under the previous item.

RESOLVED:
That the development of the Service's Corporate Risk Register in relation to Corporate Services be noted and approved.

16-17/CS/026 Work Programme 2016/17

Members received the Group's Work Programme for 2016/17.

RESOLVED:
That the Work programme be agreed.

The meeting finished at 11.08 am.

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
6 December 2016
Item No. 5

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

SUBJECT: **CORPORATE SERVICES PROGRAMME AND PERFORMANCE 2016/17 - QUARTER TWO (APRIL TO SEPTEMBER 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

---

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 2016/17 Quarter 2, 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 Quarter Two 2016/17 (1 April 2016 to 30 September 2016).

RECOMMENDATION:

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

1. Programmes and Projects 2016/17

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.

5.2

1.4   Shared Services / Collaborative working opportunities are now gaining momentum with 2 workstreams active (Pilot studies in place), and exploratory planning discussion underway for 5 others.

1.5   Implementation of the remainder of Stage 2 Virtual Desktop Infrastructure (VDI) (an ICT Shared Service joint project with Cambridgeshire Fire and Rescue Service) is expected to complete on time by the end of the calendar year. The remaining complex and/or mobile users who fall outside the original scope will be the subject of a separate project to review mobile working commencing in Q4 16/17.

1.6   Changes in the Business Systems and Process Improvement Programme are summarised as follows:

- The Fire Workbench programme is progressing well.with a new Defects Reporting system in trial on three stations. This is a collaborative development with Devon and Somerset Fire and Rescue Service as part of the tri-service transformation grant. The development focuses on the use of open source technologies to provide a low cost solution to support common Fire and Rescue Service activities and improve the availability of information to support decision making. As part of the wider transformation bid activities we are also working with Cambridgeshire Fire and Rescue Service on the development to support Training Centre based activities.
- The Service Website Project has now begun, with the requirements scoped and the opportunities for working in partnership with the police or local authorities being explored.

1.7   Exception reports relating to the Service's Strategic Projects is shown at paragraph 2.

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 13 January 2017.

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

2.1 The go-live date for the first phase of the HR and Payroll system is projected to extend from Quarter 3 2016/17 to the fourth quarter of 16/17. This follows an escalation by the Service to the provider of a number of matters including resource planning and project controls.

2.2 The Unified Comms Project (Telephony Systems replacement) rollout been delayed due to the focus on the Replacement Mobilising Project and some changes in personnel. The project procurement stage is underway and expected to be completed by mid-December, with the potential of taking advantage the Government's Digital Market Place (GCloud) to reduce timescales for procurement. The priority for the first phase of roll out will address the pressing needs of the Training centre. The existing telephony does not have sufficient lines to fully meet their needs and is being supplemented by mobile phones. The training centre is expected to receive unified comms telephony by the end of January with the full roll out expected to be completed by the end of March 2017 (was December 2016).

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 for the quarter two 2016/17 which covers the period April 2016 to September 2016. Performance is shown in Appendix B. The indicators and targets included within the report are those established as part of the Authority's 2016/17 planning cycle.

3.3 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%

5.4

4.   Performance Summary and Exception Reports

All performance indicators are on target with the exception of:

4.1   **FNP5   Percentage of Uncontested Invoices Paid Within 30 days**
The target for the quarter was missed by 1% we will continue to monitor this over the next quarter.

4.2   **FNP6   Percentage of Outstanding Debt Over 90 Days Old**
The total of outstanding debt as at 30 September was £18,483.27 with £2,909.94 or (15.74%) being over 90 days old. Of this debt in excess of 90 days old, two are being pursued through the small claims court involving bailiffs, one is currently under negotiation of repayment terms and one debt of £507 has now been paid.

4.3   **IM1 The Number of Incidents on Mission Critical Services Resolved Within 1 Hour**
During the period there were 3 calls logged as Mission Critical. Two were fixed within the SLA - the other one dealt with a Ransome Ware Cryptoware virus which took significantly longer than normal to resolve.

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

CORPORATE SERVICES PROGRAMME REPORT

Project Description	Aims	Performance Status	Comments
Business Systems Improvement	Optimise the use of existing business systems and replace where appropriate.	**Green**	**Gazetteer** The Land and Property Gazetteer Managed Service provided by Cambridgeshire FRS the project is now is in the final stages of closure as it moves to Business as usual. The formal Project Closure report will be submitted to the Strategic Programme Board at their next meeting. All the principal data systems identified in the project scope have been matched to the corporate gazetteer, Addressbase this includes incident data and new Mobilising System, Fire Safety Dataset, Community Safety data incorporating the 'Exeter' dataset. Access to Addressbase data is now available to users through our intranet for ad hoc verification of address data. Through the work of this project we now have a framework upon which to build intelligent data around a property address.
		Green	**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 the their follow up audit. Work is continuing on the requirements for the service wide asset management system which incorporates financial management and technical management. A repository for technical 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.

Project Description	Aims	Performance Status	Comments
			Asset Management (cont..) 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 including a toolkit for defect reporting subject to review with stakeholders.
Business Systems Improvement (cont…)		Green	**Prevention and Protection Management System** The scope of the system and requirements have been finalised and the roadmap for procurement has been time-lined with procurement with award of contract on target for 31 March 2017. The requirements for procurement focus on Fire Protection with the new Fire Workbench being developed internally providing the Community Safety functionality. 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.
		Green	**Retained Availability Software** As part of the Retained Duty System review, the Service is replacing its retained availability software. The Gartan solution implementation has completed and the system is now live. This initial implementation is a stand-alone system to address the immediate operational need. The integrations for payroll are being assessed as second stage which comprises wider integrations between systems. These integrations will be implemented using the service's integration technologies. This will ensure a primary data sources are shared across systems enhancing data accuracy and information flows. This implementation of a new retained duty system forms part of the wider RDS Improvement project.
		Amber	***HR & Payroll System*** A full Payroll reconciliation has been achieved in late October with some known differences which will be corrected in the next Parallel Run. By the end of Parallel Run 2 it is expected that the majority of anomalies will have been corrected.

5.7 (Appendix A)

Project Description	Aims	Performance Status	Comments
			HR & Payroll System (cont…) HR and Payroll teams are now catching up with data input to reconcile new starters/movers and leavers, and training for the Payroll team has commenced. Work on developing Management Information reports is ongoing. Testing has been completed on the initial integrations between MIS and i-Trent; scoping is now underway to refine the interfaces to allow for error reporting, and to consider integration to Gartan. Interdependency between sickness and absence reporting in the Replacement Mobilising system is also being scoped. The focus over the next period is on completing User Acceptance Testing prior to progressing to the next payroll parallel run. Methods for improving supplier response times to queries arising through the implementation have been proposed to mitigate an potential delays these could bring. The project is now projected to deliver the first phase in Quarter 4 16/17, (was Quarter 3) as reported to the HR/Payroll Board through the exception reporting process and is described in section 2.1 of this report.
Business Systems Improvement (cont…)		**Green**	**Website** The project to develop and create our new, up-to-date website began in September with the intention to have the new website in place by mid-2017. The needs of the Service have been scoped, and benefits, risks and issues assessed. We are currently working with the Police tri-force across Bedfordshire, Cambridgeshire and Hertfordshire on procuring a contractor to undertake the creation of the content management system and the visual look of the new site and considering options for how this will be managed and hosted in the future. Once the procurement process is concluded we intend to appoint a contractor as soon as possible. Two Project Team meetings have taken place; the first covered a range of key issues including content management, consultation, technical specifics and other issues, while the second was a workshop focusing upon benefits, risks and issues and the creation of user stories. A third takes place on 16 Nov to discuss site navigation.

Project Description	Aims	Performance Status	Comments
			Website (cont..)
			A Project Board meeting has also taken place.
			Content for the new website will not be migrated from the existing website but is being completely re-created and this work is well underway.
			Consultation with the FRA, staff and the public on aspirations for the future functionality of the new site is currently taking place and the results of this will feed into the creative process in the New Year.
Business Process Improvement	Optimise ways of working, re-engineering and automating where possible and providing integration between business systems.	**Green**	The re-engineering of processes continues with support to smarter ways of working with or without technology. This includes support to the review of administrative practices and processes associated with new business systems.
			In addition government funding has been secured by the STEP collaboration to deliver technology agnostic processes that can be adopted across the partnership and more widely by the Fire Service Community. As part of this work, £162,000 has been provided to fast track the development of the Fire Workbench, through the funding of a dedicated team of developers. This Fire Workbench takes advantage of low cost open source technologies and existing Microsoft capabilities and has potential for adoption across FRS. Migration to this new architecture is being undertaken in collaboration with Devon & Somerset Fire and Rescue Service who have adopted a similar approach. This architecture provides a highly flexible toolkit that supports the service in tactical and strategic decision making in addition to automating paper based tasks where this is appropriate. The first application on the Fire workbench, defect reporting process has been developed is ready for deployment. Development is now focussed on the delivery of the Community Safety Safe and Well application which encompasses a risk based approach to keeping our communities safe. At the same time we are also continuing to support the development of an On Call Firefighter Recruitment process that currently being trialled by Cambridgeshire FRS. This builds on the original architecture which has been migrated to a cloud based infrastructure. Future planned development

Project Description	Aims	Performance Status	Comments
Business Process Improvement (cont..)			includes Training Centre based processes to reduce the complexity in administration. Further progress is expected on this in the next reporting period. Reporting on this transformation bid work is included in the Service annual statement of assurance. This new stage of development through the transformation bid funding to the STEP collaboration has extended the BFRS business process improvement programme through to April 2017. This extended date has re-baselined the status at green (was amber).
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 project is underway with an assessment of systems and requirements for the unified communications solution in place. Specifications and market engagement is now taking place through the government's digital marketplace G-Cloud. There has been a delay to allow for a recruitment process to the role managing this work. This has now been resolved, however the current projection for award of contract and deployment to the training centre is now expected in December with Service wide deployment expected to complete by the end of the this financial year. Planned completion date revised from 31 December 2016 to 31 March 2017.
Community Defibrillators	Sponsor and deliver community located defibrillators.	**Green**	BFRS continues to support the deployment of community defibrillators including the introduction of a programme of monitoring to ensure they remain available for use according to the responsibilities outlined in Memorandums of Understanding (MOUs).

5.10 (Appendix A)

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.	**Green**	The VDI project is on track to complete the migration of all users within the scope of the project by the end of December. Currently 418 users have been migrated and by the end of December just over 80% of all Service staff will be using VDI. The project will move into its closure phase at the end of December, where the lessons learned are reviewed, and benefits measures are handed over to business as usual management. A project closure report formally closing the project will be presented to the Strategic Programme Board following completion of the move to Business as Usual. Staff currently involved in significant organisational change projects will be migrated to VDI at a later stage as part of business as usual. This includes Control Room staff who are establishing the new mobilising system and HR and Payroll staff who are implementing the new HR and Payroll system. Further migrations are expected as the VDI solution matures and applications are brought into the VDI images this includes specialist software and mobile users. Mobile user requirements will be reviewed as part of the Review of Mobile Working capital project which is expected to begin in Q4 2016/17.

SUMMARY OF CORPORATE SERVICES PERFORMANCE 2016/17 – QUARTER 2

				Information and Communications Technology					
Measure				**2016/17 Quarter 2**					
No.	Description	Aim	Full Year Target	Five Year Average	Q2 2015/16	Q2 Actual	Q2 Target	Performance against Target	Comments
IM1	The Number of Incidents on Mission Critical services resolved within 1 Hour	Higher is Better	98%	n/a	100%	83%	98%	Amber	Missed target by 8%
IM2	The Number of Incidents on Business Critical services resolved within 2 Hours	Higher is Better	96%	n/a	100%	100%	96%	Green	16% Better than target
IM3	The Number of Incidents on Business Operational services resolved within 4 Hours	Higher is Better	90%	n/a	99%	100%	90%	Green	20% Better than target
IM4	The Number of Incidents on Administration Services resolved within 8 Hour	Higher is Better	90%	n/a	92%	94%	90%	Green	17% Better than target
AV1	Core ICT services availability	Higher is Better	97%	n/a	100%	100%	97%	Green	3% Better than target
AV2	Business Applications Availability	Higher is Better	97%	n/a	100%	100%	97%	Green	3% Better than target

Notes:
1. *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.*

									Fleet & Workshops			
	Measure				2016/7 Quarter 2				
No.	Description	Aim	Full Year Target	Five Year Average	Q2 2015/16	Q2 Actual	Q2 Target	Performance against Target	Comments
WS1a	**Grade A Defect Response Time (within 1 hour)**	Higher is Better	90%	n/a	90%	98%	90%	Green	9% Better than target
WS1b	**Grade A Defect Response Time (within 2 hours)**	Higher is Better	95%	n/a	97%	100%	95%	Green	5% 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	2.73%	2.30%	5%	Green	54% 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	3.06%	2.39%	5%	Green	52% 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	0.58%	0.41%	3%	Green	86% 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	1.06%	1.00%	2%	Green	50% 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

5.13 (Appendix B)

			Fleet & Workshops						
Measure				**2016/7 Quarter 2**					
No.	**Description**	**Aim**	**Full Year Target**	**Five Year Average**	**Q2 2015/16**	**Q2 Actual**	**Q2 Target**	**Performance against Target**	**Comments**
WS6	**Annual Services undertaken**	Higher is Better	100%	n/a	100%	100%	100%	Green	Met target

			Finance						
Measure				**2016/17 Quarter 2**					
No.	**Description**	**Aim**	**Full Year Target**	**Five Year Average**	**Q2 2015/16**	**Q2 Actual**	**Q2 Target**	**Performance against Target**	**Comments**
FNP3	**% of Routine Financial Reports Distributed Within 6 Working Days of Period end closure**	Higher is Better	90%	100%	100%	100%	90%	Green	11% Better than target
FNP5	**Percentage of Uncontested Invoices Paid Within 30 days**	Higher is Better	97%	95%	96%	96%	97%	Amber	Missed target by 1%
FNP6	**Percentage of Outstanding Debt Over 90 Days Old**	Lower is Better	1.5%	2.02%	0%	15.74%	1.5%	Red	Missed target

Notes:
2.   *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.*

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
6 December 2016
Item No. 6

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 2015/16
- 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.

6.1

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 2015/26 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.

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 third 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 2016/17 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 2016/17 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 2015/16 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 7 September 2016, as part of the 2015/16 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 2016 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 (15/16) 1	**RSM** (Follow up) May 16: Final Report (15/16)	Fuel Cards	Medium	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.	Following a further review of the fuel reserve control activities all Fire stations that hold a bunkered fuel reserve are now using the electronic recording system effectivley, a few RDS Stations that do not hold a bunkered fuel reserve are awaiting their training on the electronic system to enable the recording of individual fuel purchase transactions to be recorded in the same manner. Monthly fuel returns are scrutinised by Stn/C's who confirm that fuel allocated aligns with the meter readings on station, any descrepancies that are identified are dealt with appropriately following investigation by the Stn/C. The reconciliation of monthly records provide a total figure for fuel purchase, allocation and bunkered stock held which is reported in the Transport and Asset Management plan. A Derv electronic fuel monitoring system has been identified and is to be installed on bulk fuel reserves.	**Original** Mar 17	In Progress

Monitoring Report of Actions Arising from 2015/16 Annual Governance Statement   (incorporating any actions outstanding from the 2014/15 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 receipt of the four year funding deal, to review/consider and if appropriate sign up to this. The medium term funding gap still needs addressing for year 2020/21.	The FRA approved to accept the four year funding settlement offer at the meeting in July 2016. The budget process for 2017/18 to 2020/21 is underway, with the budget being set in February 2017. This medium term budget plan includes the 2020/21 financial year.	Feb 2017	In progress
2	Review of Authority Effectiveness	All actions from the 2015/16 Review of Authority Effectiveness Action Plan to be completed during 2016/17 and formally reviewed by Members as part of the following year's process	All actions from the 2015/16 Review of Authority Effectiveness Action Plan to be completed during 2016/17 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 27 January 2016. On 17 March 2016, 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 2015/16 Review of the FRA's Effectiveness and Action Plan for 2016/17 was agreed by the FRA on 19 April 2016 for inclusion in the FRA's Annual Governance Statement, which was agreed to be part of the 2015/16 Statement of Accounts.

Proposals for the review of the Fire and Rescue Authority's effectiveness in 2016/17 was agreed at the Audit and Standards Committee on 7 September 2016 namely:

Policy and Challenge Groups and Committees to review their effectiveness by considering three overarching questions to feed into the FRA Review of Effectiveness; and

FRA Members to be requested to complete a revised questionnaire for a facilitated annual review of the Fire Authority on 17 January 2017. | Mar 2017 | In progress |

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
6 December 2016
Item No. 7

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

SUBJECT: **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2016/17 AS AT 30 SEPTEMBER 2016**

For further information
on this Report contact:

Gavin Chambers
Head of Finance/Treasurer
Tel No: 01234 845016

Background Papers: The 2016/17 Budget Book

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 inform the Corporate Services Policy and Challenge Group of the forecast year end budget monitoring position as at 30 September 2016.

RECOMMENDATIONS:

1. That the Corporate Services Policy and Challenge Group consider the forecast outturn for the revenue budget and the Capital Programme.

2. To approve the additional capital funding to the HR system project.

_____

1. <u>Introduction</u>

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. <u>Revenue Budget Monitoring</u>

2.1 A full analysis of the Revenue Budget efficiency savings for 2016/17 to 2018/19 can be found in Appendix 1. The budgets have been reduced for these areas, however, should they not be achievable please draw this to the attention of the Finance Team. This appendix forms part of the Government return, in order to receive the four year Government funding offer.

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 has been 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	Actual Spend as at 30th September 2016 £'000	Fcast yr end outturn £'000	Variance £'000	RAG status (see note below**)
Strategic Management	115	25	115	0	Green
Head of Operations	828	453	783	(45)	Green
Head of Operational Support	754	218	758	4	Green
Head of Community Safety	185	131	225	40	Green
Head of Human Resources	272	85	278	6	Green
Head of Strategic Support	1,326	796	1,326	0	Green
Head of Safety and Special Projects	5	2	5	0	Green
Head of Training and Development	561	348	561	0	Green
Head of Finance and Treasurer	4,437	1,493	4,389	(48)	Green
Total	**8,483**	**3,551**	**8,440**	**(43)**	

**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.

7.3

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 with a net area position of over/under £50,000.

The overspend of £40,000 reported above for the Head of Community Safety relates to the saving/efficiency item number 12 in Appendix 1 that will not be achieved. All other savings/efficiencies planned have a green status.

With regard to the above scheme and its current status, the Authority plays an intrinsic part in the Rogue Landlord scheme in partnership with Luton Borough Council (LBC). A Fire Safety Officer was attached full time to the project.

In agreement with LBC, during the initial project period, BFRS received £40,000 to cover the associated costs for the officer carrying out this role.

We have now entered into the second year (June 2016 – June 2017) of the scheme, and although BFRS remain committed to supporting the project the remuneration from LBC had not been included within their own budget forecasting for 2016/17. The saving/efficiency will therefore not be met as the planned post's funding will be met by the Authority and not grant from LBC. The Authority will review its support to the scheme in future years.

Head of Operations is predicting a £45,000 underspend mainly relating to the purchase of derv due to the continued low prices of fuel.

The predicted underspend above in Head of Finance and Treasurer relates to reduced costs for printing and stationary, external audit fees and other minor variances, these are partially offset by a reduction in receivable rent due to vacant properties.

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	Actual Spend as at 30th September 2016 £'000	Forecast year end outturn £'000	Variance £'000
Whole-time	13,397	6,525	13,187	(210)
Control	973	509	965	(8)
Retained	1,984	790	1,868	(116)
Non Uniform/Agency	4,951	2,434	4,901	(50)
Total	**21,305**	**10,258**	**20,921**	**(384)**

2.3.6   The main areas of over/underspends as identified in Table 2 above are as follows:

The Firefighters pay award was budgeted at 2%. This has now been agreed at 1%, therefore the above underspend of (£114,000) apportioned across Whole-time, Control and Retained is as a result of this lower than budgeted pay award. This will have a positive knock on impact in the Medium Term Revenue Programme (MTRP) too.

A further underspend of £120,000 relating to whole-time firefighters along with an under spend of £100,000 relating to retained as a result of continued vacancies.

The £50,000 underspend in Non-Uniform/Agency relates to vacancies within Workshops, Community Safety and Hydrants Technicians.

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 £427,000 underspend.

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	Forecast Outturn	Variance	Slippage	RAG status	Est. compl. Date
	£'000	£'000	£'000	£'000		
Review of mobile working & mobile assets incl implementation of mobile devices management software and hardware replacement	175	175	0	155	Amber	Slip majority into 17/18
Capital Works (Service wide)	80	80	0	0	Green	Ongoing
Thermal Imaging Cameras	60	60	0	0	Green	**Spent**
Fitness Equipment	8	8	0	0	Green	Mar 2018
Control Kitchen Upgrade	5	5	0	0	Green	Jan 2017
Web Design Project	55	55	0	0	Green	Mar 2017
Vehicles	856	856	0	0	Amber	Ongoing
Extend & Redesign the BA Technician & Technical Technician workshop	35	15	(20)	0	Amber	Jan 2017
HR Systems Project	**207**	**237**	30	0	Amber	Jan 2017
Total	**1,481**	**1,491**	**10**	**155**		

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, Additions or Variations:**

3.4   **Additions:**

There are no additions to the capital programme.

3.5   **Variations:**

3.5.1 The HR Systems project has been included in this report as it is currently predicting an overspend of up to £30,000. Contractual meetings are taking place with the systems provider as there are some discrepancies in the allocated resource provision and project management support. This is partially offset by a scaled down upgrade to the BA Technician & Technical Technician workshop resulting in a (£20,000) variance against the agreed capital programme. It is requested that the additional £30,000 funding is approved.

3.6   **Slippages:**

3.6.1 There is a total of £155,000 to report as Capital slippage in this report relating to the review of mobile working and mobile assets including software/hardware and devices.

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

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Service Policy and Challenge Group
6 December 2016
Item No. 8

REPORT AUTHORS: **CHIEF FIRE OFFICER AND TREASURER**

SUBJECT: **TREASURY MANAGEMENT – MID-YEAR REVIEW REPORT TO 30 SEPTEMBER 2016**

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

Background Papers:

Treasury Management Strategy 2016/17, as detailed in the Budget Book 2016/17.

Implications (tick ✓):

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

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

PURPOSE:

To provide an update on the Authority's Treasury Management to 30 September 2016.

RECOMMENDATION:

That the Corporate Services Policy and Challenge Group consider the report.

1.   Introduction

1.1   Since 1 April 2006, the management of the Fire and Rescue Authority's (FRA) 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 FRA's banking facilities are also arranged and monitored by the Finance staff.

1.3   The FRA 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 mid-year Review Report for 2016/17 to 30 September 2016.

1.4   The Policy and Challenge Group is asked to note the report, as there are no changes requested to the Prudential Indicators, approval is not required by the FRA.

2. <u>Treasury Management Reports</u>

2.1 This mid-year review report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Authority's capital expenditure (prudential indicators);
- A review of the Authority's investment portfolio for 2016/17;
- A review of the Authority's borrowing strategy for 2016/17;
- A review of any debt rescheduling undertaken (if applicable) during 2016/17;
- A review of compliance with Treasury and Prudential Limits for 2016/17; and
- An economic update for the first six months of 2016/17.

3. <u>Treasury Management Training</u>

3.1 The Responsible Officer (the Section 151 Officer) must ensure that Group/FRA Members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

3.2 Training was again provided to Members by our Treasury Advisor's, Capita on 4 November 2015 as part of the Members Training Day.

4. <u>Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy Update</u>

There are no policy changes to the TMSS, the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

5. <u>Borrowing/Investment Strategy for 2016/17</u>

5.1 It was anticipated at the beginning of 2016/17 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. As at the 30th September 2016 the SIBA account is paying a rate of 0.01%.

5.2 The Authority's call-account with Barclays Bank has been used during 2016/17 at a rate of 0.20% per month plus an extra 0.20% annual bonus, to be paid in December, irrespective of balance. However, the daily rate decreased from 0.20% to 0% as of 4 August, but the 0.20% bonus remains the same.

5.3 This Authority had also placed surplus funds into a 95-Day Interest account with Santander at a rate of 0.90%. However, this rate decreased to 0.65% as of 1 September. Funds were then withdrawn and placed in to a 120-Day Interest account with Santander, at a rate of 0.80%. No penalties were suffered for the instant withdrawal, as agreed with Santander.

5.4 This Authority had also placed surplus funds into a 180-Day Interest account with Santander at a rate of 1.15%. However, this rate decreased to 0.90% as of 1 September.

5.5 The Authority has re-invested funds with one foreign bank, Qatar National Bank, during the first half of 2016/17, still via our Treasury Agents, Capita. This investment is a fixed term investment for one year at a rate of 1.02%.

5.6 During the second half of 2016/17 this Authority will be considering using Money Market Funds for short-term investments. Operators use the credit ratings agencies which lay down investment restrictions to enable the funds to maintain its AAA status. Money Market Funds may also be governed by the Institutional Money Market Fund Association (IMMFA) which is a voluntary code of practice issued in 1992 by a trade body for Money Market Funds. This ensures all members offer a consistently high quality product by promoting best practice, transparency of fund values and a standardised format for published data.

5.7 Borrowing has not been undertaken in 2016/17 to finance the Capital Programme. The funding for the 2016/17 Capital Programme was through Grant and revenue contributions.

6.   Interest Rate Movements During 2016/17

6.1   Bank base rate was 0.50% at the beginning of the year but decreased to 0.25% as of 4 August 2016 and still remained the same as of 30 September 2016.

6.2   Interest rates applicable to temporary investments were short-term money market rates. These investments were fixed for a set period (between one month and one year), at a greater interest rate than bank base rate. During the first six months of 2016/17, three investments reached maturity, new investments were then placed, one in April of £2.5M, one in May for £2.5M and another in July for £2.5M. Additionally, one new investment was placed, in August of £2M.
When placing these, a number of factors were considered, including cashflow, security, return etc in order to meet our Policies and at the same time get the best return.

7.   Investment/Borrowing Operations

7.1   **Investments:**

Surplus cash is invested on a temporary basis through the money market. Levels of investment have varied from £6.7M at the start of 2016/17 to £11M as at 30th September 2016. In the year 2016/17 to 30 September 2016, £33,488 interest has been generated through these investments and through the local SIBA account, Santander and Barclays Accounts. Interest on PWLB borrowings totals of £211,587 was paid on 30 September, this will give a net interest paid position of £178,099 as at 30 September 2016.

7.2   The FRA's budgeted investment return (interest receivable) for 2016/17 is £99,400.

7.3   **Long-Term Borrowing:**

No debt rescheduling was undertaken during the first six months of 2016/17.

7.4 **Borrowing and Investments Outstanding:**

	Temporary Investments £000s	Long-Term Borrowing £000s
Outstanding at 1 April 2016	6,700	10,087
Raised	9,500	0
Repaid	(5,200)	0
Outstanding at 30 September 2016	**11,000**	**10,087**

8. Prudential Indicators

8.1 Under the prudential code the following Treasury Management indicators were set for 2016/17:

Authorised Limit for external debt	£12.1M
Operational Boundary	£10.1M
Limits for fixed interest rate exposure:	
Upper limit	£293,000
Limits for variable interest rate exposure:	
Upper limit	£97,000

8.2 Neither the authorised limit nor the operational boundary has been exceeded during the year compared to the limits as at 1 April 2016. Actual interest rate exposure was as below:

Fixed interest rate exposure	£35,620
Variable interest rate exposure	£35,620

8.3 All the Prudential Indicators have been summarised for Members benefit in Appendix 'A'.

8.6

9.   <u>Performance Measurement</u>

9.1   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.

9.2   For the period ending 30 September 2016, the average interest rate achieved from temporary investments, the SIBA Account, Barclays Account and all Santander Accounts was 0.78%, higher than the average Local Authority 7 Day Rate over the same period of 0.32%.

9.3   At a recent meeting with our Treasury Consultants, Capita, it was commented that our Treasury Team had produced a very good average investment rate despite the current economic climate, resulting in limited counterparty flexibility.

10.   <u>General Economic Conditions</u>

10.1 In brief, the first six months of this financial year has seen:

- Interest rates drop to 0.25%.

- Inflation – Target Inflation (CPI) was at 0.30% on 1 April 2016 and at 0.60% by 30 September 2016 (0.30% change). Headline Inflation (RPI) was at 1.3% on 1 April 2016 and at 1.8% by 30 September 2016 (0.50% change).

10.2 **Economic Update:**

10.2.1 UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth improved in quarter 4 of 2015 from +0.4% to 0.7% but fell back to +0.4% (2.0% y/y) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% y/y) in quarter 2. During most of 2015, the economy had faced headwinds for exporters from the appreciation during the year of sterling against the Euro, and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.

10.2.2 The Bank of England meeting on 4 August addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (ie without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on 23 November.

10.2.3 The Inflation Report also included a sharp rise in the forecast for inflation to around 2.4% in 2018 and 2019. CPI has started rising during 2016 as the falls in the price of oil and food twelve months ago fall out of the calculation during the year and, in addition, the post referendum 10% fall in the value of sterling on a trade weighted basis is likely to result in a 3% increase in CPI over a time period of 3-4 years. However, the MPC is expected to look thorough a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.

10.2.4 The American economy had a patchy 2015 with sharp swings in the growth rate leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 disappointed at +0.8% on an annualised basis while quarter 2 improved, but only to a lacklustre +1.4%. However, forward indicators are pointing towards a pickup in growth in the rest of 2016. The Fed. embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December this year.

10.2.5 In the Eurozone, the ECB commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. GDP growth rose by 0.6% in quarter 1 2016 (1.7% y/y) but slowed to +0.3% (+1.6% y/y) in quarter 2. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.

10.2.6 Japan is still bogged down in anaemic growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

11.   Economic Forecast – (September CityWatch)

The Authority's Treasury Advisers, Capita Asset Services, have provided the following forecast:

	End Q4 2016	End Q1 2017	End Q2 2017	End Q3 2017	End Q4 2017	End Q1 2018	End Q2 2018	End Q3 2018
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%
25yr PWLB rate	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%
50yr PWLB rate	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%

PAUL M FULLER
CHIEF FIRE OFFICER CBE QFSM

GAVIN CHAMBERS
TREASURER

Prudential Indicator	2016/17 Indicator £000	Up to 30 September 2016 Actual £000
Capital Financing Requirement (CFR)	10,393	N/A at mid year
Gross borrowing	10,087	10,087
Investments as at 1/4/16 and 30/09/16	6,700	11,000
Net borrowing	87	178*
Authorised limit for external debt	12,100	12,101
Operational boundary for external debt	10,100	10,201
Limit of fixed interest rates based on net debt	289	160
Limit of variable interest rates based on net debt	96	53
Principal sums invested > 365 days	0	0
Maturity structure of borrowing limits:		
Under 12 months	0%	0%
12 months to 2 years	1%	1%
2 years to 5 years	0%	0%
5 years to 10 years	0%	0%
10 years and above	99%	99%

*Note:

This figure is a result of cashflow timing. We are not expecting to have a Net Borrowing surplus as at 31 March 2017.

8.10

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

SUBJECT: **REVIEW OF CORPORATE SERVICES POLICY AND CHALLENGE GROUP EFFECTIVENESS 2016/17**

For further information
on this Report contact: Jackie Green
Information Support Officer
Tel: 01234 845149

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 review the effectiveness of the Corporate Services Policy and Challenge Group during 2016.

RECOMMENDATIONS:

That:
1.   Members consider the effectiveness of the Corporate Services Policy and Challenge Group (CSPCG); and comment on whether:

   i.   CSPCG have been effective and discharged their responsibility in regard to their terms of reference (CSPCG Terms of Reference are attached as an Appendix);
   ii.   There are any areas of their terms of reference which have not been considered and should be addressed; and
   iii.   There is any Training and Development would assist them with the areas of the work of CSPCG.

2.   The recorded Minutes of the meeting will be fed into the facilitated meeting to be held on 27 January 2017 to review the Fire Authority's Effectiveness in 2016/17.

1.   <u>Introduction</u>

         The Fire Authority publishes an Annual Review of its Effectiveness and Record of Member Attendance. This Review and a resultant Action Plan are included in the Fire Authority's Annual Governance Statement, which forms part of the Statement of Accounts.

2.   <u>2016/17 Review of the Fire Authority Effectiveness</u>

2.1   On 7 September 2016, the Audit and Standards Committee considered proposals for a review of the Fire Authority's effectiveness in 2016/17 and agreed that the Policy and Challenge Groups and Committees review their effectiveness by considering three overarching questions:

i.   Does the Group/Committee consider they have been effective and discharged their responsibility in regard to the Group's/Committee's terms of reference?

ii.   Considering the Group's/committee's terms of reference are there any areas that have not been considered and should be addressed?

iii.   Does the Group/Committee consider any Training and Development would assist them with the areas of work of Group/Committee?

2.2   The minutes will be fed into the facilitated meeting to be held on 27 January 2016 following the Budget Workshop to review the Fire Authority's effectiveness in 2016/17.

3.   <u>Review of Corporate Services Policy and Challenge Group Effectiveness</u>

3.1   Corporate Services is one of three Policy and Challenge Groups established by the Fire Authority to focus on the following areas of Bedfordshire Fire and Rescue work:

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

3.2   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.

3.3   Members are requested to review the terms of reference attached to confirm that they are content that the responsibilities for the Corporate Services Policy and Challenge Group have been discharged effectively or whether there are any areas which have not been met.

3.4   In relation to the Terms of Reference and span of responsibility, Members are asked to consider if there are any training or information items they would like added to the work programme for next year, either to the CSPCG or to the wider Member Development days.

3.5 **Regularity of Meetings:**

The Corporate Services Policy and Challenge Group meets four times a year, meetings for the current year were:

- 7 March 2016
- 9 June 2016
- 14 September 2016
- 6 December 2017

The meeting dates are agreed when the Calendar of Meetings for the following year is presented to the FRA at their December meeting.

Attendance against the meetings will be reported to the Audit and Standards Committee on 16 March 2017.

3.6 **Support:**

The Group is supported by the Principal Officers with responsibility for Corporate Services.

Officers with responsibility of the areas of work overseen by the Corporate Services Policy and Challenge Group attend to present reports and respond to Members.

Officers who attended regularly during 2016 were:

- Chief Fire Officer
- ACO, Director of Human Resources and Organisational Development
- Head of Finance and Treasurer
- Head of Safety and Strategic Projects
- Head of Operational Support
- Head of Strategic Support

Other personal also attended to present reports and if the leads above were unavailable a Deputy has attended.

3.7   **Review of Work Carried Out:**

The Corporate Services Policy and Challenge Group reviews their Work Programme each meeting and the following items have been discussed:

- Review of Terms of Reference (first meeting of the year)
- Performance Monitoring and Report on Programmes (each meeting)
- Audit and Governance Action Monitoring Reports (each meeting)
- Corporate Risk Register (each meeting)
- Annual Corporate Services Performance Indicators and Targets for the next financial year
- New Internal Audits including Key Financial Controls, IT Shared Service and Governance
- Revenue Budget and Capital Programme Monitoring 2016/17 (most meetings)
- Treasury Management Strategy and Practices
- Treasury Management Annual Report
- Treasury Management Mid-Year Review Report
- Asset Management Policy and Plans – ICT, Property and Fleet
- Annual Review of the Operations of ICT Shared Service Agreement
- Community Facilities Charges at Stations
- Utility Usage
- Review of the Fire Authority's Effectiveness

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

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.

Terms of Reference

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 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 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 Statement included and reference to 'approve' removed from points 3 and 7 of terms of reference – FRA Meeting 21 July 2016

This page is intentionally left blank

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
6 December 2016
Item No. 10

REPORT AUTHOR: **HEAD OF SAFETY AND STRATEGIC PROJECTS**

SUBJECT: **CORPORATE RISK REGISTER**

For further information
on this Report contact:

Service Operational Commander Tony Rogers
Head of Safety and Strategic Projects
Tel No: 01234 845 163

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.

10.1

RECOMMENDATION:

That Members note and approve the review by the Service of the Corporate Risk Register in relation to Corporate Services.

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 together with explanatory notes regarding the risk ratings applied is appended to this report.

2.   Current Revisions

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: None. All risks that are reported to the Corporate Services Policy and Challenge Group have been reviewed and there are no risk rating changes to report to Members.

2.3   Updates to individual risks in the Corporate Risk Register:

- **CRR00029: If we do not communicate well, both internal and external to the Service, then we will suffer from poor staff morale, miss the opportunity to promote ourselves and the excellent work that we do and potentially impact upon our ability to deliver a full range of services:** The project to refresh our website has begun as part of our focus of attention to broaden our opportunities for engagement with our communities and other interested parties.

    In addition we are bringing together a series of communications themed workshops with a reference group of staff. These include amongst others organisational values, consultation and feedback, staff recognition, and social media.

2.4   Corporate Services Policy and Challenge Group has a total of 9 risks reporting directly to Members that are categorised as *'treat'*. *Treated* risks have preventative actions in place reducing the probability or impact of the risk occurring and forms the basis of the update report to Members providing an overview risk.

2.5   At the last meeting in September, Members received a report providing an update for 6 of the 9 risks assigned to the Group. Whilst in comparison this report contains one update; as an assurance to Members all corporate risks are regularly reviewed and recorded by their owners for audit and scrutiny purposes.

SERVICE OPERATIONAL COMMANDER TONY ROGERS
HEAD OF SAFETY AND STRATEGIC PROJECTS

Corporate Services Policy and Challenge Group '*Treated Risks*'

CRR00004   If there are a large number of staff absent from the workplace then our ability to deliver services to our communities is severely compromised and our reputation will be adversely affected. Maintaining our staff numbers.

CRR00043   If the Service suffers a terrorist attack then there is the potential for elements of the Critical National Infrastructure (CNI) to be compromised, our ability to respond to emergency incidents could be significantly affected, we would be unable to fulfil our duties under the Civil Contingencies Act and our reputation could be adversely affected. Ensure the Service's arrangements are effective in the event of a terrorist attack.

CRR00045   Exchanges of information such as email, web browsing, removable media, social media, exposes the Service to malicious code and content (malware). There is a risk that malware could seriously damage the confidentiality, integrity and availability of our Service's information and ICT resulting in disruption to the delivery of our Services, unauthorised export of sensitive information, material financial loss and legal or regulatory sanctions. Malicious code within information exchange.

CRR00027   If we receive a poor budget settlement from government and the Local Authorities covering both revenue and capital funds and we have an adverse response from our Council Tax Precept consultation processes, then our ability to deliver a full range of services could be significantly affected. Managing our finances to ensure delivery of service.

CRR00039   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. Ensure that our data management arrangements are robust.

CRR00015   If we do not properly manage the work issues that can potentially be caused by collaboration or shared services including: 1. Redundancy 2. Relocation 3. Cost of work for the convergence of procedures 4. Use of inexperienced staff familiar with FRS operations 5. Increase in staff numbers and associated cost Then there will be a negative cultural impact upon the service and the projects may fail. Managing external partnership and collaborative relationships.

CRR00005   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 breech of health and safety legislation. Ensuring our assets are tracked and maintained.

CRR00029   If we do not communicate well, both internal and external to the Service, then we will suffer from poor staff morale, miss the opportunity to promote ourselves and the excellent work that we do and potentially impact upon our ability to deliver a full range of services. Maintain effective communication with our staff, partners and communities.

CRR00008   If we do not monitor our key external suppliers of goods and services, particularly in regard to business continuity, then we may suffer a significant and detrimental impact on our ability to deliver our full range of services including emergency response. Ensure key external suppliers can maintain delivery at all times.

10.4

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.

This page is intentionally left blank

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
6 December 2016
Item No. 11

REPORT AUTHOR: **CHIEF FIRE OFFICER**

SUBJECT: **WORK PROGRAMME 2016/17**

For further information   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 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
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			

11.3

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

Recommended Future Items for Consideration for CSPCG

Update on review into utility usage and particular stations where usage is higher than expected	Requested at meeting 9 June 2016

CORPORATE SERVICES POLICY AND CHALLENGE GROUP (CSPCG) PROGRAMME OF WORK 2017/18

Meeting Date	'Cyclical' Agenda Items		Additional/Commissioned Agenda Items	
	Item	Notes	Item	Notes
June 2017	• 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 2016/17 Year End Report and Programmes to date • Treasury Management Annual Report • Asset Management Policy and Plans – ICT, Property and Fleet • Risk Register • Work Programme 2017/18			

Meeting Date	'Cyclical' Agenda Items		Additional/Commissioned Agenda Items	
	Item	Notes	Item	Notes
September 2017	• Minutes of Shared Service IT Governing Body • Revenue Budget and Capital Programme Monitoring 2017/18 • 2018/19 Revenue Budget and Capital Programme (Planning Arrangements) • New Internal Audit Reports Completed to date • Audit and Governance Action Plan Monitoring Report • Corporate Services Performance 2017/18 Quarter 1 and Programmes to date • Annual Review of the Operation of ICT Shared Service Agreement' • Corporate Risk Register • Work Programme 2017/18			

This page is intentionally left blank