

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND PERFORMANCE MANAGEMENT COMMITTEE

28 NOVEMBER 2011

1. REVIEW OF ORGANISATIONAL ASSURANCE

Report of the Chief Fire Officer.

RECOMMENDED

THAT the Committee notes the contents of the attached Organisational Assurance report and the recommendations contained therein.

2. PURPOSE OF REPORT

This report is submitted to inform this Committee of the findings of a review into Organisational Assurance.

3. BACKGROUND

- 3.1 A review of Organisational Assurance began in February 2011 with the aim of determining what activities or areas the Service must provide assurance for, what other areas should we assure and why, what assurance measures it currently has in place and how effective they are. This was also to determine any overlaps or gaps in assurance with proposals for addressing these and to determine any resulting resource requirements.

The full report into Organisational Assurance is attached as Appendix 1 to this report, an outline of the recommendations which are being taken forward are as follows:

- Production of an Assurance Map that develops the Corporate Risk Register to enable provision of clear evidence of assurance.
- To develop a local audit process bringing specialists together to conduct an audit of a specific area that has raised concern.
- Examine the proposed 2012/13 Internal Audit Plan and review the Authority's overall internal audit requirements, costs and provision following the appointment of new external auditors.

- To complete without delay work on updating the debrief workbook.
- Development of peer review arrangements with Metropolitan FRSs to provide external operational assurance.
- Undertake a review into the provision of legal services in fire safety prosecutions.
- To develop a process which enables feedback to be sent to an individual highlighting inaccuracies in their work, raising their awareness and seeking its correction.
- To conduct a review into the Standing Order on Corporate Risk Management and other related policies.

3.2 An implementation plan has been developed and as the recommendations progress information will be provided to the Committee at appropriate times.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report do not represent a change in policy.

5. **LEGAL IMPLICATIONS**

The legal implications in areas such as the statutory requirement for Internal Audit and the role of the Section 151 Officer will not be compromised by the recommendations in this report. Recommendation 6, to review the provision of legal services would be conducted in consultation with our current providers of these services.

6. **FINANCIAL IMPLICATIONS**

6.1 In order to undertake the work associated with the recommendations in this report, it is proposed to assign a Temporary Group Commander to the Strategic Planning Improvement and Risk (SPIRiT) Section at a cost of approximately £30,400 for the six months from October 2011 to March 2012 inclusive. Funding for this arrangement would be met from a budgeted Group Commander post within the SPIRiT Section which is currently vacant.

- 6.2 Any specific financial implications arising from the recommendations would be the subject of a further report submitted to the Audit and Performance Management Committee.

BACKGROUND PAPERS

Review of Organisational Assurance, Paper to Corporate Board, 16/08/11

VIJ RANDENIYA
CHIEF FIRE OFFICER



A Review of Organisational Assurance

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Background

- 1.1. Organisational Assurance (OA) is the process through which an organisation gains confidence that all the risks to its business have appropriate and effective control measures in place and that organisational objectives are being achieved. The control measures should be proportional to risk and sufficient evidence must be available to validate the assurance. Measures should be in place both to reduce the likelihood of a risk being realised and where the risk cannot be eliminated, to reduce the impact on the organisation of the risk occurring.
- 1.2. *Operational Assurance* is often confused with Organisational Assurance. There is a view that as the whole organisation; Finance, ICT, Estates, Procurement, etc. have a direct impact upon our ability to provide an operational response, they should therefore be considered part of *Operational Assurance*. While this may be correct, in this context *Operational Assurance* is defined as those matters which directly influence incident ground safety, such as incident command competence. Organisational Assurance, as the name suggests, includes assurance against all the risks that the organisation may face, financial, legal, etc., including those in the Operational context.
- 1.3. Assurance may be provided through many different mechanisms. These begin with policies and procedures and the expectation that individuals follow them when necessary. The organisation may then have some internal measures in place such as quality assurance conducted by line managers or internal audit provided in our case by Sandwell Audit Services & Risk Management. There are then assurances provided externally by bodies such as the Audit Commission or by some form of peer assessment such as Operational Assessment (OpA). These levels of assurance are often referred to as the 'three lines of defence'. The risk based focus should mean that only those risks which if realised could prevent the delivery of Strategic Objectives should be subjected to the highest level of scrutiny, and assurance measures should only escalate in response to the presence or threat of an unacceptable residual risk.
- 1.4. The degree of scrutiny applied to various areas of the organisation must therefore be proportional to the degree of risk that the area presents. For that reason, the scope of assurance measures must reflect the Strategic Objectives and the Corporate Risk Register.

Provision of effective assurance is important for several reasons:

- There are legal requirements for provision of assurance, with particular regard to financial regulations.
- The organisation must be satisfied that objectives are being achieved through the management of risk.
- Duplication of effort can be identified and addressed, realising efficiencies.

- Gaps in provision can also be identified and addressed, leading to a reduction in risk.
 - Successful management of Health & Safety as set out in the Health & Safety Guidance document 65 (HSG 65) includes the requirement to audit and review performance in the workplace to gain confidence that health & safety management arrangements are effective.
- 1.5. As a result of changing factors including the proposed abolition of the Audit Commission and the increasing pressure on finances, there is a risk that the existing 'three lines of defence' may become disjointed and lose control over the precise risks they are defending, leading to inefficiencies and reduced effectiveness. As a result, there is a need for us to develop a more integrated approach to risk management and the corresponding assurances.

2. Scope

- 2.1. This review of Organisational Assurance aims to answer the following questions:

- What activities or areas must we provide assurance for?
- What other areas should we assure, and why?
- What assurance measures do we currently have in place, and how effective are they? This is to include assurance of Operational risks.
- Determine any overlaps or gaps in assurance
- Propose methods for addressing overlaps and gaps in assurance
- Determine any resulting resource requirements

3. Approach

- 3.1. In order to answer these questions, a broad spread of consultation throughout our organisation, other Fire Services and other organisations has been undertaken to determine the level of assurance currently provided and the approaches taken elsewhere. In addition to this, a review has been conducted of supporting legislation and guidance material, and of our Internal Audit arrangements.
- 3.2. Our Corporate Risk Register has also been evaluated to determine whether this is the most effective method of managing corporate level risks due to the reliance placed upon the Corporate Risk Register in determining the scope of Internal Audit.

4. Summary of recommendations

- 4.1. Recommendation 1
Produce an Assurance Map that develops the Corporate Risk Register to enable provision of clear evidence of assurance and to provide a more robust indicator of areas which require developed assurance provided internally or externally.

- 4.2. Recommendation 2
To enable the provision of robust evidence at the second level of the proposed assurance map, a process should be developed which enables subject matter experts or specialists to come together with individuals with audit skills to conduct a clearly defined audit of a specific area which has raised concern or note at level 1 of the Assurance Map.
- 4.3. Recommendation 3
a) The content and costs of the proposed 2012/13 Internal Audit Plan be rigorously examined with the intent of reducing the size of the plan whilst still providing appropriate assurance on the adequacy and effectiveness of the Authority's governance, risk management and internal control processes. This work should form the basis of a further report back to the Audit and Performance Committee in March 2012.
b) On the appointment of the new external auditors, a review of the Authority's overall internal audit requirements, cost and provision should be undertaken.
- 4.4. Recommendation 4
It is recommended that work to complete the debrief workbook is completed without delay.
- 4.5. Recommendation 5
Develop peer review arrangements with comparable Metropolitan FRSs to provide external operational assurance.
- 4.6. Recommendation 6
A review into the provision of legal services should be undertaken in conjunction with the relevant BuS review. This should explore the potential for our use of 'Licensed Access'.
- 4.7. Recommendation 7
Develop a process which enables feedback to be sent to an individual, highlighting inaccuracies in the output of their work, raising their awareness and asking for the work to be corrected. This will support 'the requirement to improve data quality through active support for right first time principles', and ensure responsibility for this is apportioned at the correct level. This will also support the detailed review of data quality being conducted by John Robb in the SPIRiT.
- 4.8. Recommendation 8
In order to ensure a clear and consistent approach to these developments, a review should be conducted into Standing Order 22/07 Corporate Risk Management and other relevant policies. This will include elected members' awareness, including their involvement in developing the necessary tools and policies. Managers whose input into the risk management processes is critical will also be involved in these developments to ensure that the developments are effective and appropriate for all concerned.

5. Audit & Performance Management Committee

5.1. The Audit & Performance Management Committee consists of 6 elected and 1 independent members. Their terms of reference can be found in [Appendix 1](#) of this report.

5.2. Key functions of the committee include:

- Approve the internal audit strategy.
- Consider the Audit Services annual report and opinion.
- Receive summaries of internal audit.
- Consider the management and performance of Audit Services.
- Consider specific reports as agreed with the external auditor.
- Agree the scope and depth of external audit.
- Liaise with the Audit Commission over the appointment of the Authority's external auditor.
- Oversee data quality.
- Development and operation of risk management and corporate governance.
- Oversee the production of the Authority's Governance Statement.
- Monitor the anti-fraud and anti-corruption strategy.
- Consider the Authority's compliance with its own and other published standards and controls.
- Review the annual statement of accounts.
- Consider the external auditor's report.
- Ensure that performance is actively monitored.
- Support continuous improvement.
- Oversee the implementation of best practice.
- Ensure that activity is delivering performance outcomes.
- Monitor issues relating to performance management arising from internal and external reviews and audits of service provision are considered.
- Consider the link between cost and performance.
- To receive monitoring reports on the Service's performance.
- To consider any issue referred to it by the Chief Fire Officer, Clerk or Treasurer, or any Authority body.

6. Internal Audit

6.1. As in most parts of the public sector in England and Wales, the practice of Internal Audit within fire authorities is mandatory. Under the Local Government Finance Act 1988, sections 112 and 114, and the Accounts and Audit Regulations, the Fire Authority is the 'relevant body' responsible for maintaining an adequate and effective Internal Audit function. Internal Audit units are expected to function professionally, operating in accordance with the CIPFA Code of Practice for Internal Audit in Local Government in the UK and with other statutory obligations and regulations, such as those from the Institute of Internal Auditors (IIA). Internal Audit need to operate a risk-based strategy that is able to give assurance regarding the effective management of the key strategic and operational business risks. This

includes corporate governance arrangements, risk management processes and key internal control systems. The Accounts and Audit Regulations 2011 require that '*A relevant body must undertake an adequate and effective internal audit of its accounting records and its system of internal control in accordance with the proper practices in relation to internal control.*' As the lead district for West Midlands Fire & Rescue Authority (WMFRA), Sandwell MBC provides Internal Audit services for WMFRA through its Audit Services & Risk Management function.

- 6.2. The scope of Internal Audit is determined through the use of an Audit Needs Assessment (ANA) which is conducted in accordance with the relevant Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice. The ANA is based upon our Strategic Objectives and the Corporate Risk Register (CRR) and aims to focus on key risks that could prevent achievement of our Objectives. It therefore follows that if the coverage of the CRR is not correct, the ANA may not raise the correct issues for Internal Audit. There are assurances which by virtue of their omission from the CRR, are not considered during the ANA. This leads to the potential for the scope of Internal Audit to be directed by inadequate evidence of existing assurance measures, resulting in the expending of audit effort on areas with which the organisation already has adequate assurance. An example of this is the proposal to audit our health & safety function. Our RoSPA gold award for safety and our good safety record are not stated as providing assurance against the risk of a health & safety failure in the CRR. There are also no robust assurances in the CRR that provide adequate mitigation of this risk, so Internal Audit proposed that this area be audited to provide sufficient assurance in this area based on the three yearly cycle of medium risk areas. A process of negotiation between the service and Internal Audit was then used to amend the scope of the Internal Audit to remove the Health & Safety audit this year. However, it should be recognised that the IIA state that "Internal Audit may rely upon the work of other assurance providers to form their annual opinion, but must assess their work on a periodic basis. Internal Audit must therefore be free to review and comment on the effectiveness and reliability that can be placed upon other assurance providers".
- 6.3. Use of an Assurance Map as a development of the Corporate risk Register will provide additional assurance and will provide the ability to record a wider variety of measures as mitigation against risks. The development of a comprehensive Assurance Map is therefore recommended. An example Assurance Map can be seen in [Appendix 2](#) of this report.

6.4 Recommendation 1

Produce an Assurance Map that develops the Corporate Risk Register to enable provision of clear evidence of assurance and to provide a more robust indicator of areas which require developed assurance provided internally or externally.

6.5 The CIPFA code of practice for Internal Audit states that *'Where the outputs from (risk management) processes are not judged to be sufficiently reliable, the Head of Internal Audit should undertake his or her own risk assessment'*. The Internal Audit Strategy prepared by Sandwell Audit Services each year includes an assessment to determine the scope of Internal Audit. This is known as the Audit Needs Assessment (ANA). The proposed Assurance Map will provide a more reliable risk management methodology to inform the ANA, leading to more appropriate use of audit resources, and enabling the scope of Internal Audit to be influenced more appropriately by the organisation. Our Internal Auditors will be consulted further during the development of the Assurance Map to ensure that this is so.

6.6 The proposal is to develop a spreadsheet based assurance map.

Initial enquiries with ICT suggest that a bespoke ICT solution to enable this is possible, most probably based upon the 'Melio' infrastructure using the familiar dashboard 'fingers' view to represent each risk with segments representing control measures. Variable colours of finger segments would indicate the relative degree of assurance confidence and workbooks would be used to capture evidence to support assurance. This development would however consume significant ICT developer resources which would not represent best use of these resources at this time.

A spreadsheet based method is therefore recommended to implement this approach and alternative ICT support systems can then be considered in the future when the assurance mapping methodology is embedded into our organisation.

6.7 The proposed Assurance Map will include all significant risks together with their likelihood and impact mitigation measures, shown in proportionate degrees of detail commensurate with the severity of risk. Supporting detail will be displayed through hyperlinked outcomes from existing assurance systems where available, statements and records of evidence. The judgement of residual risk at each stage will have a weighting determined as a product of the risk and the currency of the mitigation evidence. This will therefore also function as a planning tool as it will illustrate areas of diminishing confidence over time. Strategic objectives impacted by realisation of risks will be clearly shown, and this approach should be reflected in 'The Plan'.

- 6.8 Risk statements should be reviewed to ensure that they are stated in pure outcome terms. For example, a risk stated as *'The Fire Authority would be unable to maintain an effective ICT provision (excluding its mobilising and communication services) resulting in significant disruption to its ICT functionality'* should be amended to state what the outcome would be to the organisation if this risk were realised.
- 6.9 The 2nd level of likelihood mitigation measures will also make use of evidence from the logic model approach to the evaluation of policies and of risk logs developed in the action planning process. This again supports a specific area of potential risk and illustrates valuable synergy between risk management and the evaluation function, supporting the amalgamation of this function within the new SPIRiT.
- 6.10 The explicit reference to Business Continuity Plans as impact mitigation measures together with this overall approach will help to 'embed risk management principles as part of the normal governance and management processes', the failure of which is one of the risks that Internal Audit investigate as part of the audit of risk management.
- 6.11 The current Corporate Risk Register states that policies and procedures provide risk likelihood mitigation. In most cases there is no supporting evidence to state that the policies have been tested and are proven to provide sufficient risk mitigation. This evidence is a key element of risk management and the lack of sufficient robust evidence is a reason why Internal Audit have reduced confidence in the management of risk, resulting in the current depth and scope of Internal Audit. Where necessary on a risk basis, evidence that policies & procedures do actually mitigate against the realisation of risks will be provided at the 2nd level of the Assurance Map. An accountable process is required to provide additional evidence at this level, and development of recommendation 2 below will provide for that evidence. This process will be applied to varying degrees commensurate with the relevant level of risk.

6.12 Recommendation 2

To enable the provision of robust evidence at the second level of the proposed assurance map, a process should be developed which enables subject matter experts or specialists to come together with individuals with audit skills to conduct a clearly defined audit of a specific area which has raised concern or note at level 1 of the Assurance Map.

- 6.13 The process at recommendation 2 will be used to enable further likelihood mitigation assurance at the second level in the Assurance Map proposed in recommendation 1. An example of this is the secondment of a Watch Commander to develop and coordinate the Station Self Assessment programme which currently provides assurance relating to Station based activity.

- 6.14 A function which has identified a risk through the use of the assurance map will second an individual with sector competence to become part of a team which will also include a person or people with audit skills. This discrete team of 2 or more people would have clearly defined terms of reference and their findings and any resulting recommendations would form strong assurance in the specific area.
- 6.15 Development of this recommendation should also investigate ways in which this could make use of peers from other organisations to support these audits on a reciprocal basis. During this review, functions including ICT and HR identified the additional value of using peers to support reviews such as this.
- 6.16 All of the other potential risks to appropriate and effective risk management as stated in the Internal Audit report on risk management will be mitigated further by the assurance mapping approach.

These are:

- Lack of ownership and accountability for the risk management process.
- Poor understanding of risk and (facilitation of) risk management processes.
- Failure to link/map risks to strategic objectives.
- Appropriate risk scoring.
- Allocation and control process (methodology) are not in place.
- Assurances that risks are being mitigated are not identified or are inappropriate.
- Gaps in the assurance mapping process are not identified and addressed.
- Failure to manage risks relating to partners.

The arrangements and scope of our Internal Audit are broadly comparable to other Metropolitan Fire Services comprising a similar arrangement with a lead district responsible for provision of audit services. Whilst there is no reason to suggest that WMFRS Internal Audit arrangements do not represent good value for money, completion of the review recommendation 3b will provide further assurance for the Authority. Some wider benchmarking data has been obtained from none metropolitan Fire Services, e.g. Essex County FRS. The Essex FRS Internal Audit is provided at a cost of £21,450 for some 65 days total effort. This contrasts with 232 days effort at a cost of £65,800 for our Internal Audit. However, Essex' External Audit comes at a higher cost than ours, making their total spend on audit a similar proportion of their total revenue budget to ours. Further detail of these comparisons will be examined as part of the recommended review.

- 6.17 The appointment of external auditors outlined in section 7 below may provide an opportunity to review the arrangements for Internal Audit alongside the changes to external Audit and the revised arrangements for Audit & Performance Management Committees. It should be noted that there are already two annual reviews of Internal Audit, one on the effectiveness of Internal Audit and one undertaken by the Audit Commission, who are required to conclude if they can place reliance on the work of Internal Audit. Both reviews report back annually to the Audit and Performance Management Committee, and there have been positive conclusions for many years. Consequently, until the appointment of new external auditors, at which point a review of the Authority's overall requirements, costs and internal audit provision will need to be undertaken, (including, for example, the level of work expected to be undertaken by Internal Audit on key financial systems work), Internal Audit will need to work with the Authority in order to comprehensively review their assurance requirements, seek out efficiencies and where appropriate incorporate the work of other assurance providers, all with a view to reducing the size of the 2012/13 Internal Audit Plan, while still providing Authority Members, the External Auditors and the Section 151 Officer, with an adequate level of assurance on the adequacy and effectiveness of the Authority's governance, risk management and internal control processes. This work should form the basis of a further report back to the Audit and Performance Committee in March 2012.

6.18 Recommendation 3

3a. The content and costs of the proposed 2012/2013 Internal Audit Plan be rigorously examined with the intent of reducing the size of the plan whilst still providing appropriate assurance on the adequacy and effectiveness of the Authority's governance, risk management and internal control processes. This work should form the basis of a further report back to the Audit and Performance Committee in March 2012.

3b. On the appointment of the new external auditors, a review of the Authority's overall internal audit requirements, costs and provision should be undertaken.

7. External audit

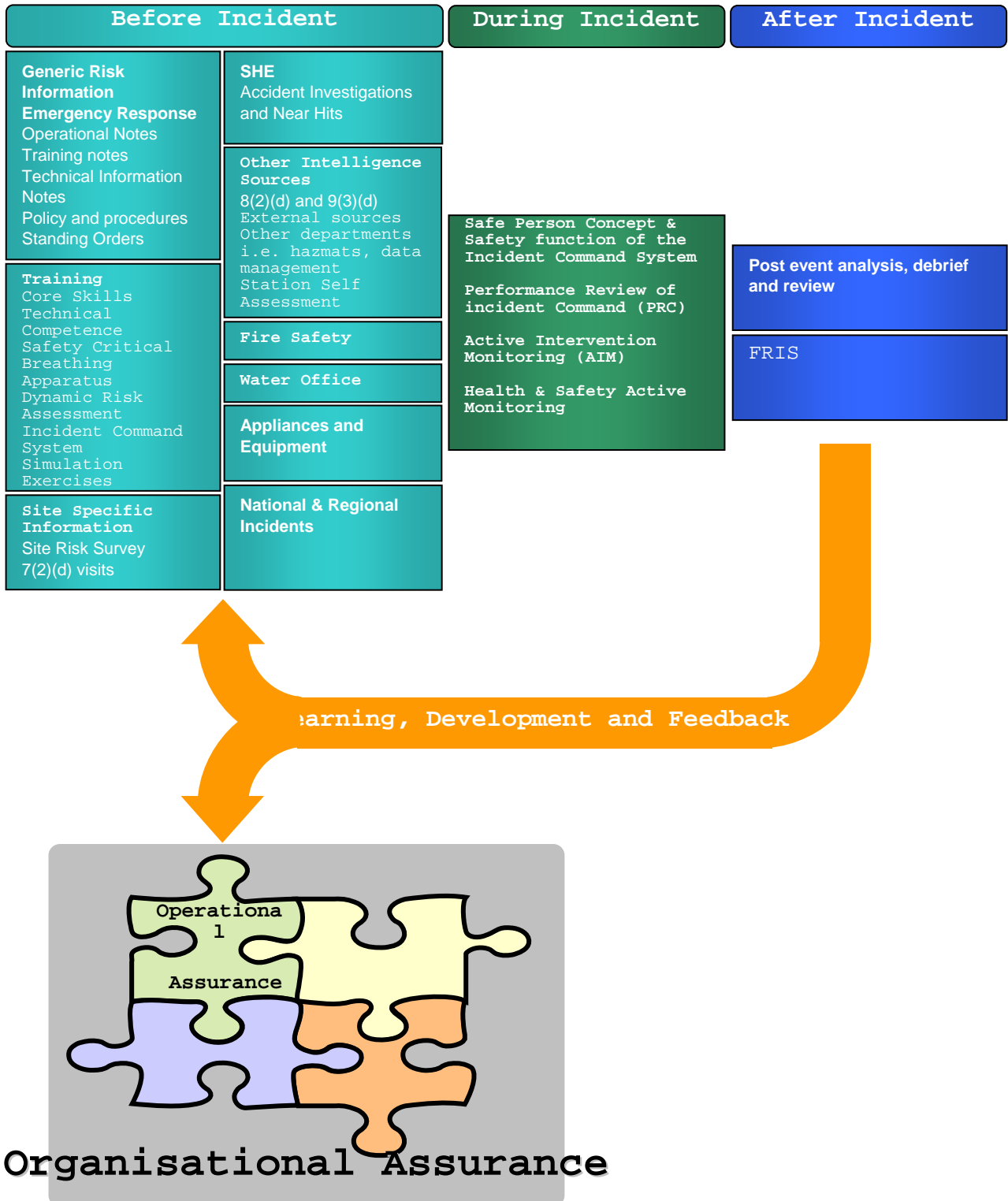
- 7.1. CLG consultation suggests that the future Local Public Audit Framework will place a requirement upon public bodies to appoint an auditor from the private sector following the abolition of the Audit Commission.
- 7.2. Opportunities for co-operation between public bodies to appoint joint auditors may help to release economies of scale, increasing efficiency. The framework is also being designed to enable the possibility of joint audit committees to further streamline services. An auditor could remain in place for up to 5 years, with an option on a further 5 years

subject to a competitive process. Therefore a full tendering process may only need to be run every 10 years with a less burdensome process to reappoint the auditor for the second 5 year period. The value of organisational understanding and the development of productive working relationships would suggest that it would be appropriate to maintain a consistent provider of assurance services for the maximum allowable time.

- 7.3. The proposal for audit committees suggests that they should include independent members in addition to elected members. No mention is made of remuneration of these independent members, which could incur additional expenditure. The suggested structure of audit committees includes independent people as the Chair and Deputy Chair of the committee and that the majority of members should also be independent.
- 7.4. The final Audit Commission external audit work that is currently planned for our Authority will finish at the end of December 2012. The time necessary to develop the new Audit Committee and to tender for a local public auditor is estimated to be 9 months. The audit scope and charging arrangements are currently in place approximately 18 months before work on the audit commences. Mindful of this, Government has announced that the Audit Commission will outsource all their local public audit work to private sector providers ready for the 2012-13 financial year. These contracts will run for 3 – 5 years to give local authorities time to prepare to appoint their own auditors.
- 7.5. The current CLG consultation responses were due by the end of June 2011. Following this, consultation is expected on a second draft with final legislation being introduced as early as possible afterwards. Interim arrangements involve the appointment of private sector auditors for the next 3-5 financial years while legislation is developed and to give time for local authorities to make arrangements for their own appointments.

8. Operational Assurance

8.1. Operational Assurance covers all the areas which combine to provide confidence that we deliver a safe and effective emergency response service. These can be divided into assurances that are provided before, during and after an incident. Operational Assurance then forms a component of Organisational Assurance as summarised below:



- 8.2. Workplace Assessment (WPA) is the foundation of this and provides a method of determining the degree of an individual's competence and development needs against their role map. This provides an element of assurance in that it helps to show that the acquisition of skills during training has been effective, that those skills are being maintained appropriately and to reveal areas in which the individual could improve. This is one element of assurance that occurs before an activity and helps to provide confidence that an individual is capable of performing tasks within their role. This is also supported during an incident if observations in support of WPA are made at an incident. However, the detailed analysis of the performance in the workplace takes place after the incident with the help of our Melio system and WPA is not designed to provide assurance of competent performance at the time the activity is taking place. Indeed, many factors beyond the competence of the individual contribute to the safe and effective resolution of an incident. For that reason, other processes such as the Performance Review of Incident Command (PRC), Active Intervention Monitoring (AIM), Health & Safety Active Monitoring and the safety function of the Incident Command System are used to provide the organisation with additional assurance against the risk of a health & safety failure whilst dealing with an incident. Underpinning this is the Safe Person Concept which contributes to operational assurance by selecting the right people and giving them the right training, equipment and procedures to enable them to be safe in the workplace.
- 8.3. The October 2010 HSE report on the Management of Health and Safety in the GB Fire and Rescue Service¹ states that, 'the Integrated Personal Development System (IPDS) is a framework within which the assessment of competence and training needs is carried out – it does not provide all the answers. In particular, the National Occupation Standards (NOSs) and role maps are not complete in themselves and do not cover all that should be included in any competence and training needs analysis.' PRC is a significant monitoring tool which can support WPA to help provide assurance relating to performance within the incident command structure at an incident or simulation workplace to give confidence that incidents are dealt with safely and effectively. PRC is currently under review to enable it to become more closely aligned with the elements of the incident command system and to complement WPA.
- 8.4. AIM is designed to provide assurance in the form of active monitoring of risks arising from new or high risk procedures or equipment, or areas of concern identified through post event analysis, debrief & review or other operational intelligence. AIM officers can be mobilised to incidents to monitor compliance against standards in the workplace. This process has suffered from variable application by individuals who didn't always appreciate the underlying principles. As a result, AIM has

¹ Consolidated Report Based On The 8 Inspections Completed By Hse In 2009/10 [Hyperlink](#)

not been in regular use for some time, but is being reviewed in conjunction with the review of the PRC to determine its future.

- 8.5. The reviews of AIM & PRC mentioned above should take into account the Workplace Assessment as a foundation for all individual development activity. WPA should form the basis of all operational assessments as it relates to an individual's performance in the workplace. As the individual uses procedures, processes and equipment to help resolve an incident, the WPA should develop an understanding of the appropriateness and efficacy of anything which is used in the workplace, whether procedural, equipment or people based. Thus the WPA is the foundation and other elements such as PRC can provide supporting evidence. PRC or any other observation in a workplace should be able to recognise and comment upon actions which are taken beyond those stated in procedures, or use of equipment beyond the constraints of that stated in other guidance notes. The review of PRC and AIM should also consider their brands and the possibility of renaming them to more closely reflect their position as contributors to WPA.
- 8.6. The individuals who are tasked with making observations in the workplace cannot always be the individual's line manager. Indeed in some instances this is impossible. The practice of making workplace observations can provide a valuable learning opportunity for the observers, in addition to providing useful feedback for the individual. For this reason there may be some value in using individuals on the current 'X person' arrangements to conduct a limited monitoring and observation role in certain circumstances, based upon development needs and aspiration. If adopted, business rules would be required in order to avoid the undesirable potential for an individual in development to be mobilised to observe another individual in a similar position.
- 8.7. Occasions where an individual's line manager has not or can not directly observe workplace activity can actually provide very positive opportunities for WPA. In this instance, the situation has to be rebuilt from evidence including incident logs, witness statements, PRC feedback, debrief reports & observations, etc. – the more the better. This can provide for a more effective and impartial assessment, free from preconceived ideas. This enables real quality to be gained from WPA in which the value of one well evidenced substantial assessment far outweighs that of several less comprehensive assessments.
- 8.8. Standing Orders 6/1 to 6/7 inclusive detail the frameworks around which development and competence maintenance takes place. The areas covered by this suite of Orders are the:
 - Workforce learning and organisational development
 - Training and development policy framework
 - Competency framework
 - Locally based training

- Simulation framework
 - Incident command training & assessment policy, and the;
 - Emergency response skills policy
- 8.9. Site Risk Survey (SRS) is the process which is used to record the findings of familiarisation visits to premises conducted under section 7.2(d) of the FRSA. The resulting plans and details are subsequently made available to crews via mobile data terminals (MDTs) on fire appliances to support effective risk based decision making. The process of developing the assurance map will include gathering evidence to provide assurance that SRS provides effective risk mitigation. This will require an audit of SRS and represent a useful example on which to base the development of the local audit process outlined in recommendation 2.
- 8.10. Operational assurance is covered by risk 13 on the Corporate Risk Register (CRR). The register includes only reference to various procedures and standing orders that provide guidance in this area. There is no evidence of the effectiveness of these in the CRR, leading to a weakness in the assurance in this area. This is largely responsible for the intention of Internal Audit to review this area as the Audit Needs Analysis is based on the content of the CRR.
- 8.11. Provision of the Assurance Map recommended in this review will enable detailed recording of outcomes from all of the assurance measures highlighted in the diagram above to support the second level of assurance. This will provide evidence of the effectiveness of the procedures, orders, etc., will provide clear indication of weak areas that deserve attention and will also help to direct the effort of Internal Audit where it is required. The evidence will be available directly from the Assurance Map, via hyperlinks, so users of the map will have all the necessary detail available without delay, further benefiting the Audit Needs Analysis that determines the scope of Internal Audit.
- 8.12. Much valuable learning and assurance can be gained at incidents which do not develop beyond their initial level of response (LOR). In fact, the operations which are taken in the very early stages of an incident can be the most safety critical and extremely effective early interventions can bring about the resolution of an incident without the need for additional resources. As a result, these incidents do not trigger our current incident monitoring procedures, missing a vital opportunity for observation. Feedback is gained in these circumstances through the Incident Observations elements of the debrief toolkit which enable any individual to provide feedback from any incident or simulation at any time. This process is well developed and is delivering significant outcomes. It is important to note that Incident Observations are observations, not assessments. They can contribute to WPA, but cannot replace it.

- 8.13. Post incident or simulation debrief is a fundamental element of operational intelligence, enabling the organisation to learn vital lessons about the performance of people, processes, procedures and equipment. The outcomes are fed back to responsible individuals who then use the information to amend, develop and confirm the effectiveness of those elements through the Managing Outcomes process.
- 8.14. Regular newsletters are distributed to all operational personnel via our Intranet to spread the learning and raise awareness following incidents and simulations. In addition, publication of significant incident debriefs in conjunction with SHE and Ops Flashes originating from incident observation forms are also published. These are published monthly and provide an excellent way of making this important information available. Investigations are under way to determine the suitability of the recently introduced 'Ecademy' system for distributing this information. This will have the advantage of being able to monitor the reading of this information so that we can ensure that as many people as possible are aware of this information. The key to this is the ability to demonstrate that the information has been received, read and understood.
- 8.15. To contribute to the improved implementation of post event analysis, debrief and review, a debrief workbook is currently under development to enable a move from a paper based input system to an ICT based system that will enable more effective reporting and audit tracking of outcomes. This development is in its final stages and very close to going live, subject to final user approval.

8.16 Recommendation 4

It is recommended that work to complete the debrief workbook is completed without delay.
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- 8.16. External audit in the area of Operational Assurance was provided previously as an element of the Comprehensive Area Assessment (CAA) as the Operational Assessment (OpA). OpA was a voluntary assessment consisting of two elements, a self assessment and a peer review. The abolition of CAA means that the future of OpA is uncertain, but a midterm review of OpA conducted in October 2010 makes several suggestions. Government is keen to support a sector led improvement regime and the review recommends that OpA becomes mandatory, owned by the sector, i.e. CFOA.
- 8.17. Due to the uncertainty over the position of OpA, CFOA have been working towards provision of an Operational Assurance framework. This is most likely to result in a set of Key Line of Enquiry (KLOE) based questions that FRSs (or peers) can use to judge whether they have suitable and sufficient assurance measures in place. Draft KLOEs are available at [Appendix 3](#). A peer review arrangement capitalising on the operational and corporate synergy that we have with

our Metropolitan FRS colleagues will lead to more balanced and appropriate judgements of our effectiveness. Work is therefore underway to determine an operational peer assessment pilot scheme in conjunction with Greater Manchester and West Yorkshire FRSs.

8.18 Recommendation 5

Develop peer review arrangements with comparable Metropolitan FRSs to provide external operational assurance.

9. The Corporate Risk Register

- 9.1. The Corporate Risk Register (CRR) lists 11 corporate level risks. A clear methodology is detailed in Standing Order 22/7 relating to Corporate Risk Management and this is evident in the register in the way in which it shows both likelihood and impact mitigation measures which are then expanded upon in separate supporting documents.
- 9.2. The supporting documents identify the risk owner and a risk score to illustrate how each risk may impact different areas such as finance, the environment, our brand, etc. They list events that could lead to realisation of the risk and existing and additional control measures for both likelihood and impact mitigation.
- 9.3. Where appropriate, Business Continuity Plans are referenced in their role as impact mitigation measures and notes are used to explain more detail where necessary.
- 9.4. Finally, review dates are also recorded to illustrate the currency of the consideration of risk mitigation measures.
- 9.5. Weaknesses in the current method are:
 - This method only shows risks which are considered to be Corporate Risks. This is expected to be the case in a Corporate Risk Register, however an alternative technique is to also include risks which are not currently considered to exist at the corporate level, but which could in different circumstances elevate to that level. Such a register, or Assurance Map, would be able to show risks at different levels and could also be filtered to show only the Corporate Risks if necessary.
 - An example of this is the recommendation in the recent Mentis Information Security report that Information Security should be recognised as a Corporate Risk, together with appropriate mitigation measures. This risk has not been added to the Corporate Risk Register as it is not considered to exist at that level at the moment. However, we could illustrate the measures we are taking on this issue in an Assurance Map and if circumstances change, its priority could very easily be elevated to corporate level. This may be the case for example during the Olympics when the priority of security measures will be elevated at a National level.

- The current CRR is presented in a spreadsheet which then uses separate spreadsheets to show supporting information. This approach is not easy to navigate and the process of review and update is a laborious task, requiring manual manipulation. A simpler risk register interface, using hyperlinks to access the supporting evidence and position statements will make the register easier to understand and more accessible.
- The supporting documents list likelihood and impact mitigation measures but there is very little evidence of testing to confirm the effectiveness of these control measures. An assurance map could show clear reference to this and could also illustrate the declining validity of control measures over time. This will form a tool to inform reviews of supporting policies on a basis of risk.

9.6. The assurance map recommended above should be produced as a development of the current Corporate Risk Register. This will enable other risks to be considered together and will enable more effective planning of audits as it will clearly show evidence of assurance measures. See recommendation 1.

10. Corporate Risk Register Mitigation Measures

Within the CRR reference is made to many mitigation measures against both the likelihood and impact of the relevant risk. The review of the CRR has shown several of these areas to be worthy of further investigation as they do not appear to provide substantial mitigation. These areas are detailed below, together with recommendations to develop these to provide additional assurance.

10.1. Provision of legal services

10.1.1. Legal services are currently supplied under service level agreements with Sandwell MBC. These services are recognised as mitigation measures against several of the risks in the Corporate Risk Register. These arrangements have therefore been considered during the course of this review.

10.1.2. There has been one matter in which there was an abuse of process hearing in the magistrates' court which did not succeed. The matter was subject to delay for a variety of reasons. Delay is not actually an abuse of process in its own right unless it prejudices a future trial. This was not found to be the case in the one and only example and there was a successful prosecution. Examples also include legal support for employment tribunals being intermittent and involving several solicitors due to the turnover of staff at Sandwell. The situation with the Employment Tribunal support was an isolated and historical incident when the team was organised very differently. Measures are now in place to ensure

consistency on all Employment Tribunal files and advice work. This situation would not occur again and recent reports from the Fire Service have been very complimentary towards the Employment team and the work performed.

- 10.1.3. Through a Licensing Scheme known as Licensed Access, The Bar Council will identify the particular type and scope of work in respect of which organisations and individuals which it licenses will in future have the opportunity to instruct a Barrister directly. Licensed access will give those organisations the choice of consulting either a solicitor or a barrister in cases where it is unnecessary and not cost effective to instruct both a solicitor and a barrister.

This applies where organisations and individuals whose own training, skills and experience equip them to instruct a barrister directly. The Bar Council will regulate licensed access to ensure that the organisation or individual is properly equipped to instruct the Bar.

Licensed Access is an area to explore with Sandwell Legal Services for the conduct of fire safety prosecutions

- 10.1.4. Further details of Licensed Access are available from the Bar Standards Board website [here](#), including details of the 14 Fire & Rescue Authorities who already use this scheme.
- 10.1.5. Demand upon legal services to support prosecutions is increasing and also includes a 'snowball effect' as prosecutions not completed in one year are deferred to the following year. In 2009-10 there was 1 prosecution. In 2010-11 there were 9 and in 2011-12 there are already 12 prosecutions underway.

10.1.6	Recommendation 6
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	A review into the provision of legal services should be undertaken in conjunction with the relevant BuS review. This should explore the potential for our use of 'Licensed Access'.
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10.2. Data Quality

- 10.2.1. Poor standards of data quality will lead to increased risk because we rely on those data for IRM planning, to support the performance management framework, for targeting prevention based activity and to support other Service developments such as those in the Building upon Success (BuS) programme. Inaccurate incident data presents an inaccurate view of incident activity, leading to less effectively targeted work and wasted effort.

- 10.2.2. A technical problem with the maps means than 101 incidents were incorrectly recorded as being over our border in 2010/11, this is not an Officer error and can only be corrected by ICT. As a result, these incidents do not figure in our incident count until they are correctly located. The resulting data are clearly wrong, but of more concern are data entries which are plausibly correct, but may be incorrect and are far more difficult to spot. The principle of 'right first time' is designed to address this.
- 10.2.3. All Incident Recording System (IRS) data are soon to be made publicly available, including the ability to drill down into the data, so it will be possible to see an incident that is recorded with one code and then see the detail which shows it should have been a different incident result. The system includes validation checks to prevent obvious mistakes such as recording an incident as occurring on the 4th floor of a 2 storey building. Each incident workbook is considered for accuracy in its own right, using validation checks within the software, which ensure that answers are logically correct. It is still possible however for a workbook to contain mistakes which are plausibly correct, but do not reflect the actual incident.
- 10.2.4. In addition to the proposed feedback system though, Officers do need to have initial training about how to complete an incident workbook. We can't expect them to get it right first time until we have given them the skills to do so. Extensive training was provided when the new IRS was introduced. When this was completed, a detained report explained the scope of this training and feedback from those who attended was very positive. This report highlighted the future training requirements as:
- Monthly courses are available as a Global Training Course for system users on a self-select basis
 - To maintain the knowledge base, IRS training has been included on the development course for new Crew Commanders who will be using the system

Training is provided by ICT trainers for those entering development programmes, but this does not form an integral part of the Crew Commanders Development Programme. Work is currently underway at our Academy to develop new Progression Models to include progression from Firefighter to Area Commander. The contents of these new models will include provision for IRS training and the staff of the Statistics section will be involved in any required content and delivery development.

- 10.2.5. Extensive information is available on the Statistics 'S drive' including a detailed (147 page) [help and guidance document](#) to provide assistance to those tasked with completing IRS workbooks. Consideration should be given to migrating this and other supporting information to our Ecademy system.
- 10.2.6. Quality assurance is provided by Station Commanders conducting a workbook QA process. This process requires Station Commanders to compare the contents of a sample of 5 incident logs with their respective IRS records to determine accuracy, each month. This is often ineffective because training in QA focuses on the process of completing the workbook rather than investigating the incident that actually took place in comparison with the record made against it. The QA training that is provided for Station Commanders should be reviewed in conjunction with the Progression Models mentioned above to ensure it explicitly covers the detail that the QA process should be looking for. On occasions where the QA process has not effectively revealed and dealt with workbook inaccuracies, the proposed feedback loop should be used to raise the awareness of the individual who conducted the QA. CLG regularly report inadequacies in our data, highlighting shortfalls in current arrangements.
- 10.2.7. In support of the 'right first time' principle and the individual's responsibility for competent performance, this development will create an Intranet based ICT facility to be used to send notification to an individual that output from their work has inaccuracies that affect another individual or area of work. Specifically with regard to Incident Workbooks, when inaccurate data are found by Statistics or by IRM, a message can be sent to the originator of the workbook via their 'to-do list' to raise their awareness of the issue. Business rules will be developed to determine how long the individual then has to correct the problem, and how many repeat instances, or delays in corrective action will then prompt a message to raise their line manager's awareness. This will provide evidence for workplace assessments and where repeated failures are identified, development plans should be established to support the individual's learning and development. On most occasions where data are found to be inaccurate, the root cause is that the individual is unconsciously incompetent. The proposed feedback loop will raise the conscience of the individual and enable them to develop to prevent future similar occurrences, ultimately becoming unconsciously competent, and getting this right first time.

- 10.2.8. The proposed process should be used to provide feedback in other situations, such as findings resulting from operational intelligence following incidents and simulations. This feedback could be sent to those responsible for equipment and procedures thus providing a clearly reportable and auditable mechanism that will provide substantial assurance that these issues are being dealt with appropriately.
- 10.2.9. A key aspect of this in order for it to be successful is that the mechanism used for generating the feedback to individuals must be quicker and easier than it would be for the individual who finds the problem to correct it themselves. If corrections are made later, without the originator's knowledge then they will never develop to a point where these errors are avoided at source.
- 10.2.10. Initial discussions with ICT indicate that a modified version of the Compliments, Comments and Complaints (CCC) system will provide suitable functionality for this. The proposed feedback loop will therefore comprise access directly from the point at which the error is identified, with a bespoke interface to enable the simplest and most efficient method of generating feedback. The ICT infrastructure that supports this and enables integration with other systems will be based upon that of the CCC system, but with a far more suitable interface. It is however the case that there may be some effort required initially to generate this feedback while things bed in. The medium term goal of improvements in the quality of data will reduce workload and provide more robust assurance in the longer term.
- 10.2.11. The long term aim of this is to remove the requirement to conduct Quality Assurance checking of workbooks and to reduce the resources required to cleanse data in the statistics section. Regular reviews of the effectiveness of the proposed feedback loop will be required in order to determine whether QA can be removed at a later date.

10.2.12 Recommendation 7

Develop a process which enables feedback to be sent to an individual, highlighting inaccuracies in the output of their work, raising their awareness and asking for the work to be corrected. This will support 'the requirement to improve data quality through active support for right first time principles', and ensure responsibility for this is apportioned at the correct level. This will also support the detailed review of data quality being conducted by John Robb in the SPIRiT.

11. Supporting policies

- 11.1. As the scope of the proposed developments is wide, there will be an impact upon several supporting policies which will require amendment.

11.1.1 Recommendation 8

In order to ensure a clear and consistent approach to these developments, a review should be conducted into Standing Order 22/7 Corporate Risk Management and other relevant policies. This will include elected members' awareness, including their involvement in developing the necessary tools and policies. Managers whose input into the risk management processes is critical will also be involved in these developments to ensure that the developments are effective and appropriate for all concerned.

12. Resource requirements

12.1. Recommendation 1 – Assurance map

The development of the comprehensive Assurance Map will take approximately 12 weeks officer time. This will enable development of a spreadsheet based version of the assurance map to include all of the functionality outlined above. Further development of a bespoke ICT solution for this will need to be considered later, when the principles are embedded and if additional value can be added to justify the expenditure of significant ICT resource on this issue.

12.2. Recommendation 2 – Local audit process

The development of a local audit process to combine sector competent individuals with audit competent individuals in response to an identified need for audit of a specific business area will require approximately 8 weeks of officer time. This will include approximately 2 weeks of Performance Improvement Manager time as their experience and many of the principles of auditing will be valuable in this context.

12.3. Recommendation 3 – Review of Internal Audit

The proposed review of Internal Audit arrangements should be undertaken in conjunction with the appointment of external auditors that taking place in 2012. It may be necessary to engage the appointed external auditor in this piece of work. If that is not possible, it may be necessary to undertake this review locally. In that case it is estimated that this work would require approximately 12 weeks officer time.

12.4. Recommendation 4 – Debrief workbook

Work required to complete the debrief toolkit is minimal and will require approximately 3 days ICT developer time in addition to a similar amount of time from officers in the operational intelligence section.

12.5. Recommendation 5 – Peer review process for ops assurance

Development of the proposed peer review process will require approximately 6 weeks of officer time. Ongoing conduct of peer reviews will require selected peer reviewers to spend time auditing operational assurance in other FRSs. The time required for this is expected to be approximately 4 weeks per year per reviewer.

12.6. Recommendation 6 – Review of legal services provision

The recommended review of the provision of legal services is estimated to require approximately 6 weeks officer time. This should be conducted by an individual or individuals with extensive experience in the use and commissioning of legal services. If this review raises further recommendations, time will be required to address these.

12.7. Recommendation 7 – Feedback loop

To develop the necessary ICT solution that is required for the feedback loop will require approximately 4 weeks development time. This will enable the use of a modified version of the existing CCC reporting process as this already has the necessary reporting, notification and input infrastructure in place. Authorised users will see a single link at the appropriate place enabling the generation of a feedback report to an individual's live web 'To-do list'. The necessary ICT resource is continuously committed on other projects, so the priority of this development will need to be seen in context with the other demands on the ICT developers' time.

Development of the associated policy and business rules will require approximately 2 weeks officer time.

12.8. Recommendation 8 – Review of associated policies

A review of the policies associated with risk management is estimated to require approximately 4 weeks officer time.

13. Overall resourcing approach

- 13.1. To provide the resources necessary to complete these recommendations, consideration should be given to the extension of the current temporary Group Commander post in the SPIRiT for the duration of the developments. This is expected to take approximately 7 months. This post and continuing resources required for the ongoing management of the Assurance Map and support for the proposed local audit process will be reviewed in conjunction with the wider review of the new amalgamated SPIRiT, due to be completed in January 2012, in conjunction with the planned review of staffing for the new combined SPIRiT function following the amalgamation of Statistics, the Evaluation Officer, IRM and the SPIRiT. This is an established post within the SPIRiT which was previously vacant, and does not therefore represent an increase in resources.

- 13.2. Regular progress reviews will be conducted and Corporate Board will be kept informed of progress towards these recommendations.

14. Future resourcing

- 14.1. The resources necessary to support the ongoing management of the assurance map and the corporate risk recorded in it will be considered as part of the review of the new combined SPIRiT in January 2012. The intention that the assurance map will enable risk owners record the management of the risks they are responsible for means that ongoing effort from SPIRiT will be reduced to a monitoring function.
- 14.2. During 2012/13, new legislation is likely to be available concerning local public audit. Work will therefore need to commence on the appointment of an auditor and preparation for the new audit regime by the organisation. This is expected to need effort from the SPIRiT in addition to a tendering process that will most probably require effort from the procurement section. Around the same time, consideration will need to be given to the structure of the new audit committee which may need to include recruitment of independent members, requiring effort from the recruitment section.

15. Conclusion

Progress against the original scope of this review is as follows:

- 15.1. *What activities or areas must we provide assurance for?*
Statutory requirements for audit cover financial regulations, the requirements for local public audit which are currently under consultation and the 'audit and review' elements of health & safety management guidance.
- 15.2. *What other areas should we assure, and why?*
Effective corporate governance requires that the organisation assures itself that risks to the successful achievement of objectives are managed appropriately. This involves the identification of risks and the development and management of controlling mitigation measures. Assurance should be available, in proportion to risk providing the organisation with confidence that risks are being managed appropriately.
- 15.3. *What assurance measures do we currently have in place, and how effective are they?*
The Corporate Risk Register lists many risk mitigation measures, but it has not been possible to evaluate them all in detail in the course of producing this report. The proposed Assurance Map will evaluate all these areas and highlight proposals for improvements where necessary.
- 15.4. *Determine any overlaps or gaps in assurance.*
This review indicates that the lack of robust assurance provided by the Corporate Risk Register leads to an inappropriate scope of Internal

Audit determined through the Audit Needs Analysis. Gaps in assurance exist in the ability to provide sufficient assurance in the Corporate Risk Register for Internal Audit to make a proper judgement on the allocation and amount of Internal Audit effort. The proposed assurance map will serve to address this and will also reveal further assurance gaps and overlaps as each risk is examined in detail.

- 15.5. *Propose methods for addressing overlaps and gaps in assurance.*
The proposed assurance map will provide a mechanism to identify and record overlaps and gaps in assurance. The feedback loop will enable support of the 'right first time' principle, providing assurance in this area and the local audit process will be able to provide substantial assurance to address needs as they are revealed through use of the assurance map. The debrief workbook and the operational assurance peer review process will enable further assurance in this area.
- 15.6. *Determine any resulting resource requirements.*
The resources required are detailed above.

Appendix 1

Audit & Performance Management Committee

Terms of Reference 2011/2012

Audit and Performance Management Committee

Audit Activity

Approve the internal audit strategy.

Consider the Audit Services annual report and opinion, and a summary of internal audit activity and the level of assurance it gives over the Authority's governance, risk management and internal control arrangements.

Consider any summaries of internal audit activity and specific internal audit reports requested by the Committee.

Consider reports dealing with the management and performance of Audit Services where necessary.

Consider reports from Audit Services on the timeliness of management responses to internal audit reports and on agreed recommendations not implemented within a reasonable timescale where necessary.

Consider specific reports as agreed with the external auditor and the report to those charged with governance where necessary.

Comment on the scope and depth of external audit work and to ensure it gives value for money.

Liaise with the Audit Commission over the appointment of the Authority's external auditor.

Consider specific reports in terms of data quality including assessments by the external auditors.

Regulatory Framework

Maintain an overview of contract procedure rules and financial regulations.

Monitor the effective development and operation of risk management and corporate governance in the Authority.

Consider the Authority's arrangements for corporate governance and recommending necessary actions to ensure compliance with best practice.

Oversee the production of the Authority's Governance Statement and to recommend its adoption.

Monitor Authority policies on 'Raising Concerns at Work', the anti-fraud and anti-corruption strategy and the Authority's complaints process.

Consider the Authority's compliance with its own and other published standards and controls.

Accounts

Review the annual statement of accounts, and specifically, consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Authority.

Consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Scrutiny and review of treasury management arrangements.

Performance

To ensure that performance is actively monitored and reported upon.

To support continuous improvement in service delivery and the implementation of best practice through the application of Authority policy and all relevant legislation, regulations, directives and statutory requirements affecting the work of the Authority:

- that activity is delivering performance outcomes and that targets and measures are aligned to the strategic direction of the Brigade; and

- that all issues relating to performance management arising from internal and external reviews and audits of service provision are considered and that recommendations are being progressed as appropriate.

To consider the link between cost and performance by receiving budget monitoring information alongside performance reports.

To receive monitoring reports on the progress against the Service's objectives.

To receive monitoring reports on the Service's performance against its indicator targets.

Generally

Review any issue referred to it by the Chief Fire Officer, Clerk or Treasurer, or any Authority body.

To refer matters for consideration by the Authority, another Committee or an officer where considered appropriate.

To deal with any other matters referred to it by the Authority.

To meet at least quarterly.

To submit its minutes and Annual Report to the Authority.

To receive monitoring reports on the Service's performance against its indicator targets.

Appendix 2

Example Assurance Map

A draft of the Assurance Map proposed in Recommendation 1 can be found by opening the document attached below;



AM V1.8.xls

WEST MIDLANDS FIRE SERVICE																																	
Organisational Assurance Map V1.8																																	
N°		Outcome of risk realisation		Risk Features				Strategic Objectives						Level 1 assurance measures																			
				Corporate Risk?	Owner	Joint Owner	Joint Owner	Initial Risk score	Direction of travel	Communities & Partnerships			People			VFM		Response															
										1	2	3	4	5	6	7	8	9	10	11	12	13	14	Detail	Residual risk	Assurance Evidence	Date assurance Given	Overall Confidence	Escalate to level 2				
Risk	13	The Fire Authority suffers a significant health, safety or environmental failure, resulting in legal challenge and/or litigation		Y	Director Tools			8																	SD 19/6 - H & S Training Strategy	G	Evidence	17/01/2011					
																											Significant near hit review panels	G		18/01/2010			
																											SD 19/3 - Accident, Near hit, RIDDOR reporting	G		19/01/2010			
																											SD 19/18 - Active monitoring of H & S issues	G		20/01/2010			
																											SD 19/17 - H & S Audit Strategy	A		21/01/2010	Y		
																											SD 19/15 - Control of contractors	G		22/01/2010			
																											SD 19/08 - Risk assessment strategy	A		23/01/2010	Y		
																											SD 19/09 - Visitor strategy	G		24/01/2010			
																												SD 1/14 - Environmental strategy	A		25/01/2010	Y	
																												OPN 4 - Environmental protection at incidents	G		19/01/2009		
																												SD 19/26 - Legionellosis strategy	G		20/01/2007		
																												SD 19/27 - Management of Asbestos	G		21/01/2011		
																												OPN 6, Sec 10/6 - management of asbestos	G		22/01/2011		

[illegible]

Appendix 3

Operational Peer Assessment – Draft KLOEs

Draft supplied from CFOA Operational Assessment working group on 7th July 2011.

ACTIVE OPERATIONAL MONITORING IMPROVEMENT SYSTEMS	
1	Does the FRS have a clearly defined active operational monitoring system in place?
2	Does the FRS have a robust process for measuring, and evaluating the effectiveness of its employees, and improving performance?
3	Has the FRS clearly defined plans to share both good practice and learning / development opportunities across the organisation, and CFOA?
4	Has the FRS a process that allows all personnel to acknowledge receipt of any communications that share both positive and negative outcomes across the organisation?
5	Does the FRS undertake any form of mentoring in relation to Operational Competence whilst carrying out active monitoring?
6	Does the FRS have an effective risk analysis process to determine the outcomes of active operational monitoring practices?
7	Does the FRS have a Policy on active operational monitoring improvement systems in place?
8	Does the FRS effectively engage with partners and other stakeholders whilst carrying out active operational monitoring improvement systems?
9	Does the FRS convey identified emerging trends in to the CFOA Ops Assurance work streams?
10	Has the FRA a clear defined plan of how active operational monitoring improvement systems assist to support the organisations vision?
11	Does the FRS have a challenging reporting mechanism to convey active operational monitoring improvement systems to both Senior Management / Fire Authority members?
12	Do effective management structures and arrangements exist within the FRA to support the active operational monitoring improvement systems to develop?