

# Central Scotland Joint Fire & Rescue Board

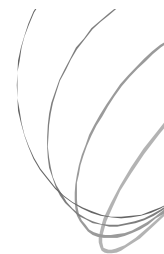
**Report to Members and the Controller of Audit  
on the 2006/07 Audit**



**October 2007**

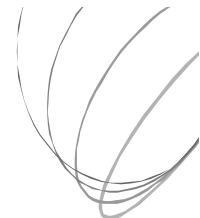






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# Key Messages

In 2006/07 we have audited the financial statements and looked at aspects of performance and governance within Central Scotland Joint Fire & Rescue Board. This report sets out our main findings.

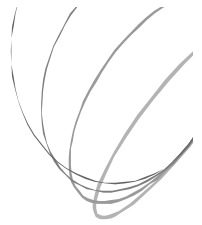
Overall, we found the financial stewardship of Central Scotland Joint Fire & Rescue Board during the year to be satisfactory. The main conclusions and outcomes from the audit are highlighted below:

- an unqualified audit opinion has been issued on the financial statements for 2006/07
- the Statement on the System of Internal Financial Control included in the accounts complies with accounting requirements and is consistent with audit findings
- final accounts preparation procedures and working papers were generally good and this enabled the audit to progress satisfactorily
- the Board has a Local Code of Corporate Governance and a Governance Plan to ensure compliance with the Code. Many aspects of a sound corporate governance framework are in place. Work needs to continue, however, to fully embed risk management into strategic and operational planning activities
- Internal Audit concluded that *'substantial assurance can be placed upon the adequacy & effectiveness of the Board's internal financial control system in the year to 31 March 2007'*
- the arrangements for collecting, recording and publication of Statutory Performance Indicators (SPIs) were assessed as reliable. Performance in relation to Statutory Performance Indicators has been variable. In particular, performance in relation to the percentage of 999 calls handled within one and two minutes has been reducing each year since 2003/04
- further work is required to implement the improvements included within the Improvement Plan contained within Audit Scotland's report on reform within the Central Scotland Joint Fire & Rescue Service.

Key issues for the Board in the future include:

- addressing the challenges to the Board in achieving its corporate objectives, including effective strategic planning and performance management processes
- the need to continue developments in relation to governance arrangements, including a review of scrutiny arrangements and the development of effective risk management processes
- the development of a robust asset management planning process

Key issues for the attention of members are outlined in the Action Plan included in this report.



We would like to take this opportunity to express our appreciation for the assistance and co-operation provided by officers of the Board during the course of our audit in the past year.

**Audit Scotland  
October 2007**

# Introduction

1. The members and officers of the Board are responsible for the management and governance of the organisation. As external auditors, we review and report on the arrangements in place and seek to gain assurance that:
  - the financial statements have been prepared in accordance with statutory requirements and that proper accounting practices have been observed
  - the Board's system of recording and processing transactions provides an adequate basis for the preparation of the financial statements and the effective management of assets and interests
  - the Board has adequate corporate governance arrangements which reflect the three fundamental principles of openness, integrity and accountability
  - the systems of internal control provide an appropriate means of preventing or detecting material mis-statement, error, fraud or corruption
  - the Board has proper arrangements for securing best value in its use of resources
  - arrangements have been made to collect, record and publish statutory performance information.
2. This report summarises the most significant issues arising from our work during 2006/07.

# Financial statements & financial position

3. In this section we summarise key outcomes from our audit of the Board's financial statements for 2006/07, aspects of the Board's reported financial position and performance to 31 March 2007, and provide an outlook on future financial prospects and financial reporting issues.

## Auditor's report

4. We have given an unqualified opinion on the financial statements of Central Scotland Joint Fire & Rescue Board for 2006/07, concluding that:
  - the financial statements present fairly the Board's financial position at 31 March 2007 and income and expenditure during the year
  - the financial statements have been properly prepared in accordance with the Local Government (Scotland) Act 1973.
5. The Board's balance sheet has an excess of liabilities over assets of £87.337 million due to the accrual of pension liabilities in accordance with accounting standards. Auditing standards require auditors to consider an organisation's ability to continue as a going concern when forming an opinion on financial statements. One of the indications that may give rise to going concern considerations is an excess of liabilities over assets.
6. The Statement of Main Accounting Policies outlines the Treasurer's view that it has been considered appropriate to adopt a going concern basis for the preparation of the financial statements as constituent authorities of the Board are required under the 1995 Central Scotland Combined Fire Area Administration Scheme Order to meet all liabilities of the Board as they fall due. Future pension liabilities will be met, as they fall due, by government grant and contributions from constituent authorities in the normal way. We are satisfied that the process the Board has undertaken to consider going concern is reasonable.

## Financial position

7. The Board's net operating expenditure amounted to £22.327 million and was met by constituent authorities' contributions of £15.497 million. After crediting additional amounts required by statute and non statutory proper practices of £7.094 million, a surplus for the year of £0.264 million was achieved. In the Treasurer's Report, the Treasurer summarises performance against budget. The Board had budgeted for a deficit of £0.122 million to be met from reserves and there was, therefore,

a saving of £0.386 million against budget. The main reasons for this variance are included in the Treasurer's Report.

8. The Board holds a general fund reserve which consists of both earmarked amounts set aside to support future years' expenditure and a contingency for unexpected events or emergencies. While it is recognised that the appropriate level of balances is for the Board to determine, taking account of local circumstances, there is a need for clear strategies for managing such funds which set out their purpose and intended use. In the absence of clear strategies, there are risks that funds are accumulated unnecessarily or that pressure to restrict rises in constituent authority contribution levels results in an inadequate cushion held to deal with emergencies.
9. We are pleased to note that the Board approved its Reserve Strategy for 2006/07. At 31 March 2007 the Board held a reserve of £1.962 million. £0.750 million has been earmarked to fund the future cost of Fire pension entitlements accruing to those officers eligible to retire at 31 March 2007 but who have elected to remain in service. A further £0.500million of reserve balance has been earmarked to assist in implementing the modernisation agenda.
10. The Board has a policy to retain reserves at a level of 3% of annual net revenue expenditure as a contingency against unforeseen events and emergencies. The remaining reserve balance of £0.712 million as at 31 March 2007 exceeds the 3% contingency level by £0.312 million.
11. Under the Police and Fire Services (Finance) (Scotland) Act 2001, the Board is entitled to carry forward any unused in-year amounts to the value of 3% of the contributions paid into the Board's general fund in the year. The Board is also entitled to carry forward cumulative unused amount to the value of 5% of the contributions paid into the Board's general fund in the year. The Board can only exceed these percentages with the approval of the Scottish Ministers.
12. Whilst the Board's in-year balance carried forward is within 3%, the cumulative carry forward exceeds 5%. The Board has received Minister approval to carry forward the cumulative balance to 2007/08.
13. Capital expenditure totalled £1.243 million, against a budget of £1.413 million, and was funded by government grant of £1.220 million and capital receipts of £0.023 million.

## **Issues arising**

14. The Board's unaudited financial statements were submitted to the Controller of Audit prior to the deadline of 30 June. Final accounts preparation procedures and working papers were generally good, however we have agreed with officers to jointly conduct a post audit review to determine whether any improvements could be made in both the working papers and the audit process.



15. Audited accounts were finalised prior to the target date of 30 September 2007 and are now available for presentation to the Board and for publication. The financial statements are an essential means by which the Board accounts for its stewardship of the resources made available to it and its financial performance in the use of those resources.
16. Local authorities in Scotland are required to follow the Code of Practice on Local Authority Accounting in the United Kingdom – A Statement of Recommended Practice (the ‘SORP’). Some minor adjustments were made to the figures included in the unaudited accounts made available for public inspection. None of the adjustments made had an impact on the surplus achieved in the year.

## **Legality**

17. Each year we request written confirmation from the Treasurer that the Board’s financial transactions accord with relevant legislation and regulations. Significant legal requirements are also included in audit programmes and checklists. The Treasurer has confirmed that, to the best of his knowledge and belief and having made appropriate enquiries of the Chief Fire Officer and the Senior Management Team, the financial transactions of the Board were in accordance with the relevant legislation and regulations governing its activities.
18. There are no additional legality issues arising from our audit which require to be brought to members’ attention.

## **Statement on the system of internal financial control**

19. The 2006/07 financial statements include a Statement on the System of Internal Financial Control which highlights the Treasurer’s view that the Board has in place sound systems of internal financial control, with no material weaknesses identified, and that mechanisms are in place which would identify and address any material areas of weakness on a timeous basis. The statement complies with accounting requirements and is consistent with the findings of our audit.

## **Future outlook**

### ***Pension liabilities***

20. Accounting for the costs of pensions presents a difficult challenge. The amounts involved are large, the timescale is long, and the estimation process is complex and involves many areas of uncertainty that are the subject of assumptions. In addition, the government is currently considering major changes to public sector pension schemes, with one of the aims being to provide an affordable, secure and sustainable benefit structure.
21. Financial Reporting Standard 17 (Retirement Benefits) is based on the principle that an organisation should account for retirement benefits at the point at which it commits to paying them, even if the

actual payment will be made years into the future. This requirement results in very large future liabilities being recognised in the annual accounts.

22. The Firefighters' Pension Scheme is unfunded and, therefore, has no assets to be valued. Note 10 to the Accounts highlights that the present value of scheme liabilities at 31 March 2007 is £96.6 million. As the scheme is unfunded, the pension liability will fall to be met by serving Firefighters' contributions and by government grant and constituent authorities' contributions.
23. The Board's estimated pension liabilities for support staff at 31 March 2007 exceeded its share of assets in the Falkirk Council Pension Fund by £1.167 million. The full actuarial valuation of the Falkirk Council Pension Fund at 31 March 2005 recommended that the overall net liability be recouped through increased employers' contributions. The Board's contributions will increase from 270% of employees' contributions in 2006/07 to 295% in 2008/09.

### ***Financial reporting***

24. From 1 April 2007 the Fixed Asset Restatement Account and Capital Financing Account will be replaced by a Revaluation Reserve and a Capital Adjustment Account. This change will be a change of accounting policy and will require a prior year adjustment. Preparation should be made for these changes in 2007/08.

**Action point no. 1**

# Governance



25. In this section we comment on key aspects of the Board's governance arrangements during 2006/07 and provide an outlook on future governance issues.

## Overview

26. Corporate governance is concerned with structures and processes for decision-making, accountability, control and behaviours at the upper levels of the organisation. The Board has a local code of corporate governance and a Governance Plan to ensure compliance with the Code. An internal review of the Board's corporate governance arrangements was conducted during 2006/07 and a number of arrangements have been revised.

27. There are, however, a number of issues which still require to be taken forward including:

- there have been significant changes in the Board membership due to the local elections in May 2007. The Board should take this opportunity to review its political management structure to ensure the governance and scrutiny arrangements in place are fit for their purpose
- implementing structured training for members. A training needs analysis has been undertaken and training programmes are scheduled to be delivered later in the year
- the Board is supporting its strategic approach to risk management through a structured training programme. However, this has only recently begun and it could be some time before risk management is fully embedded across the organisation.

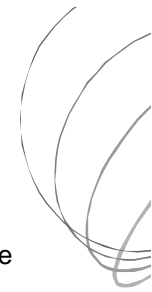
### **Action point no. 2**

28. Internal audit plays a key role in the Board's governance arrangements, providing an independent appraisal service to management by reviewing and evaluating the effectiveness of the internal control system. The Board's internal audit service is provided by Falkirk Council, although no Service Level Agreement is in place.

29. Internal audit undertakes an annual programme of work approved by the Chief Fire Officer and the Treasurer. For 2006/07 the work was determined after discussions with the Chief Fire Officer and the Treasurer based on the risks to the organisation. There is scope to formalise this process with the introduction of a formal risk assessment process to ensure audit work is properly planned in accordance with the requirements of the Board.

### **Action point no. 3**

30. Each year we undertake an overview of internal audit arrangements which includes an assessment of whether or not we can place reliance on internal audit work in order to reduce our own input. For



2006/07 Internal Audit work comprised a review of the corporate governance arrangements and information communication and technology. We are pleased to conclude that we were able to place reliance on the work of internal audit in these areas.

## **Anti-fraud and corruption arrangements**

31. The Board has an approved Anti-Fraud and Corruption Strategy and Fraud Response Policy which contribute to sound arrangements to prevent and detect fraud and corruption. The strategy and policy require to be updated, however, and disseminated throughout the organisation.

**Action point no. 4**

## **National Fraud Initiative**

32. In 2006/07 the Board took part in the National Fraud Initiative (NFI) in Scotland. NFI brings together data from councils, police and fire and rescue boards, health bodies and other agencies, to help identify and prevent a wide range of frauds against the public sector. These include housing benefit fraud, occupational pension fraud and payroll fraud. The NFI has generated significant savings for Scottish public bodies (£27M to 2005) but, if fraud or overpayments are not identified by a body, assurances may be taken about internal arrangements for preventing and detecting fraud.
33. The NFI 2006/07 results (data matches) were made available to audited bodies via a new secure web-based application. Participating bodies follow up the matches, as appropriate, and record the outcomes of their investigations in the application.
34. Falkirk Council manage the NFI process on behalf of the Board with the council's Audit Manager having overall responsibility for coordinating & monitoring progress in the implementation of the initiative.
35. While there is ample evidence that good progress with investigations are being made, the Board did not submit an interim manual return in September and it is not therefore possible to quantify potential savings in 2006/07 (no savings were identified as at 31 March 2006). The timetable for the final return is 15 January 2008. We have been advised that the Board will meet the target deadline.

## **Systems of internal control**

36. In his annual audit report, the Audit Manager confirmed that he was able to give substantial assurance in respect of the effectiveness of the Board's framework of controls for the year to 31 March 2007.



37. As part of our work to provide an opinion on the annual financial statements we assessed the extent to which we could gain assurance on the Board's main financial systems. In general, we concluded that assurance could be taken on the main financial systems in place at the Board. Some weaknesses in internal controls were identified in the systems for payroll and the processing of journal entries, however, and additional substantive testing work was undertaken in these areas to gain assurance that the financial statements do not contain any material errors or mis-statements.
38. Control weaknesses identified during the work undertaken to assess the degree of assurance we could gain from the key financial systems, will be highlighted for management's attention in a Governance report which is being finalised and will be submitted shortly.

## **Future outlook**

39. In the coming years the Board faces challenges to improve its governance arrangements, including:
- ensuring scrutiny arrangements are fit for purpose
  - the completion of the Board's structured training programme to support its strategic approach to risk management, followed by the embedding of risk management in strategic and operational planning activity.



# Performance

40. In this section we summarise key aspects of the Board's reported performance and provide an outlook on future performance.

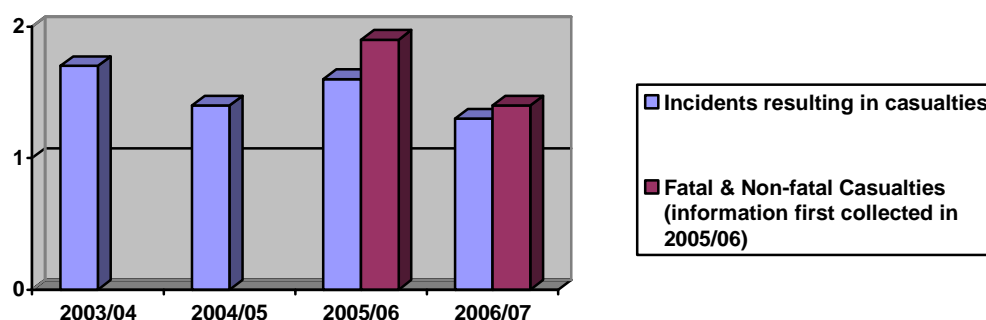
## Statutory performance indicators

41. The Board has a statutory duty to collect, record and publish specified performance indicators and, so far as is practicable, ensure they are accurate and complete. The Accounts Commission issue a Direction each year detailing the statutory performance indicators (SPIs) that require to be published and external auditors review the Board's arrangements and return details of the indicators, including an opinion on their reliability, to Audit Scotland headquarters to enable compilation of national reports on performance.

42. Our assessment of the statutory performance indicators highlighted that the arrangements for collecting, recording and publication of the indicators were reliable.

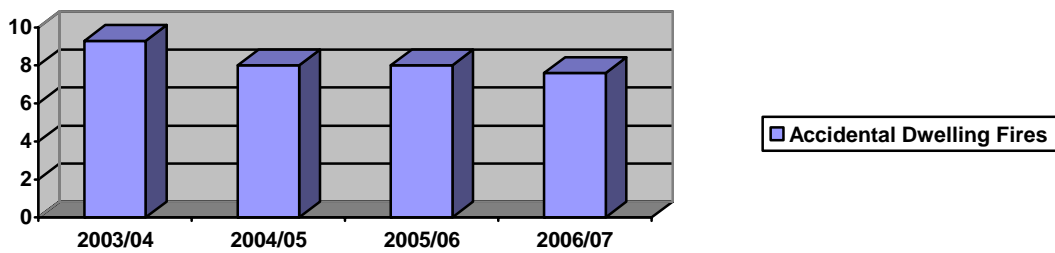
### *Fire Casualties*

43. The SPIs show decreasing numbers of both incidents (reducing from 1.6 per 10,000 of population in 2005/06 to 1.3 in 2006/07) and casualties (reducing from 1.9 per 10,000 of population in 2005/06 to 1.4 in 2006/07). Both indicators compare favourably to the 2005/06 Scottish averages of 2.0 and 2.6 respectively (the latest available comparative year).



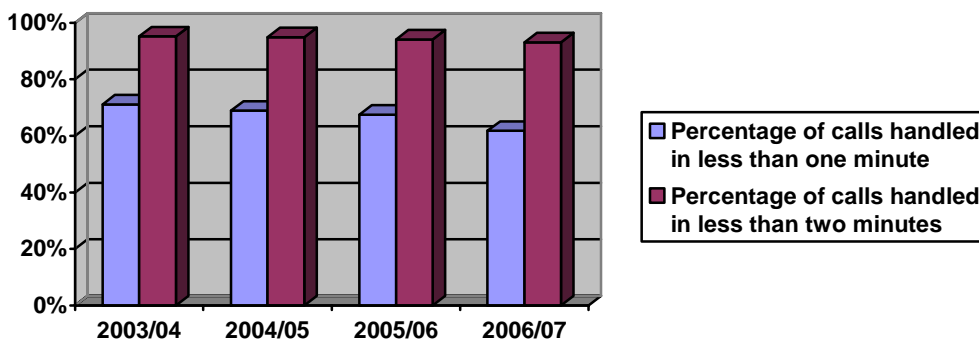
### *Accidental Dwelling Fires*

44. This SPI also shows decreasing numbers of accidental dwelling fires, reducing from 8.0 per 10,000 of population in 2005/06 to 7.6 in 2006/07. This indicator also compares favourably to the 2005/06 Scottish average of 11.0.



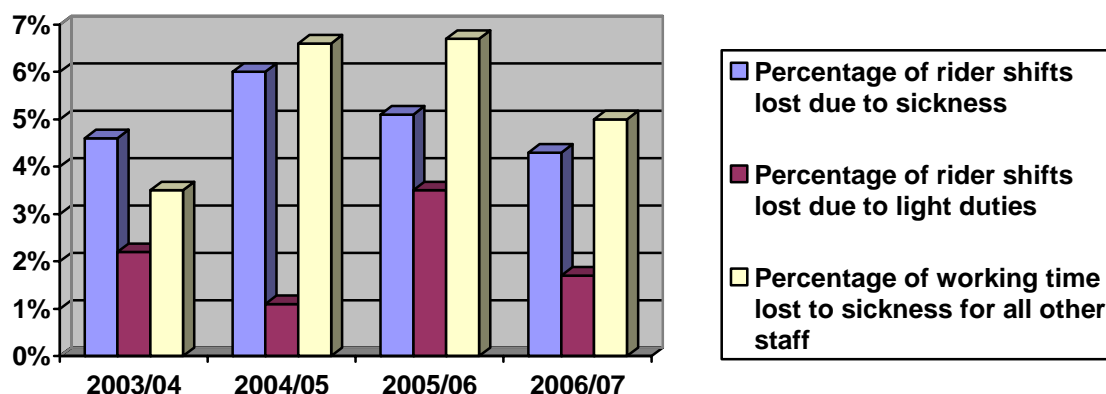
### **Call Response Times**

45. The timeliness of response to 999 calls is a key indicator of the effectiveness of the Fire & Rescue Service. Performance in this area has been decreasing, with the percentage of calls responded to within one minute falling from 67.5% in 2005/06 to 61.8% in 2006/07 and within two minutes from 94.1% in 2005/06 to 93.1% in 2006/07. Neither indicator compares well to the 2005/06 Scottish averages of 64.7% and 95.6%.



### **Proportion of working time lost due to sickness absence**

46. Improved levels of sickness absence for both Firefighters and all other staff have been achieved in 2006/07. The 2006/07 percentage of rider shifts lost due to sickness has improved from 5.1% to 4.3% and the 2006/07 percentage of other staff time lost due to sickness from 6.7% to 5.0%. These indicators also compare favourably with the 2005/06 Scottish averages of 6.4% and 5.4 respectively. Although the percentage of rider shifts lost due to light duties has improved from 3.5% to 1.7%, there is still some way to go in comparison to the 2005/06 Scottish average of 0.7%.



#### Action Point no. 5

### Performance outlook – opportunities and risks

47. In 2006 Audit Scotland undertook a review of the progress being made by Fire and Rescue Joint Boards in reforming the services that they deliver. In March 2007 Audit Scotland produced a national report on their review of service reform. Each Fire and Rescue Joint Board was also provided with a local report which specifically related to reform within their service. The local report included an Improvement Plan to assist the joint board in implementing the reforms. As part of our 2006/07 audit, we have followed up a number of issues contained within the local report to determine the progress being made by the Board.
48. Overall, the Board has made some progress in addressing the issues raised during the Audit Scotland review.

#### **Leadership and Governance**

49. A revised committee structure and terms of reference was presented to the board on 28 September 2007. The aim of the revised structure is to encourage effective scrutiny and corporate governance that will be inclusive and involve all members.
50. As noted at paragraph 27, the Service has prepared a training needs analysis for members and training programmes are scheduled to be delivered later in the year. Documentation for reviewing members' performance development has also been developed.

#### **Strategic Planning**

51. Effective strategic planning requires a clear link between corporate planning, service planning and financial planning. The Board is not yet able to demonstrate these linkages in their strategic planning processes. We understand that work is ongoing in this area.

#### Action point no. 6





## ***Performance Management***

52. The Board's performance management processes are underdeveloped. The Board cannot yet assess progress systematically against the IRMP or SDP. To improve performance management arrangements, the Board has approved the appointment of a planning and performance manager, with effect from March 2008.

### **Action point no. 7**

53. The main mechanism for reporting performance to the public has been the Chief Fire Officer's Annual Report. In common with many public sector bodies, the Board is still developing its Public Performance Reporting processes. The role of the planning and performance manager will include the development of the public performance reporting process.

### **Action point no. 8**

54. Improvements in the Board's website are also aimed at improving the reporting process. An officer has been appointed to develop the new website which is scheduled to go live in November 2007.
55. The Board has yet to introduce a Best Value Review Programme, supported by a mechanism which ensures that the programme leads to actual improvements in the delivery of services.

### **Action point no. 9**

## ***Workforce Management***

56. A formal workforce strategy is not yet in place at the Board. A workforce strategy is recognised as a key element in delivering the Board's aims and objectives. Workforce strategy should address areas such as succession planning, analysis of training requirements, compliance with legislation and policy requirements e.g. equalities and diversity, etc.
57. A national strategy was developed in the summer of 2007. Since then the Chief Fire Officers' Association's Human Resources and Diversity Group has been meeting to agree action plans to progress the strategy. Central Scotland Joint Fire & Rescue Board intend to re-draft a local Strategy and Action Plans in line with the national strategy.

### **Action point no. 10**

58. From April 2008 a staff appraisal system will be rolled out across the organisation as part of the Board's career and contribution management framework. A working group has been set up to implement the objectives within the framework and the group is currently evaluating a number of appraisal system documents.



59. All staff are also receiving training on 'PDRPro', a national electronic recording system which allows staff to record their own activities and performance against national occupational standards for their role. The system incorporates personal development plans for individuals and all staff are scheduled to have received training on the system by March 2008.

### ***Asset Management***

60. Capital investment decisions need to be underpinned by a robust asset management planning process which ensures all options are considered and that decisions represent the best fit to corporate objectives.
61. The Board does not have a comprehensive asset management strategy and supporting plan in place, linked to service planning priorities and the achievement of strategic objectives. Service management are aware of the need for a comprehensive asset management strategy and the limited progress made to date. The full implications of this are still being considered by management.

**Action point no. 11**

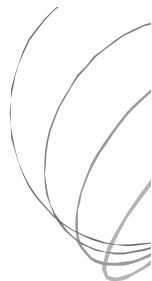
### **Future outlook**

62. The Board's performance during 2006/07 as measured by SPIs has been variable. A particular area for continuing attention in the coming years is the need to improve the percentage of 999 calls handled within the target response times of one and two minutes.
63. The Board face a number of challenges to achieving its corporate objectives, including the need to have effective strategic planning processes, effective performance management systems and effective workforce planning processes. Work is ongoing in these areas.



# Final Remarks

64. Attached to this report is an action plan setting out the key risks identified in the course of this year's audit which we are highlighting for the attention of members. In response, officers have considered the issues and have agreed to take the specific steps set out in the column headed 'planned management action'. On occasion, officers may choose to accept the risk and take no action. Alternatively, there may be no further action that can be taken to minimise the risk. Where appropriate, the action plan clearly sets out management's response to the identified risks.
65. Appropriate mechanisms should be considered and agreed by members for monitoring the effectiveness of action planned by officers. We will review the implementation of agreed actions in the course of future audits.
66. The co-operation and assistance given to us by Central Scotland Joint Fire & Rescue Board staff is gratefully acknowledged.



# Appendix A: Action Plan

## Key Risk Areas and Planned Management Action

Action Point	Refer Para	Risk Identified	Planned Management Action	Responsible Officer	Target Date
1	24	<p><b>Financial Reporting</b></p> <p>Changes have been made to the 2007 SORP which may impact on the presentation of the 2007/08 annual financial statements.</p> <p><b><i>Risk: in the event of insufficient preparation, the 2007/08 financial statements may not comply with accounting requirements.</i></b></p>	The point is noted and timeous preparatory action will be undertaken	Capital Manager	March 2008
2	27	<p><b>Governance improvements</b></p> <p>Additional steps need to be taken to further improve governance arrangements:</p> <ul style="list-style-type: none"> <li>• a review of the revised political structure and scrutiny arrangements to ensure they are effective</li> <li>• implementation of training for members</li> <li>• risk management processes (including risk management strategy, risk register and embedding risk management in strategic and operational management);</li> </ul> <p><b><i>Risk: weaknesses in corporate governance arrangements could expose the Board to financial risk and lead to a failure to deliver Best Value and continuous improvement.</i></b></p>	<p>A revised Board structure relating to Sub Committee scrutiny was approved at the September Board Meeting with the appointment of members to the Best Value and Scrutiny Committee.</p> <p>Initial training for members has taken place with function specific training to follow in a planned process</p> <p>The Service Risk Manager is reviewing all policies and processes. The Scottish Fire Service is considering the joint purchase of a management system.</p>	Chief Fire Officer	<p>Completed</p> <p>Ongoing</p> <p>Mid 2008</p>

Action Point	Refer Para	Risk Identified	Planned Management Action	Responsible Officer	Target Date
3	28-29	<p><b>Internal Audit</b></p> <p>There is scope to formalise the planning process with the introduction of a formal risk assessment process. There is also currently no Service Level Agreement between the Board and Falkirk Council for the delivery of the Internal Audit service.</p> <p><b>Risk:</b>  <b><i>Audit work is not properly planned and delivered in accordance with the requirements of the Board.</i></b></p>	<p>In devising its annual work programme, Internal Audit considers the outcomes of CSFRS's risk management processes and its own assessment of risk. The identification of potential areas of coverage, and the subsequent formalisation of the annual work programme, is done through discussion with senior CSFRS management and review of relevant documentation. Bearing in mind the need to maximise the time available for undertaking agreed audit work, Internal Audit considers current arrangements to be proportionate and adequate. Further consideration will, however, be given to this issue in planning 2008/09 audit work.</p>	Audit Manager	March 2008
4	31	<p><b>Anti-fraud &amp; Corruption</b></p> <p>The existing Anti-Fraud and Corruption Strategy and Fraud Response Policy was prepared in 2004. The Anti-fraud strategy and fraud response policy require to be updated and disseminated throughout the organisation.</p> <p><b>Risk: <i>procedures may be out of date and staff may be unaware of the steps to take in situations where fraud and corruption is suspected.</i></b></p>	<p>This Strategy will be reviewed by the Service Risk Manager as outlined in Action Point 3</p>	Chief Fire Officer	Mid 2008

Action Point	Refer Para	Risk Identified	Planned Management Action	Responsible Officer	Target Date
5	43-46	<p><b>Statutory Performance Indicators</b></p> <p>Performance in relation to the Board's statutory performance is variable. A review of these indicators, including a review against 2006/07 Scottish averages, and the preparation of an improvement plan would provide a platform for improving performance.</p> <p><b>Risk: without an improvement plan there may be no reversal of any deteriorating performance.</b></p>	It is the intention of the Service to integrate the responsibility for performance within the role of the proposed new post of Planning and Performance Manager.	Chief Fire Officer	April 2008
6	51	<p><b>Strategic Planning</b></p> <p>Effective strategic planning requires a clear link between the financial plan and the corporate plan to transparently match the organisation's resources to priorities. Work in this area is ongoing.</p> <p><b>Risk: the absence of clear integration of the financial planning and corporate planning processes could result in resources not being targeted to priorities</b></p>	<p>The development of the Service's budget for 2008/9 will reflect the priorities within the Service Development Plan.</p> <p>The Plan will demonstrate the alignment of financial resources to corporate priorities and subsequent outcomes.</p>	Chief Fire Officer	Ongoing
7	52	<p><b>Performance management</b></p> <p>The Board's performance management processes are underdeveloped. The Board cannot yet assess progress systematically against the IRMP or SDP. Management is considering the appointment of a Planning and Performance Manager to develop the system.</p> <p><b>Risk: The Board is unable to measure and monitor its performance against its corporate objectives and key targets.</b></p>	The Board will be asked to approve the post of Planning and Performance Manager who will be responsible for developing more comprehensive performance management processes as detailed in Action Point 5.	Chief Fire Officer	Prior to April 2008

Action Point	Refer Para	Risk Identified	Planned Management Action	Responsible Officer	Target Date
8	53	<p><b>Public performance reporting</b></p> <p>The main mechanism for reporting fire and rescue service performance to the public has been the Chief Fire Officer's Annual Report. In common with many public sector bodies, the Board is still developing its Public Performance Reporting processes.</p> <p><i><b>Risk: insufficient information may be provided to the public in informing them of service performance.</b></i></p>	Regular performance information will be available and presented regularly to the Board. The upgraded Web site will also be used as a platform for reporting performance in line with Board and community expectations.	Chief Fire Officer	Ongoing
9	55	<p><b>Best Value reviews</b></p> <p>The Board has yet to introduce a Best Value Review Programme, supported by a mechanism which ensures that the programme leads to actual improvements in the delivery of services.</p> <p><i><b>Risk: the Board is unable to provide evidence of continuous improvement and Best Value in the delivery of key services.</b></i></p>	Although no Best Value reviews have taken place, the Service has identified a number of specific areas which require review. This will be done either in partnership with Internal Audit or by the Planning and Performance Manager as detailed in Action Point 7.	Chief Fire Officer	Ongoing
10	57	<p><b>Workforce planning</b></p> <p>The Board is aiming to redraft its workforce strategy in line with the recently approved national HR strategy. A local workforce strategy, approved by the Board and linked to the corporate and financial planning processes is essential to achieving the Board's corporate objectives.</p> <p><i><b>Risk: progress in implementing the Board's corporate objectives may be hindered in the absence of a workforce plan/strategy.</b></i></p>	HR Strategy is currently in draft form and will shortly be approved by the Senior Management Team.	Chief Fire Officer	November 2007

Action Point	Refer Para	Risk Identified	Planned Management Action	Responsible Officer	Target Date
11	61	<p><b>Asset Management</b></p> <p>The Board does not have a comprehensive asset management strategy and supporting plan in place, linked to service planning priorities and the achievement of strategic objectives.</p> <p><b><i>Risk: The Board may be unable to demonstrate the sustainability of spending decisions or a robust, affordable and sustainable approach to capital planning in the longer-term.</i></b></p>	<p>Although an overarching asset management strategy is not in place, there are a number of departmental plans which assist in long term capital planning such as property, vehicle, operational equipment and IT.</p> <p>The Service will work towards introducing a more comprehensive asset management strategy.</p>	Chief Fire Officer	Mid 2008