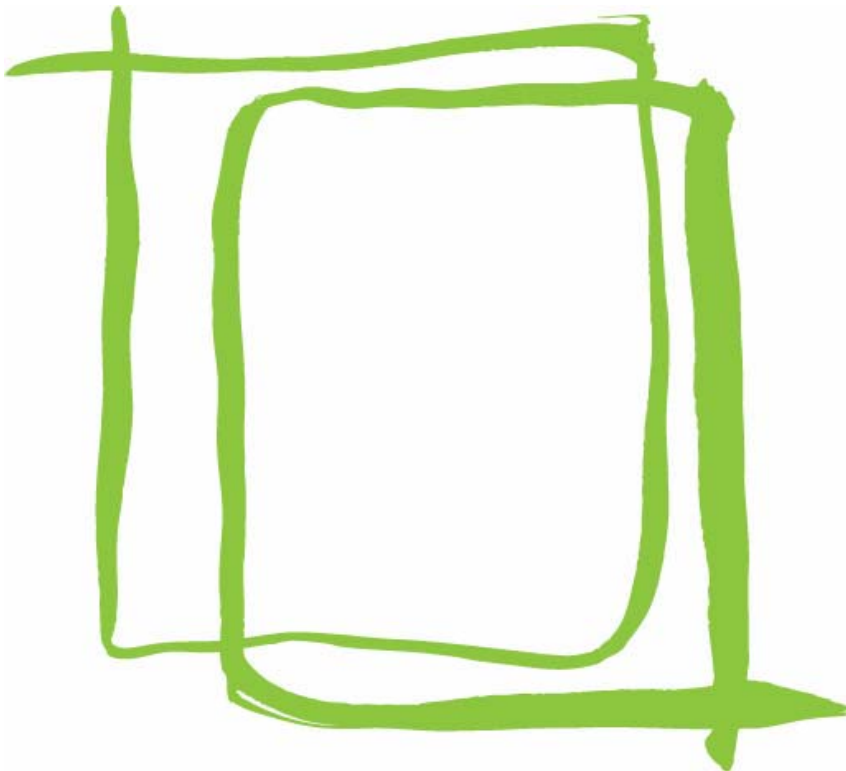


Use of Resources

West Midlands Fire and Rescue Authority

Audit 2008/09

November 2009



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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Summary

This report summarises our key findings from our assessment of how West Midlands Fire and Rescue Authority is managing and using its resources to deliver value for money and better and sustainable outcomes for local people.

- 1** 2008/09 was a difficult year for the West Midlands Fire and Rescue Authority (FRA) with the loss of its Chief Fire Officer. This slowed the pace of change in the organisation. The interim (now permanent) chief fire officer has provided much needed leadership and re-energised the management team and improved morale. There is good buy-in to the necessary organisational change from fire fighters, managers and their representatives.
- 2** In arriving at my judgements for 2008/09 I have taken into consideration the leadership issues and have recognised the improvements made by the FRA. However, the FRA will need to ensure sustained progress is made and that it can clearly demonstrate significant progress if it wishes to maintain the 2008/09 scores.

Managing finances - assessment - level 2

- 3** The FRA has a good track record of operating within its budget while maintaining good service performance. It has a high level of reserves and a medium term financial plan (MTFP) - although the MTFP is at a higher level than I would expect. Its MTFP indicates financial stability over the medium term. The net cost of services is good in the context of high deprivation. The level of funding from council tax is low compared with others. The comparative net cost and greater efficiency savings have been achieved while improving overall service performance.
- 4** The FRA has been able to improve service performance while delivering efficiency savings and maintaining a cost base comparable to its peer group. There is also some evidence that resources follow priorities within the FRA. In particular, the FRA increased its focus on prevention and has significantly increased the resources allocated to areas such as Home Fire Safety Checks (HFSC). The FRA is also in the process of developing a draft value for money strategy.
- 5** Budget monitoring and forecast information is reliable, relevant and understandable. Reports are produced within 5 days of month end, allowing for timely corrective action where necessary.

- 6** Improvement is needed in demonstrating appropriate outcomes against the levels of finance and other resources invested in services, and in demonstrating value for money. Other areas for development are:
- developing a detailed three-year financial plan which includes scenario analysis planning/sensitivity analysis planning;
 - integrating financial and performance planning and reporting;
 - demonstrating engagement with partners and local communities in financial planning;
 - demonstrating a clear understanding of its cost base and the unit costs of services;
 - demonstrating costs and effectiveness of its services such as prevention based activity, and shift systems / crewing arrangements; and
 - ensuring environmental strategy performance measures are developed and reported against.

Governing the business - assessment - level 3

- 7** The FRA has appropriate arrangements for the commissioning of services. It invests in understanding the needs of its communities (so that it can commission appropriately), and also involves local people and partners in commissioning services. The FRA also has an appropriate approach to procuring services and supplies. The current procurement strategy is widely communicated and is used to make financial savings. For example, using the FiRebuy national framework agreement a mini tender procedure for the replacement of Respiratory Protective Equipment (RPE) has been undertaken.
- 8** The FRA has good arrangements for ensuring its data is reliable and our spot checks indicate that data is accurate. It also uses data well to improve service performance. A robust performance management system is in place with a 'golden thread' from the corporate plan through to individual objectives. Performance is reported at the quarterly Lead Member meeting. Action plans support the achievement of key objectives. Councillors provide robust scrutiny on data quality indicators and larger partnership arrangements have data quality arrangements built into them.
- 9** The FRA promotes and demonstrates the principles and values of good governance. Its leadership has a vision of what it wants to achieve for its local communities, founded on a robust assessment of local needs. This has been effectively communicated to staff and other stakeholders. Policies and procedures are in place to support good governance and these have been communicated to staff and members. The Authority is active in raising the standards of ethical conduct, for example, via ethics training.

Summary

- 10** During 2008/09 the FRA had only an adequate approach to risk management. For the majority of the year it had a corporate risk register which identified only five high level risks. Many of these were not specific to the FRA. The FRA is aware of these issues and has introduced a new corporate risk register from December 2008. These are linked to strategic objectives and the authority is embedding its risk management processes. Risk management of partnerships remains at an early stage. Internal control and counter fraud and corruption arrangements are adequate.
- 11** The FRA should strengthen its management of its resources by, for example:
- Identifying opportunities for joint commissioning of services with partners;
 - ensuring that data quality is seen as important throughout the FRA and that there is a 'right first time' culture;
 - regularly reviewing the effectiveness of its partnership working to ensure that all partnerships are providing effective outcomes and value for money;
 - reviewing risks within the risk register to ensure they are specific to the Authority;
 - ensuring that the risk management reports are used to develop risk reduction strategies, plans and training; and
 - strengthening internal control, for example, in relation to long term financial planning and treasury management.

Managing resources - assessment - level 3

- 12** The FRA has appropriate arrangements to ensure that it has a productive and skilled workforce. For example:
- training and development includes operational and people development and aims to create realism in training such as fire behaviour units;
 - IPDS is well established and operational training plays a strong part; and
 - succession planning and talent management is developing.
- 13** The FRA also has an appropriate approach to ensuring that its workforce is productive. For example, the FRA has achieved productivity gains by introducing late shifts running from 10am to 10pm. The FRA is also using volunteers to enable it to enhance service provision and Safeside (a public educational facility) is mainly staffed by (100) volunteers. The FRA has a comprehensive policy designed to reduce sickness absence which reduced to 5.41 days in 2008/09.
- 14** The lack of a clear long term workforce plan is a significant weakness. However, we note that a Medium Term Service Plan has recently been drafted and although the workforce plan has not yet been produced, there are milestones in the 2009/10 action plan. A clear workforce plan should be developed as a matter of urgency.
- 15** The authority works hard to involve staff in its decisions and change management processes. For example, during April 2008, members of the Authority facilitated Have Your Say and the visioning process named 4D was attended by all levels of staff.

- 16** Equality impact assessments are comprehensive and Level Three of Equality Standard has now been achieved. Recruitment rates for women were 20 per cent which is above the level required in the national Equality and Diversity Strategy. However, minority ethnic recruitment is low (8.3per cent) compared with the 30 per cent representation in the area, though there has been little recruitment during the year. Workforce plans do not have targets for equality and diversity across all strands of the equality standard.
- 17** Improvement is needed in a number of areas. The key areas for action are:
- the development of a clear medium term workforce plan; and
 - ensuring action plans are in place to achieve the required a workforce that mirrors the ethnic mix of the area.
- 18** Our detailed findings are shown in Appendix 1.

Introduction

- 19** This report sets out my conclusions on how well West Midlands Fire and Rescue Authority (WMFRA) is managing and using its resources to deliver value for money and better and sustainable outcomes for local people and give scored use of resources theme judgements.
- 20** In forming my scored theme judgements, I have followed the methodology set out in the [use of resources framework: overall approach and key lines of enquiry \(KLOE\) document](#) and the use of resources [auditor guidance](#). For each of the specific risks identified in relation to our use of resources work, which were set out in our audit plan, we considered the arrangements put in place by the WMFRA to mitigate the risk and plan our work accordingly.

Use of resources framework

- 21** From 2008/09, the new use of resources assessment forms part of the [Comprehensive Area Assessment \(CAA\)](#) and comprises three themes that focus on:
- sound and strategic financial management;
 - strategic commissioning and good governance; and
 - the management of natural resources, assets and people.
- 22** The scores for each theme are based on the scores reached by auditors on underlying KLOE. The KLOE are generic and applicable equally to all organisations subject to use of resources judgements under CAA. This promotes consistency, demonstrating all organisations within a CAA area are treated in the same way, and to the same standards.
- 23** The Commission specifies in its [annual work programme and fees document](#), which KLOE are assessed over the coming year.
- 24** Judgements have been made for each KLOE using the Commission's current four point scale from 1 to 4, with 4 being the highest, please see Table 1. Level 1 represents a failure to meet the minimum requirements at level 2.

Table 1 Levels of performance

Level 1	Does not meet minimum requirements – performs poorly
Level 2	Meets only minimum requirements – performs adequately
Level 3	Exceeds minimum requirements – performs well
Level 4	Significantly exceeds minimum requirements – performs excellently

Source: [use of resources framework: overall approach and KLOE document](#)

Use of resources scores

Scored judgements

25 WMFRA's use of resources theme scores are shown in Table 2.

Table 2 Use of resources theme scores

Use of resources theme	Scored judgement[*]
Managing finances How effectively does the organisation manage its finances to deliver value for money?	2
Governing the business How well does the organisation govern itself and commission services that provide value for money and deliver better outcomes for local people?	3
Managing resources How well does the organisation manage its natural resources, physical assets and people to meet current and future needs and deliver value for money?	3

Detailed findings

26 The key findings and conclusions for the three themes, and the underlying KLOE, are summarised in Appendix 1.

Use of resources 2009/10

- 27** The key lines of enquiry specified for the assessment are set out in the Audit Commission's work programme and scales of fees 2009/10. My work on use of resources informs my 2009/10 value for money conclusion.
- 28** An additional KLOE, 3.1 - Natural resources will apply to Fire for 2009/10. However, KLOE 3.3 - Workforce planning will not be assessed.
- 29** I have not identified any additional risks in relation to my 2009/10 value for money conclusion, at this stage.

Appendix 1 – Use of resources key findings and conclusions

30 The following tables summarise the key findings and conclusions for each of the three use of resources themes.

Table 3 Theme 1 - managing finances

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
KLOE 1.1 Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?	2	<p>The FRA has adequate arrangements for integrating financial planning with strategic and service planning processes. In particular, it:</p> <ul style="list-style-type: none"> • has an integrated financial and corporate planning process. The corporate strategy working group drives this process and comprises of second tier officers from all functions of the service; • involves service managers and members in service and financial planning through the policy and planning forum; • has a track record of operating within its budget while maintaining good service performance; • has a high level of reserves and its MTFP indicates financial stability over the medium term; • has a formal scheme of budget delegation contained within the Authority's Financial Regulation and Management Handbook which also sets out Budget holder responsibilities; and • a regular training programme in place both for members and other non financial staff as appropriate. 	<p>In order to maintain/improve we would recommend attention is focussed on the following areas:</p> <ul style="list-style-type: none"> • develop a detailed three-year financial plan which includes scenario analysis planning / sensitivity analysis planning; • integrate financial and performance planning; and • demonstrate engagement with partners and local communities in financial planning.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<p>However our review also identified a number of areas where improvement was needed which included:</p> <ul style="list-style-type: none"> • a three-year financial strategy is incorporated into the Corporate Strategy 2008-11 and linked into the strategic objectives. The Corporate Strategy ties the Medium Term Financial Plan (MTFP) explicitly to the goals in the Corporate Strategy. However, the MTFP is at a high level and lacks detail; • including scenario planning and the use of different planning assumptions in its MTFP; • ensuring that there is a link between priorities and resources. We did identify some evidence of movement of resources to priorities eg home safety checks but evidence in other areas was limited; • better integration of financial and performance planning; • setting and monitoring challenging targets for collection and recovery of material categories of income and arrears, based on age profile of debt; and • more engagement with partners, local communities and other stakeholders in financial planning. 	

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
KLOE 1.2 Does the organisation have a sound understanding of its costs and performance and achieve efficiencies in its activities?	2	<p>The FRA has a satisfactory understanding of its overall costs against performance. In particular:</p> <ul style="list-style-type: none"> its net expenditure is comparable to those of similar sized authorities, ie: <ul style="list-style-type: none"> West Midlands £42.07; Merseyside £45.24; West Yorkshire £38.27; Greater Manchester £42.06; the four-year trend comparing real term changes in net expenditure from 2003/04 to 2007/08 shows net expenditure as dropping by 16 per cent over those four years,- the most of all FRAs ; there is some evidence that resources follow priorities within the FRA. In particular, the FRA increased its focus on prevention and has significantly increased the resources allocated to areas such as Home Fire Safety Checks (HFSC). This focus has improved the FRA overall performance. Evidence in other areas is limited; the FRA has undertaken a number of reviews comparing cost against performance which is contributing to better links between decision making and commissioning and costs and performance; cumulative efficiency savings are on course to meet the target of £7.07m; and the FRA has a three-year plan 2009/10 to 2011/12 for projecting efficiencies. Progress is reported quarterly to the Corporate Board. The largest savings in 2009/10 are planned through reduced ill health retirements £367k; retained fire-fighter savings £162k and the introduction of a permanent late shift pattern £300k. These amount to £825k of the £1,036k planned in 2009/10. 	<p>In order to maintain/improve we would recommend attention is focussed on the following areas:</p> <ul style="list-style-type: none"> demonstrate linkage between costs, investment and outcomes; demonstrate costs and effectiveness of prevention based activity; and review level of savings achieved from shift systems / crewing arrangements compared to other comparator authorities.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<p>However our review also identified further areas where improvement was needed which included:</p> <ul style="list-style-type: none"> • savings have been lower than other metropolitan authorities over the last two years. These were £0.6m in 2007/08 and £1.1m in 2008/09; • the real term increase in net expenditure over the last ten years is 16 per cent which although low is a bit higher than most other metropolitan authorities; • more work is necessary to understand its costs and how they link to performance levels; • the corporate performance reports have separate sections on performance and finance, with no assessment of their relationship; • more action is required by the FRA to consider the effectiveness and the costs of Prevention Based Activity. For instance, in structured education in schools and special education needs establishments (SEN), there has been little assessment of the programmes cost effectiveness; • while it has met its overall savings target the level of savings have been fairly small in the last two financial years; • its savings from changes to shift systems / crewing arrangements may be able to be improved compared to those achieved by similar sized authorities, ie: <ul style="list-style-type: none"> – West Midlands £2,499; – Merseyside £6,621; – West Yorkshire £4,253; and – Greater Manchester £5,019. 	

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
KLOE 1.3 Is the organisation's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	3	<p>Our review identified:</p> <ul style="list-style-type: none"> • budget monitoring and forecast information is reliable, relevant and understandable with reports being produced within five days of month end, allowing for timely corrective action where necessary; • financial systems are flexible to enable bespoke reporting to ensure the requirements of the user can be met; • statutory milestones were met in regards to approval of accounts and working papers provided were of a good standard; • the most recent accounts and annual audit letter are available on WMFRA website. Accessible formatting of this information is available on request; and • the annual report provides a clear explanation of how the Authority has performed against its targets each year. <p>However our review also identified further areas where improvement was needed which included:</p> <ul style="list-style-type: none"> • the FRA acknowledged the limited use of integrated financial and performance information prepared and presented within the reporting cycle in 2007/08. The Authority started taking action with improvements starting to be delivered in the latter part of 2008/09; and • an environmental strategy has been launched for 08/09 and work has started to develop performance measures to be factored into the organisations framework. 	<p>In order to maintain/improve we would recommend attention is focussed on the following areas:</p> <ul style="list-style-type: none"> • ensure the linkage between finance and performance information reporting is embedded during 2009/10; • ensure environmental strategy performance measures are developed and reported against; and • review methods of communication with the public.

Appendix 1 – Use of resources key findings and conclusions

Table 4 Theme 2 - governing the business

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
KLOE 2.1 Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?	3	<p>Our review identified:</p> <ul style="list-style-type: none"> the FRA uses information well to ensure that it commissions services appropriately. For example, it invests significant resources in analysing demographic trends, deprivation and inequality, using mosaic and various mapping techniques to inform its prevention based activity; there are good outcomes from its use of commissioning. For example, in the last year, the FRA has redirected its main activity of HFSCs towards vulnerable households. As a result, it now undertakes more than 70 per cent in vulnerable households; the FRA has a strong partnership approach and feeds into 7 Local Area Agreements. It contributes effectively to the development of plans to deliver improved outcomes for the people of the West Midlands; the FRA use procurement effectively. During the year, the service moved HQs. The move enabled the redesign of IT and telephony, printer rationalisation and improved band-width and business continuity arrangements. The effective use of procurement has resulted in greater sustainability; the FRA also uses procurement to benefit service users. As part of the relocation to the new HQ, a new community safety education complex known as Safeside has recently opened. The purpose-built facility includes 16 life-size scenarios in which visitors can experience emergency situations. The centre is open to groups such as vulnerable adults, the elderly, youth groups and is manned by volunteers; the FRA manages its procurement well. It has appropriate arrangements in place to ensure that it understands the supply market and seeks to influence and develop that market. These arrangements include the use of the government website www.supply2gov.uk for all quotes and tendering opportunities in excess of £20k; 	<p>In order to maintain/improve we would recommend attention is focussed on the following areas:</p> <ul style="list-style-type: none"> work with partners to enhance service provision by undertaking joint commissioning.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<ul style="list-style-type: none"> the FRA has used procurement to generate efficiency savings. For example, using the FiRebuy national framework agreement a mini tender procedure for the replacement of Respiratory Protective Equipment (RPE) has been undertaken. As a result of collaborative working within the project the contract can also be used by the other Fire and Rescue Services within the West Midlands Region. This provides the opportunity for the same RPE (Breathing Apparatus) to be procured by at least 4 of the Fire and Rescue Service's in the region; and the FRA has an appropriate approach to evaluating different options for procuring services and supplies. The current procurement strategy (July 2006) is widely communicated. Also a quarterly spend report is available electronically from finance. These documents can be filtered to give an indication of high spend areas where procurement intervention is required. <p>However our review also identified that (while the FRA works well with its partners) it should work with partners to enhance service provision by undertaking joint commissioning.</p>	
KLOE 2.2 Does the organisation produce relevant and reliable data and information to support decision making and manage performance?	3	<p>The FRA has ensured that it produces good quality data (that is, it is: accurate, valid, reliable, timely, relevant and complete). Our spot checks have not given rise to any concerns over the data that is produced.</p> <p>The FRA has a good standard of data quality. We identified the following areas of good performance, namely:</p> <ul style="list-style-type: none"> training material and guidance is available in a number of formats; there are examples of improvements in arrangements and guidance coming from both the corporate centre and frontline staff; Mosaic data is used to target areas for improvement; operational staff are informed of the reasons why they collect data and how this data is used corporately; routinely collected data is used to support decision making, rather than producing it as a secondary requirement; 	<p>In order to maintain/improve we would recommend attention is focussed on the following area:</p> <ul style="list-style-type: none"> ensure that data quality is seen as important throughout the FRA and that there is a 'right first time' culture.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<ul style="list-style-type: none"> data definition comparison work and performance benchmarking is undertaken with other FRAs; performance information is used to identify deviations from planned performance; our data quality spot work did not identify any significant weaknesses; larger partnership arrangements have data quality arrangements built into them for example, West Midlands Police work with an external service provider to populate Road Traffic Collision data on the 'Spectrum' database. The external provider works to a recognised quality management system ISO 9001 2000 in the area of data collection and is audited to ensure adherence to the standard; and data quality is to be included in the 2009/10 corporate strategy to further raise awareness, to establish a formal link with the planning process, and to set departmental data quality objectives. <p>The FRA uses information well. We identified the following:</p> <ul style="list-style-type: none"> a robust performance management system in place with a 'golden thread' from the corporate plan through to Individual objectives; there is a specific Member Portfolio for performance management in place. Lead Members have a key role to 'champion' performance matters at the Policy Planning Forum, the Executive Committee and Authority meetings; lead Members meet with officers on at least a quarterly basis to discuss progress within their portfolio area and to take part in task and finish groups with officers on issues identified for attention; performance against Departmental and Operational Command Areas' action plan objectives is reported at the quarterly Lead Member meeting as a standard agenda item. These action plans support the achievement of key objectives. A detailed analysis of performance, including an exception report (based on action plan milestones) is provided for Members at this meeting; and 	

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<ul style="list-style-type: none"> the Lead Member and his Deputy for Performance Management meet with Officers on a quarterly basis to discuss any performance and data related issues. <p>We also identified a number of key areas for further improvement:</p> <ul style="list-style-type: none"> there is no separate verification process in place to confirm that home fire safety checks are undertaken; arrangements outlined in the data quality standing order have yet to become fully embedded in the organisation; and the Authority recognises the importance of getting data 'right first time' but acknowledges there is some work required to achieve this, as some manual cleansing of data is required. 	
KLOE 2.3 Does the organisation promote and demonstrate the principles and values of good governance?	3	<p>The FRA demonstrates the principles and values of Good Governance.</p> <p>Policies and procedures are in place to support good governance and these have been communicated to staff. The FRA provides induction and training to members in addition to the LG training offered. An individually tailored development programme has been put in place for implementation from 2009/10.</p> <p>Members are briefed by officers through the monthly Policy and Planning Forum.</p> <p>Members are involved in key policy decisions. Fro example, a detailed consultation programme was held re closure of fire stations as part of asset management plans which led to revised proposals around how different stations were manned and fire services delivered.</p> <p>The leadership has a clear vision of what it wants to achieve for its local communities, founded on a robust assessment of local needs and is committed to engaging with stakeholders and local people, including disadvantaged groups. The authority translates this vision into ambitions and clear strategic priorities that drive the business.</p>	<p>In order to maintain/improve we would recommend attention is focussed on the following area:</p> <ul style="list-style-type: none"> regularly review the effectiveness of its partnership working and demonstrate that all partnerships are providing effective outcomes and value for money.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<p>Appropriate codes of conduct are in place for members and staff. The Authority is pro active in raising the standards of ethical conduct among both Members and staff, this includes the provision of ethics training to both groups.</p> <p>Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests. There is evidence that Members and staff are making appropriate disclosures in the registers and that they are regularly reviewed.</p> <p>The FRA has identified its significant partnerships on a partnership register with over 200 partnerships. It is involved in extensive work with partners across 7 LAAs and has begun to map how these contribute to brigade priorities and wider community outcomes. A wide range of partners gave very positive feedback on working relationships.</p> <p>There are strong outcomes from partnership working, through reducing arson, and educating young people and vulnerable groups about the risks of fire and road safety. However, it doesn't regularly reviews the effectiveness of all of its partnership working and cannot clearly demonstrate that all partnerships are providing effective outcomes and value for money.</p> <p>The FRA is building capacity through work with volunteers.</p>	

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
KLoE 2.4 - Does the organisation manage its risks and maintain a sound system of internal control?	2	<p>Our review identified:</p> <ul style="list-style-type: none"> the FRA has an adequate approach to risk management with a corporate risk register that identifies 13 wide ranging high level risks that are linked to strategic objectives; counter fraud and corruption arrangements are adequate; systems of internal control are also adequate. Internal audit are effective and their audit programme provides coverage of both key financial systems and other areas relevant to the authority; and the FRA introduced an audit committee in 2007/08 and this is developing. <p>Our review also identified further areas where improvement was needed which included:</p> <ul style="list-style-type: none"> risks contained with the risk register are inherent and not specific to the West Midlands; risk management of partnerships is still being at a developmental stage; risk management training is available to members but only 40 per cent of members have attended training this year; and the peer operational assessment reported that the IRM function produces a number of reports based on its risk analysis but there does not seem to be an agreed or clear process to develop action plans that inform risk reduction strategies or training. Examples to illustrate this are the reports on attacks on fire fighters and fire fighter safety in 2007 and the report on HFSCs. The peer operational assessment accepted that the Authority had taken positive action in these areas, for example, the 'near hit hotline' for reporting incidents. However, it felt that more could be done to translate the report findings into clear action plans and whether these were implemented and monitored. There appears to be no feedback loop for reports generated by IRM. Discussions with the Authority indicate that they are resolving these issues. 	<p>In order to maintain/improve we would recommend attention is focussed on the following areas:</p> <ul style="list-style-type: none"> review risks within the risk register and ensure they are specific to the Authority; ensure all Members attend risk management training; ensure that the IRM reports are used to develop to risk reduction strategies, plans and training; ensure that protection and operational services share information, and that this is used to manage risks; ensure that all services areas are responding consistently and appropriately to legislative requirements; and strengthening internal control, for example, in relation to long term financial planning and treasury management.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<p>Communication and the sharing of information between protection and operational services were found by the peer assessment not to be embedded in the organisation, with no consistent approach across the whole organisation:</p> <ul style="list-style-type: none"> the peer assessment also identified a lack of consistency in the interpretation and application of legislation between delivery areas; and the internal audit programme could be enhanced, for example, by incorporating reviews of long term financial planning and treasury management. 	

Table 5 **Theme 3 - managing resources**

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
3.1 - Is the organisation making effective use of natural resources?	N/A	KLOE 3.1 (use of natural resources) [score / not applicable to district councils / fire / police in 2008/09]	
3.2 - Does the organisation manage its assets effectively to help deliver its strategic priorities and service needs?	N/A	KLOE 3.2 (strategic asset management) [score / not applicable to district councils / fire / police in 2008/09]	

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
3.3 - Does the organisation plan, organise and develop its workforce effectively to support the achievement of its strategic priorities?	3	<p>Our review identified:</p> <ul style="list-style-type: none"> the FRA has appropriate arrangements to ensure that it has a productive and skilled workforce. Training and development includes operational and people development and aims to create realism in training such as fire behaviour units; IPDS is well established and operational training plays a strong part; succession planning and talent management is developing through an improved approach to Assessment and Development Centres from supervisory to strategic levels; the FRA has an appropriate approach to achieving a productive workforce eg it achieved success by introducing late night shifts running from 10am to 10pm. This enabled improved productivity by managing operational capability; the FRA is self aware eg a conflict was recognised between maintaining operations capability and delivering Preventative Activities. Staff felt concerned that they were unable to dedicate enough time to maintaining operational competency. The FRA introduced a dedicated training slot within the daily routine at all fire stations enabling for priorities to be effectively balanced; the FRA is developing its approach to volunteering, eg Safeside (a public educational facility) is mainly staffed by (100) volunteers; the FRA has a comprehensive policy designed to reduce sickness absence. As a result sickness absence has reduced to 5.41 days in 2008/09; the authority manages change with staff. During April 2008, members of the Authority facilitated Have Your Say Days at a number of fire stations, the Training Centre and HQ. As a result a number of changes have been made: Introduction of dedicated late shift; targeted HFSC work; introduction of station assessments; staff have also been engaged in determining the new vision for the service five years from now. The visioning process named 4D after Discover, Dream, Design and Destiny was by attended all levels of staff; 	<p>In order to maintain a level 3 score, the Authority needs to:</p> <ul style="list-style-type: none"> review the roles of advocates and community safety resourcing; develop a clear medium term workforce plan; ensure action plans are in place to achieve the required women and ethnic fire-fighter targets; and develop a system to ensure recommendations from reviews are actioned and progress reported to members.

Appendix 1 – Use of resources key findings and conclusions

Key Line of Enquiry	Score	Findings for 2008/09	Areas for Potential Improvement
		<ul style="list-style-type: none"> more constructive relationships have been developed with the unions and they are now included at high level meetings and are allowed time off to represent their members; and equality impact assessments are comprehensive and Level 3 of Equality Standard is achieved. <p>However our review also identified further areas where improvement was needed which included:</p> <ul style="list-style-type: none"> aspects of community safety are under-resourced and the role of advocates is not fully developed; the FRA is developing its approach to workforce planning but progress has been slow while waiting for the appointment of the new Chief Fire Officer; a Medium Term Service Plan has been drafted and although the workforce plan has not flowed out yet, there are milestones are in the 2009/10 action plan; the first staff survey since the 2006 stress survey is planned for September 2009; people management is improving although the Level 3 peer assessment identified that staff perceived that unfairness in the way policies are applied. The FRA recognises this and is developing leadership programmes at supervisory levels; representation from women and minority ethnic groups remains low compared to the target levels. However, there has been little recruitment during the year but the percentage of women fire-fighters has increased from 3.3 per cent to 3.8 per cent, and the percentage of uniformed staff from ethnic minorities has risen from 6.7 per cent to 12 per cent; and recommendations from several reports which identified areas for improvement and modernisations had not always been implemented, eg the review of the fire safety officers' duty system, which could provide greater efficiency in the use of resources. 	

The Audit Commission

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