



**Wednesday,
22 June 2016
10.00 am**

**Meeting of
Policy Committee
Fire Service HQ
Winsford**

Contact Officer:
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Cheshire Fire Authority

Notes for Members of the Public

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Questions by Electors

An elector in the Fire Service area can ask the Chair of the Authority a question if it is sent to the Monitoring Officer at Fire Service HQ to arrive at least five clear working days before the meeting. The contact officer named on the front of the Agenda will be happy to advise you on this procedure.

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Copies of the Agenda will be available at the meeting. A copy can also be obtained from the contact officer named on the front of the Agenda. Alternatively, individual reports are available on the Authority's website (www.cheshirefire.gov.uk)

The Agenda is usually divided into two parts. Members of the public are allowed to stay for the first part. When the Authority is ready to deal with the second part you will be asked to leave the meeting room, because the business to be discussed will be of a confidential nature, for example, dealing with individual people and contracts.

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MEETING OF THE POLICY COMMITTEE

WEDNESDAY, 22 JUNE 2016

Time : 10.00 am

Lecture Theatre - Fire Service Headquarters, Winsford, Cheshire

AGENDA

Part 1 - Business to be discussed in public

1 PROCEDURAL MATTERS

1A Recording of Meeting

Members are reminded that this meeting will be audio-recorded.

1B Chair and Membership of Committee 2016/17

Members are asked to note the appointment of a Chair, Deputy Chair and membership of the Committee for 2016/17, as agreed by the Fire Authority at its Annual Meeting on 15 June 2016.

1C Apologies for Absence

1D Declarations of Members' Interests

Members are reminded that the Members' Code of Conduct requires the disclosure of Statutory Disclosable Pecuniary Interests, Non-Statutory Disclosable Pecuniary Interests and Disclosable Non-Pecuniary Interests.

1E Minutes of Policy Committee

To confirm as a correct record the Minutes of the meeting of the Policy Committee held on 29th April 2016. **(attached as Annex 1).**

(Pages 1 - 2)

ITEMS REQUIRING DISCUSSION / DECISION

2 Treasury Management Annual Report 2015-16

(Pages 3 - 6)

3 Internal Audit Opinion and Annual Report 2015-16

(Pages 7 - 26)

4 Risk Management Board Annual Report

(Pages 27 - 42)

5 Integrated Consultation and Corporate Planning Timetable

(Pages 43 - 46)

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MINUTES OF THE POLICY COMMITTEE held on Friday 29th April 2016 at Fire Service Headquarters, Winsford at 2.30pm.

PRESENT: Councillors J Joyce (Chair), M Biggin, P Booher, S Edgar, S Nelson, B Rudd, T Sherlock and J Weatherill.

PART 1 – MATTERS CONSIDERED IN PUBLIC

1 PROCEDURAL MATTERS

A RECORDING OF MEETING

Members were reminded that the meeting would be audio-recorded.

B APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P Carey and S Parker.

C DECLARATION OF MEMBERS INTERESTS

There were no declarations of Members interests.

D MINUTES OF THE POLICY COMMITTEE MEETING

RESOLVED: That

The Minutes of the meeting of the Policy Committee held on 27th January 2016 be confirmed as a correct record.

E NOTES OF THE RISK MANAGEMENT BOARD

RESOLVED: That

The notes of the Risk Management Board meeting held on 15th March 2016 be received, for information.

2 BLUE LIGHT COLLABORATION – DRAFT PEOPLE STRATEGY

The Head of Legal and Democratic Services presented the report to Members which included the draft Blue Light Collaboration (BLC) People Strategy for Members consideration to allow them to make recommendations to the Fire Authority in respect of the approval of the Strategy.

He explained that the People Strategy was a key document in relation to BLC and had been the subject of protracted discussions between fire and police staff. The key principles of the Strategy were outlined in the report and the

Annex 1

Head of Legal and Democratic Services provided an overview of the information contained in the document.

Members raised a number of queries in relation to consultation periods, TUPE transfer timelines and pension protections. The Head of Legal and Democratic Services explained that the consultation periods would be for a minimum period of 30 days but could be extended if necessary. TUPE transfer dates were highlighted in the transition schedule and each tranche had a proposed date identified. Staff transferring to the employment of the Chief Constable would continue to be members of the Local Government Pension Scheme and work was currently being undertaken to review any differences in the pension discretion policies of the two organisations. He added that the Unions would be consulted as part of the review of relevant HR policies.

A Member queried whether Heads of Department would be transferring over with the departments identified as in scope. He added that this was a key issue for the Fire Authority as it was important that Members had access to officers at a strategic level. The Head of Legal and Democratic Services explained the Chief Fire Officer and Chief Executive had a view that the Service Management Team should be retained with a number of Heads of Department retained to deliver statutory and strategic functions for the Fire Authority.

RESOLVED: That

- [1] the draft People Strategy be recommended to the Fire Authority for approval.**

CHESHIRE FIRE AUTHORITY

MEETING OF : POLICY COMMITTEE ITEM: 2
DATE : 22nd JUNE 2016
REPORT OF : HEAD OF FINANCE
AUTHOR : PAUL VAUGHAN

**SUBJECT: TREASURY MANAGEMENT ANNUAL REPORT
2015-16**

Purpose of Report

1. This report provides a review of the Authority's treasury management activities during the year 2015-16.

Recommended:

- [1] That the report on treasury management activities for the year 2015-16 be received.

Background

- 2 Treasury management is the management of the Authority's cash flows, banking, money market and capital market transactions, the effective control of the risks associated with those activities and the pursuit of the optimum performance consistent with those risks.
3. The purpose of this annual report is to provide Members with details of the treasury management activities undertaken in the year. The report also considers compliance with the Authority's Treasury Management Practices (TMPs) during the year.
4. This report provides Members with a summary of:
 - a) the Authority's loans portfolio position at 31st March 2016;
 - b) the Authority's investment portfolio position at 31st March 2016;
 - c) a summary of performance for the year 2015-16; and
 - d) the Authority's performance in 2015-16 against the key Prudential Indicators;
5. Members should be aware that all the 2015-16 outturn figures in the report remain subject to audit.

Portfolio Position at 31 March 2016

6. A summary of the Authority's long term borrowing and investments at 31st March 2016 is shown in Table 1, including the corresponding position for 31st March 2015 for reference.

Table 1 – Portfolio Position 31st March 2016		
	31 March 2015 £000	31 March 2016 £000
Long Term Borrowing	2,247	1,914
Investments	(21,252)	(22,800)
Net Borrowing / (Investments)	(19,005)	(20,886)

There are two reasons for the reduction in long term borrowing in 2015-16. A loan of £322k is due to be repaid to the Public Works Loan Board (PWLB) in September 2016, and this is therefore no longer termed as long term debt. In addition the total balance as at 31st March 2015 included a long term balance of £33k due to SALIX, a not for profit organisation which lends to fund carbon reduction schemes. £11k of the balance of this loan was repaid in 2015-16, leaving an outstanding long term balance at 31st March 2016 of £22k.

Treasury Management Performance 2015-16

Investments

7. The Authority has continued to find it difficult to generate significant levels of investment income because of the difficult market conditions and the continued downward pressure on interest rates. Investment income in 2015-16 is £224k, slightly higher than the £186k generated in 2014-15, due to slightly higher cash balances during the year.
8. The Authority has continued with its cautious approach to its choice of counterparties (organisations it will invest money with). As at 31 March 2016, the Authority's investments are with Lloyds Bank of Scotland, Nationwide, Barclays, Coventry Building Society and Leeds Building Society. These have been the principal counterparties during the year.
9. There have been no known instances of non compliance with TMPs during the year.

Borrowing

10. There are no plans to borrow funds or to prematurely repay debt in the short term, although the Finance Team continues to monitor the position on the premature repayment of debt. As mentioned in paragraph 6 above the Authority is due to repay a loan of £322k to PWLB in September 2016. The latest cash flows for the Authority show that it is unlikely to require borrowing during the current Medium Term Financial Plan.
11. Table 2 compares the actual percentage of borrowing which matures within the future time frames indicated compared with the agreed limits. However, the Authority has such relatively low levels of borrowing, and currently has such a healthy investment position against its borrowing,

that this is not seen as a risk. In addition, the Authority is not currently borrowing and cannot therefore easily influence the maturity structure. As can be seen in Table 1 in the period between 5 and 10 years when maturing loans peak, the amount of borrowing due to be repaid is only £893k.

	Upper Limit %	Lower Limit %	Actual %	Amount £000
Under 12 months	25	0	15	333
12 months and within 24 months	25	0	0	11
24 months and within 5 years	35	0	40	891
5 years and 10 years	60	0	40	893
10 years and above	100	30	5	119

Prudential Code

12. Under the Prudential System introduced in April 2004, the Authority must approve Prudential Indicators annually, to reflect the impact of the capital programme on the Authority's financial position. Table 3 below shows performance in 2015-16 against the indicators, which were approved by the Authority in February 2015.

Prudential Indicator	2015-16 Indicator	2015-16 Estimated Performance	Comments
Capital Expenditure	£17,500k	£6,058k	Slippage on Emergency Response Programme (ERP) schemes and vehicle procurement.
Ratio of financing costs	1.62%	1.10%	Higher than estimated investment income
Impact on Council Tax	£0.03	£0.00	No revenue impact.
Capital Financing Requirement	£10,982	£8,195	Slippage on ERP schemes and vehicle procurement

Prudential Indicator	2015-16 Indicator	2015-16 Estimated Performance	Comments
Gross borrowing requirement	£8,529k	£5,897	Slippage on ERP schemes and vehicle procurement
Operational boundary for external debt	£2,363k	£2,247k	
Fixed interest rate exposure	100%	100%	100%
Variable interest rate exposure	40%	0	0
Investment periods	£5,000k only for more than 364 days	No more than £5,000k at any time	No more than £5,000k at any time

13. Key points are:

- i. Spend on the capital programme in 2015-16 is considerably less than anticipated. This is mainly due to slippage on the ERP and also on the purchasing of new appliances.
- ii. The Capital Financing Requirement, which represents the Authority's underlying need to borrow is less than anticipated because of the reduced levels of capital spend.
- iii. The Authority continues to borrow at levels substantially below its prudential limits.

Financial Implications

14. The report is in its nature financial and the implications are covered in the body of the report.

Legal implications

15. All transactions between the Authority and counterparties are governed by the agreements between the two parties, and overseen by our Treasury Management partner (Warrington Borough Council).

Impact Assessments

16. Environmental and Equality and Diversity impact assessments have been considered and no impacts have been identified in relation to the proposals within this report.

CHESHIRE FIRE AUTHORITY

ITEM: 3

MEETING OF : POLICY COMMITTEE
DATE : 22 JUNE 2016
REPORT OF : HEAD OF PLANNING PERFORMANCE &
COMMUNICATION
AUTHOR : CHRIS ASTALL

SUBJECT : INTERNAL AUDIT OPINION AND ANNUAL REPORT
2015-16

Purpose of Report

1. To present the Director of Audit Opinion and Internal Audit Annual Report provided by Mersey Internal Audit Agency (MIAA) who delivered the internal audit function for the Authority during 2015-16

Recommended That:

- [1] Members note the Director of Audit's Opinion and Internal Audit Annual Report 2015-16 [**Appendix 1**].

Background

2. The Internal Audit Plan for 2015-16 was approved by the Fire Authority at the start of the financial year. Quarterly reports have been presented to the Performance & Overview Committee to allow for monitoring of progress against audit plan and scrutiny of findings and recommendations.
3. The attached report is the annual report produced by MIAA which includes the Director of Audit's Opinion. This is a key document in assisting the Authority in completing its Annual Governance Statement (AGS), which forms part of the Authority's Statement of Assurance. The opinion is based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Authority. Members will note that the opinion is one of significant assurance.
4. A representative of MIAA will attend the meeting to present the report.

Financial Implications

5. Internal audit is a bought in service which is funded from within existing budgets.

Legal Implications

6. The implementation of the annual Internal Audit Plan assists the Authority in meeting its legal obligations to maintain an effective internal audit function. Completion of the audit plan and Director of Audit Opinion contributes to the assurances available to the Authority which underpin their own assessment of the effectiveness of the organisation's system of internal control.

Equality & Diversity Implications

7. There are no differential impacts on any particular section of the community.

Environmental Implications

8. There are no specific impacts on the environment.

**CONTACT: JOANNE SMITH, FIRE SERVICE HQ, WINSFORD
TEL [01606] 868804**

Appendix 1 – Internal Audit Director of Audit's Opinion and Annual Report 2015-16.

Director of Audit Opinion and Annual Report 2015/16

Cheshire Fire Authority / Fire and Rescue Service



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1. Director of Audit Opinion

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1. Director of Audit's Opinion

1.1 Introduction

In accordance with Public Sector Internal Audit Standards, the Director of Internal Audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Fire Authority, which should provide a reasonable level of assurance subject to the inherent limitations described below. The outcomes and delivery of the internal audit plan are provided in Appendix A.

The purpose of this Director of Internal Audit Opinion is to contribute to the assurances available to the Accountable Officer and the Authority which underpin their own assessment of the effectiveness of the organisation's system of internal control. This Opinion will assist the Authority in the completion of its Annual Governance Statement (AGS), along with considerations of organisational performance, regulatory compliance and wider transformation such as the Blue Light Collaboration. Appendix B provides additional information to support your AGS.

1.2 Opinion

My overall opinion is:

Significant Assurance, can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are being applied consistently. However, some weaknesses in the design or inconsistent application of controls may put the achievement of particular objectives at risk

This opinion is provided in the context that the Fire Authority, like other organisations across the public sector, has faced, and is facing, some challenging issues in respect of financial sustainability. The Chancellor announced the results of the Comprehensive Spending Review (CRS) in 25th November 2015 which indicated that reductions in government spending will continue, as the Government seeks to move the national budget into surplus by 2019-20.



Cheshire Fire Authority's Medium Term Financial Position reflects this and has identified the need for savings of between £5.2m and £5.7m in the four year period from 2016-17 to 2019-20. The Authority has already delivered almost £9m of savings in the previous CSR period and has agreed proposals for savings in 2016/17 and for planning to meet the savings targets to 2019/20. The continued focus and delivery of these savings will be a key to the Authority delivering an efficient and effective service.

The Authority, the Police and Crime Commissioner and Chief Constable for Cheshire have agreed a major collaboration programme aimed at protecting front line emergency services. This will involve bringing together most of the back office and professional services which support Cheshire Fire and Rescue Service and Cheshire Constabulary and establishing a single, shared headquarters site by April 2018. These areas will bring new opportunities to allow for greater integrated working, produce recurrent savings to help minimise the impacts of the significant financial challenges on frontline services. As such the Fire Authority will need to ensure that the governance arrangements to support these developments are robust and support the scale and level of pace of this projects.

The Fire and Rescue Service formally moved from Department for Communities and Local Government (DCLG) to the Home Office in early 2016 and it has been highlighted that the Home Office are looking at options for Fire & Rescue Services undertaking more formal assessments and inspections in the future. It is noted that the Authority is keen to take part in any pilot inspection exercises in 2016-17 and this should provide an excellent opportunity for the Authority to assess its arrangements against this framework.

1.3 Basis of Forming the Opinion

The basis for forming my opinion is as follows:

Assurance

Assurance arrangements are in place to underpin the AGS and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.



Assurance across the organisation's critical business systems:

FINANCIAL SYSTEMS

Documentation, evaluation and review of the **Core Financial Systems: Accounts Payable / Receivable and Financial Ledger**, which provided significant assurance, and identified that all key controls were operating effectively.

Significant assurance was provided on a review of the processes and arrangements in place for the operation of the **Fire Cadets**.

A review of the Authority's **Prince's Trust** programme provided significant assurance and confirmed that the programme is producing positive outcomes and the processes and procedures are operating effectively. A key area highlighted related to the need to continue to look at opportunities to reduce the overall cost of operating the scheme.

A review of the **Capital Programme** which provided significant assurance, and identified that all key controls were operating effectively.

PERFORMANCE

Significant assurance was provided on a review of **Unitary Performance Groups**, and confirmed that the groups are operating to address community and local safety concerns and that staff effectively engage with the local community as directed by their respective Community Action Plans.

OPERATIONAL COMPLIANCE

A review of **Operational Training** provided significant assurance and confirmed that there is a strong commitment from the Service in ensuring that its operational staff, from people joining the service through to experienced firefighters obtain, and maintain, the skills and competencies needed to fulfil their roles.

GOVERNANCE, RISK AND LEGALITY

A review of the effectiveness of the governance and 3rd party assurance arrangements in place regarding the management, reporting and performance monitoring of the **North West Fire Control Centre** provided significant assurance.

A review of the Authority's compliance with the **Local Code of Corporate**



Governance provided significant assurance and confirmed that overall, sufficient evidence was available to support the conclusions recorded within the Local Code of Corporate Governance Framework (Principles 1 & 2).

FOLLOW UP

A **follow-up** review demonstrated good progress against action plans to improve systems and control, in line with agreed timeframes.

Action has been agreed by Management to address the recommendations made in the internal audit reviews and we will continue to follow these up to provide assurance to the Authority that the issues raised have been addressed.

Our contribution to Governance, Risk Management and Internal Control enhancements:

- Detailed insight into the overall Governance and Assurance processes gained from liaison throughout the year with various officers of the management team and with the s151 Officer and regular review of Committee papers.
- Involvement and relationship with the organisation e.g. attendance at the Authority's Risk Management Board and regular attendance at the Performance and Overview Committee.
- Involvement with the organisation in respect of advice and guidance relating to the consultation document 'Delivering Good Governance in Local Government'.
- Specific advisory support in relation to completion of the National Fraud Initiative (NFI) data matching exercise.
- Follow Up, demonstrating progress against previously agreed recommendations to improve systems and controls.

In providing this opinion I can confirm continued compliance with the definition of internal audit (as set out in your Internal Audit Charter), code of ethics and professional standards. I also confirm organisational independence of the audit activity and that this has been free from interference in respect of scoping, delivery and reporting.

The opinion is derived from the conduct of risk based plans generated from a robust and organisation-led Strategic Risk Framework. The opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the Authority.



Tim Crowley

Director of Audit, MIAA
May 2016

Appendix A provides a summary of the Audit Reviews undertaken during the year.

Appendix B provides further information to consider when compiling the Annual Governance Statement (AGS).

Appendix C provides assurance regarding the quality of MIAA's service and compliance with Public Sector Internal Audit Standards (PSIAS).



Appendix A: Audit Review Outcomes and Delivery

Performance against Plan

The Internal Audit Plan has been delivered in accordance with the schedule agreed with the Fire Authority in April 2015. Delivery against the plan has been reported through regular update reports to the Policy Approval Group and Performance and Overview Committee. This Annual Report and Opinion draws its conclusions from completed Internal Audit Reviews and includes all areas of the core elements of the Internal Audit Plan.

Risk Based Reviews

The audit assignment element of the Opinion is limited to the scope and objective of each of the individual reviews. Detailed information on the limitations to the reviews has been provided within the individual audit reports and through the Performance and Overview Committee Progress reports throughout the year. The schedule below provides a summary of the reviews and overall objectives contributing to this element of the Opinion.

HIGH ASSURANCE

Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process

None of the reviews resulted in High Assurance.

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There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur



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There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur

- **COMBINED FINANCIAL SYSTEMS: Accounts Payable / Receivable and Financial Ledger**
Objective: To provide assurance on the design and operation of the controls within the systems for Accounts Payable / Receivable and Financial Ledger.
Recommendations: 0 x Critical, 0 x High, 1 x Medium, 2 x Low.
- **CAPITAL PROGRAMME**
Objective: To evaluate the systems and process in place to effectively manage the Capital Programme.
Recommendations: 0 x Critical, 0 x High, 0 x Medium, 1 x Low.
- **FIRE CADET GROUPS**
Objective: To review the processes and arrangements in place for the operation of the Fire Cadet groups including controls for fundraising, expenditure and financial management.
Recommendations: 0 x Critical, 0 x High, 4 x Medium, 2 x Low.
- **PRINCES TRUST**
Objective: To review the processes and financial arrangements in place for managing income and expenditure for projects through the Prince's Trust partnership. In addition, to assess how these budgets are being utilised, the approval process for new projects and the arrangements in place to monitor success against the required outcomes.
Recommendations: 0 x Critical, 1 x High, 2 x Medium, 1 x Low.
- **UNITARY PERFORMANCE GROUPS**
Objective: To assess how Unitary Performance Groups budgets are being utilised, the approval process for new projects and to establish the level to which the Authority is achieving required outcomes in addressing local safety concerns and issues.
Recommendations: 0 x Critical, 0 x High, 5 x Medium, 2 x Low.

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There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur

SIGNIFICANT	<p><i>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur</i></p>
TASSURANCE	<ul style="list-style-type: none"> <p>• OPERATIONAL TRAINING Objective: To review the arrangements in place to deliver, record and monitor compliance with Cheshire Fire Authority's Operational Training Strategy. Recommendations: 0 x Critical, 0 x High, 4 x Medium, 2 x Low.</p> <p>• NW FIRE CONTROL CENTRE Objective: To evaluate the effectiveness of the governance and 3rd party assurance arrangements in place regarding the management, reporting and performance monitoring of the North West Fire Control Centre. Recommendations: 0 x Critical, 0 x High, 5 x Medium, 0 x Low.</p> <p>• LOCAL CODE OF CORPORATE GOVERNANCE Objective: To undertake an independent review of the evidence which supports the Local Code of Corporate Governance Principles 1 & 2 (including supporting principles) as included in the Framework to ensure it is relevant and robust; and to identify any areas of improvement.</p>

LIMITED ASSURANCE	<p><i>There are weaknesses in the design and / or operation of controls which could have a significant impact on the achievement of the key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives.</i></p> <p>None of the reviews resulted in Limited Assurance.</p>
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NO ASSURANCE	<p><i>There are weaknesses in the design and/or operation of controls which [in aggregate] have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisational objectives.</i></p> <p>None of the reviews resulted in No Assurance.</p>
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CONTRIBUTION TO CONTROL
ENVIRONMENT

Areas where MIAA have supported the organisation in strengthening arrangements in respect of governance, risk management and internal control.

- **NATIONAL FRAUD INITIATIVE**
Objective: To review the data reports provided by the Cabinet Office and to investigate any identified discrepancies by providing a reason for the match and, where required, make the appropriate changes
- **DELIVERING GOOD GOVERNANCE IN LOCAL GOVERNMENT (CONSULTATION DOCUMENT)**
Objective: To review the new consultation document to identify changes/updates against the existing 'Delivering Good Governance Framework'.

Follow up

An important aspect of the internal audit process is the follow up to ensure that opportunities for enhancement are delivered. During the course of the year we have undertaken periodic follow up reviews, which are reported to the Performance and Overview Committee.

We have also noted that an internal process is in place to monitor the completion of actions, which is used to inform readiness for internal audit review.

The overall completion rate of actions including high risk areas is an indication of the effectiveness of the internal process and the manner in which audit reports are received and taken forward by the Service. Management are looking to continue to develop the internal process further and how this will be reported both internally and to the Authority. We will continue to track and follow up outstanding actions dovetailing with the internal process.

Appendix B: Contribution to Annual Governance Statement

Authority and Accountable Officer Roles and Responsibilities

The whole Authority is collectively accountable for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is an annual statement by the Accountable Officer, on behalf of the Authority, including:

- How the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control and governance that supports the achievement of policies, aims and objectives.
- The purpose of the system of internal control as evidenced by a description of the risk management and review processes;
- The conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures together with assurances that actions are or will be taken where appropriate to address issues arising.

Director of Internal Audit Opinion

The purpose of the Director of Audit Opinion is to contribute to the assurances available to underpin the Authority's own assessment of the effectiveness of the organisation's system of internal control. This opinion will therefore assist in the completion of its Annual Governance Statement.

The Director of Audit Opinion is based upon the work completed and the risk based audit assignments across the critical business systems, along with contributions to improving governance, risk management and internal control.



Other key areas for consideration in the completion of your Annual Governance Statement

In addition to the Director of Audit Opinion, we have identified a number of other strategic challenges that should be considered by the Authority when drafting the AGS. Whilst the scope of the Internal Audit Plan would have considered elements of these, it is important that the Authority reflects more widely on how these should be factored into the AGS. Areas for consideration include:

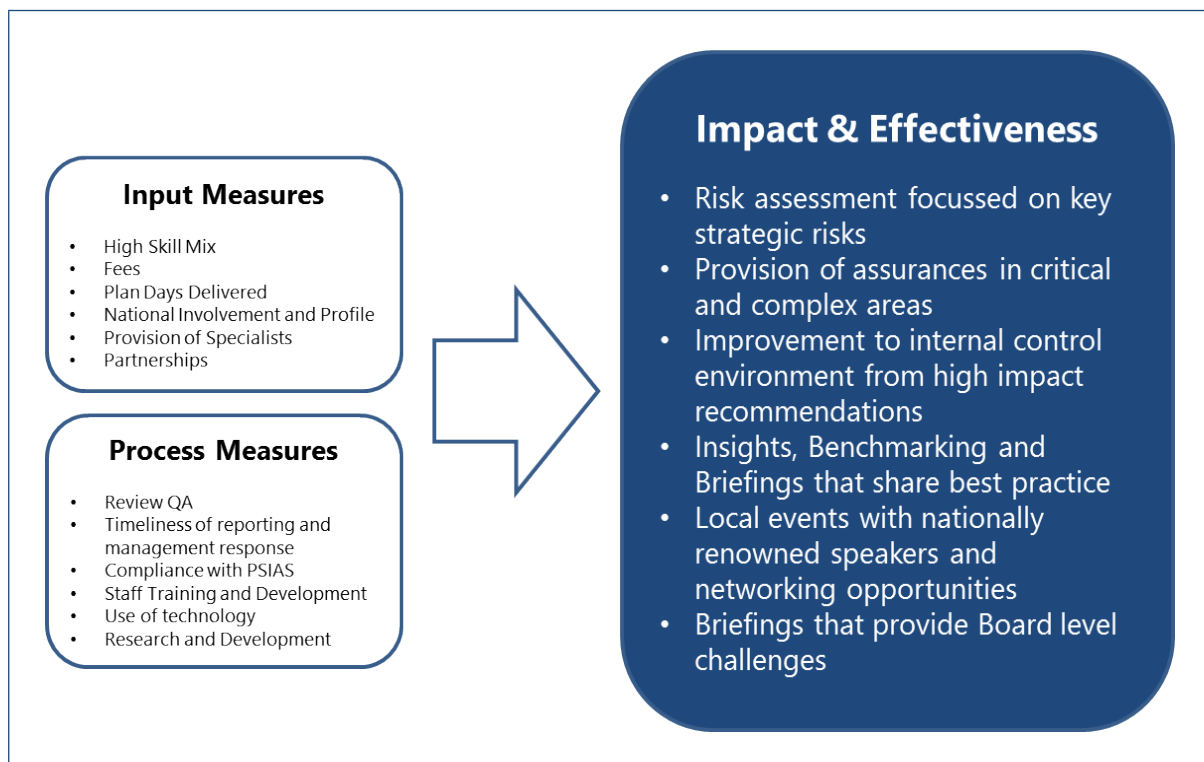
- Regulatory compliance, including National Framework, Fire Safety Order and DCLG Health and Safety Framework.
- Responding to changes as a result of the responsibility for fire and rescue policy moving from the Department for Communities and Local Government to the Home Office and development of a new assessment and inspection regime.
- Organisation performance, including unprecedented challenges in achieving financial duties, on-going financial viability, service pressures and key relationships with all Blue Light Services.
- Wider partnership working across local public sector services including development and progression of the Blue Light Collaboration;
- Relationship and management of 3rd party providers upon which the Authority places reliance, and the provision of assurances from these (e.g. Northwest Fire Control Centre); and
- Development of Authority Members throughout the year, along with communication and engagement with key stakeholders and other partners.



Appendix C: MIAA Quality Service Indicators

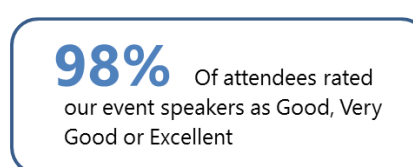
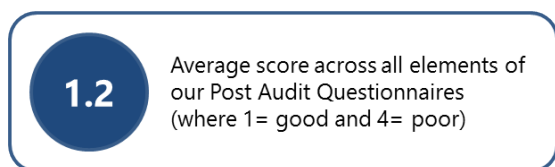
MIAA Service Delivery

It is important that client organisations ensure an effective Internal Audit Service, and whilst input and process measures offer some assurance, the focus should be on outcomes and impact from the service. The figure below confirms the measures that we believe demonstrate an effective service to you.



MIAA regularly report on input and process KPIs as part of our Progress reports, and the impact and effectiveness measures can be assessed through the HOIA Opinion.

Client feedback is a key part of assessing effectiveness and ensuring continuous improvement. We seek and receive this in a number of ways across our client base, including regular contact and relationships with you, formal questionnaires after each assignment, periodic client surveys and regular post event feedback. A snapshot of this feedback is provided below.



We recognise that there is a need to modernise the way in which we seek and receive feedback and will be launching a new approach in 2016.

MIAA Compliance with Internal Audit Standards

MIAA comply fully with professional best practice, internal audit standards and legal requirements. This includes guidelines issued by the Auditing Practice Board, professional bodies, MONITOR's Audit Code and the Institute of Internal Auditors. The Public Sector Internal Audit Standards (wef. 2013) and our operational Internal Audit Manual are central to our continued external quality accreditation (BS EN ISO 9001:2000).

In terms of background, Tim Crowley (Director, MIAA) led the work on the production of NHS Internal Audit Standards, in addition to being the NHS member of the National Public Sector Internal Audit Standards Board. MIAA is also at the forefront of shaping professional standards through our national roles; Chair of CIPFA's Audit Panel (cross sector), and member of HfMA's Governance and Audit Committee. This puts MIAA in a unique position to provide early insight to our clients and ensures that we keep up to date, adopt and promote current practice within the profession (internal and external to the NHS).

MIAA prides itself in exceeding the basic standards, in particular the quality of our staff, qualifications and provision of an exceptional skill mix recognising the need for this to match the complexity of the organisations with which we work. The table below demonstrates MIAA's continued compliance with Public Sector Internal Audit Standards (PSIAS).

Internal Audit Standards	MIAA Compliance
1000 - Purpose, Authority & Responsibility	Our Internal Audit Charter sets out the purpose and nature of internal audit, including the ethical standards which underpin our service.
1100 - Independence & Objectivity	MIAA is managed independently from, and with no executive responsibilities for, the audited body. MIAA have direct access to the Chair of the Authority and are represented at meetings. All MIAA staff complete an annual declaration of interest, including actions taken to mitigate these.



Internal Audit Standards	MIAA Compliance
1200 - Proficiency & Due Professional Care	Professional care is monitored and achieved through supervision and quality assurance processes as defined and externally assessed through MIAA's quality and review systems. The Director of Audit is a CCAB Qualified accountant and MIAA's staff are either fully or part qualified (including CCAB, CIIA, CISA, QICA, and AFS) and undertake continuing professional development. Specialist expertise is used within our core delivery (e.g. IM&T, healthcare quality etc.).
1300 - Quality Assurance & Improvement	MIAA have accreditations for systems, processes and training. We have successfully achieved external accreditation for ISO9001:2000 quality standards, Investors in People, and CCAB employer accreditations. All audit reviews are subject to strict quality assurance process.
2000 - Managing the Internal Audit Activity	MIAA have a clearly defined approach for risk assessment, planning, resourcing, performance and reporting to ensure we add value through our work. We work in partnership with our clients to develop three year risk based audit plans and regular progress against this is reported to the Performance and Overview Committee, along with the outcomes.
2100 - Nature of Work	MIAA's internal audit activity evaluates and contributes to the improvement of governance, risk management and internal control through reports, recommendations and development support. There is regular liaison with other review bodies to facilitate effective coordination of work.
2200 - Engagement Planning	Terms of Reference are established and agreed for each review, including objectives, scope, timing and resource allocations.
2300 - Performing the Engagement	MIAA staff identify, analyse, evaluate and document sufficient information to achieve the assignment objectives. All assignments are properly supervised and subject to robust quality assurance processes. All our records are electronic and these are retained in line with policy.
2400 - Communicating Results	MIAA communicate the results of each assignment to management, lead Directors and to the Authority. Working with the organisation, we ensure that communications are accurate, objective, clear, concise, constructive, complete and timely. An annual opinion is provided through the Director of Audit Opinion.
2500 - Monitoring Progress	MIAA establish follow up processes with client organisations to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk. This is operated alongside the organisations own management follow up and provides independent assurance to the Authority.
2600 – Communicating the Existence of Risks	MIAA recognise the professional role of Internal Audit to challenge the level of risk accepted by management, support resolution and ensure transparency in reporting to the Authority.



MIAA Quality Assurance

MIAA continue to ensure that quality remains central to our core objective of providing our clients with the best service. To achieve this we have in place a number of internal and external quality processes. These include:

- Investors in People
- BS EN ISO 9001/2000 underpinned by comprehensive internal quality assurance processes
- Professional Body and FSD Level 3 Accreditations
- Continued adoption of the EFQM Business Excellence Model

MIAA will also be planning for an External Quality Assessment during 2016/17.



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CHESHIRE FIRE AUTHORITY

MEETING OF : POLICY COMMITTEE **ITEM: 4**
DATE : 22nd JUNE 2016
REPORT OF : HEAD OF PLANNING PERFORMANCE AND
COMMUNICATIONS
AUTHOR : CHRIS ASTALL

SUBJECT: RISK MANAGEMENT BOARD ANNUAL REPORT

Purpose of Report

1. To present the annual Risk Management Board (RMB) report to Policy Committee, which summarises the key activities and decisions made by RMB during 2015-16. The RMB forward plan for 16-17 is presented as **Appendix 1**.

Recommended That:

- [1] the content of this report be noted;
- [2] Members feedback to RMB any comments relating to the content of this report or any additional items to be considered for inclusion in RMB's forward work plan for 2016-17.

Background

Risk Management Board Terms of Reference 2015-16

2. The responsibility for Risk Management at Member level has been delegated to the Policy Committee. In addition, the Authority has appointed two Risk Management 'Champions' who attend RMB twice a year. The notes of all RMB meetings are now included for information in the Policy Committee papers to ensure that Members are able to maintain an appropriate knowledge of key organisational risks and how they are being treated over the course of the year.
3. For the majority of 2015-16 RMB meetings were scheduled quarterly. In January 2016 the Board made a request for Corporate Programme Office to explore the option of RMB meetings scheduled six monthly as they had assurance that the risk management process was well embedded across the organisation. The Board approved the move from quarterly to six monthly meetings in March 2016.

4. The chair of RMB is the Chief Fire Officer and Chief Executive and the group is responsible for promoting and supporting compliance with the Corporate Risk Management Framework and for managing the strategic risk register. The Terms of Reference for the group are reviewed annually and were presented to RMB in March 2016 within minimal changes from the previous year. These are attached as **Appendix 2**
5. RMB uses a forward plan to guide the agendas for the RMB meetings. The completed work programme for 2015-16 is attached as **Appendix 3**.

Information

Review of the Strategic Risk Register

6. RMB reviews each strategic risk on the risk register, taking note of progress against response plans, and re-evaluating the risk scores based on current information.
7. The tables below summarise new strategic risks identified, risks that have increased in scoring and risks closed during 2015-16:

New Strategic Risks for 2015/16:

Risk Ref	Risk Title	Risk Impact	Current score	Target Score
868	Clawback of funding by government as a result of the Authority's reserve level	As a result of the Government's belief that Local Authorities are accumulating high levels of reserves, there is a risk that the Government could clawback funding which could lead to the Authority not being able to deliver the programmes needed to deliver its IRMP, or fund capital and high level one off revenue spending.	12	6
871	Changing regional arrangements impacting budgets and governance	If Halton decide to go into the Liverpool city region then there is a risk that the current Cheshire Fire Authority and IRMP and associated budget and governance arrangements will be heavily impacted. This risk has now been closed.	9	6
889	Lack of commitment from housing providers to fit sprinklers.	As a result of the austerity measures there is a risk that RSL's are unable to commit to the sprinkler system programme.	16	9

Strategic Risks closed:

Risk ref	Risk Title	Reason for the closure
403	Failure to win a prosecution/s in Community Fire Protection	Mitigated by the reserves in place.
800	Liability to pay back dated pension employer contributions for on call firefighters	Since this risk has come to fruition and the financial impact will be spread over future years.
828	Nepal school building project	Financial aspect to this risk has been mitigated due to the required funds being raised.
860	Potential local dispute regarding changes to shift system	Now that the Fire Brigades Union have signed up to both the Day Crewing and the Wholetime duty systems it is no longer likely.
800	Liability to pay back dated pension employer contributions for on call firefighters	This risk has come to fruition and the financial impact will be spread over future years.

Revised Strategic Risk – Increased Score:

There were no strategic risks where the score has increased since last reported to Policy Committee.

PESTELO Analysis – Emerging Risks

8. The PESTELO identifies the main political, economic, socio-cultural, technological, environmental, legal and organisational factors impacting the Service at a given time. It helps the organisation to understand and respond to the external environment, while remaining conscious of its internal capacity. It supports the planning process, from helping to shape the Five Year Strategy and Integrated Risk Management Plan (IRMP) to risk identification and feeding departmental plans. Key risk PESTELO headlines from 2015:
 - Post general election issues, risks, opportunities and threats
 - Analysis outlined the developing horizon in relation to the political, economic, socio-cultural, technological, environmental and legislative issues.
 - Potential changes in local structures of neighbouring fire and rescue services specifically in relation to risks and impacts to the Service.

- Continuing to review savings opportunities and the potential impact on increased government spending in other areas which could result in further cuts elsewhere.
- Wider implications to the Service on potential Strategic risks in relation to Blue Light Collaboration needs to be explored.
- Outcomes of the Thomas Review.
- Post industrial action, cultural issues specific to fire and rescue services
- Recent changes in personal tax and pensions which could have an impact on future recruitment.

Risk Management training

9. During 2015 RMB commissioned the annual risk management training programme which was delivered by an external provider. The training was designed to provide a health check and additional assurance that the Service's Risk Management Framework was aligned to the Institute of Risk Management (IRM) standards.
10. The training was attended by the Service Management Team (SMT); Risk Champions and Member Risk Champion, the feedback from delegates who attended the training was exceptionally positive. The risk management training programme for 2016 is still under development.

Annual Refresh of the Corporate Risk Management Framework 2015

11. The Risk Management Framework and Policy is reviewed by Risk Management Board annually. In 2015 there was a full refresh of the framework resulting in the policy and the practitioner's guidance being produced as two separate documents.
12. The Corporate Programme Office worked closely with RW Training who agreed to be our 'critical friend' and reviewed both documents for compliance/best practice. The following feedback was received from RW Training: *'A full review of both the policy/strategy and practitioner documents has been completed and a few areas for improvement have been identified, both documents are really well written, very understandable and comprehensive'*.
13. Risk Management Board approved the new Framework at the October 2015 meeting and the policy and framework was approved by the Policy Committee in December 2015.

The table below summaries the key changes in the policy:

Risk Topic	Key Changes	Risk Management Policy page no.
Early Warning Indicators	Guidance added as a result of an outstanding ALARM action following the 2012 benchmarking exercise	8
Glossary	This has now been added in both documents as a result of Risk Champion feedback	12
Risk on a Page	A quick and simple chart that includes all key information in one place. Risk Champions requested this document was added to both documents	15

Crisis Management Plan – Annual Review

14. RMB has responsibility for reviewing the Service’s Crisis Management Plan on an annual basis and the refreshed version of the plan was presented in October 2015.
15. A number of business continuity exercises were scheduled for 2015-16 in Warrington and Halton and a full test of the Crisis Management Plan is currently planned for 2018. It was agreed that Members should be invited to the next planned exercise.
16. An exercise to test the fallback arrangements at the contingency site in Manchester for NW Fire Control has also taken place.

Terms of Reference – Risk Champions Group

17. The Risk Champion Group are a collective officer peer group who proactively support and challenge each other in the management of risk within each department, and who in conjunction with the Corporate Programme Office help embed and drive the approved risk management process within Cheshire Fire & Rescue Service.
18. The group met monthly for the first year and meetings are now scheduled quarterly.
19. Outcomes from the Risk Champions Group are presented to RMB every six months.
20. Risk Champions are required to provide verbal progress on their local and thematic area of expertise to RMB when scheduled in the forward plan and from time to time may be requested to attend and present their thematic risk register to the Risk Management Board (RMB).

21. Terms of Reference for the Risk Champions Group was presented and approved by RMB in January 2016 and is attached as **Appendix 4**

Use of Early Warning Indicators to access external risk to the service

22. The use of Early Warning Indicators (EWIs) to assess External (National and International) risks to the Service was highlighted during the 2012 ALARM Risk Management Benchmarking exercise undertaken by Cheshire Fire and Rescue Service, where it was identified that at the time there was no specific evidence of the use of EWIs to alert the Service to the potential national risks and impacts.
23. In January 2016 RMB asked the Corporate Programme Office to investigate further the use of EWIs within the Service. In March 2016 the CPO Manager presented a report to the Board that suggested the next steps for the introduction of the use of EWIs within the existing Corporate Risk Management Framework.
24. The report presented to RMB detailed the definition of EWIs and the link with the Service's key performance indicators (KPIs), which suggested that EWIs could trigger advanced warning of the delivery of a KPI or project being at risk.
25. The report also highlighted that, at a national level, potential risks were already captured through the UK Government Horizon scanning and the National risk register and locally through the annual PESTELO report prepared by the Service's Policy and Inclusion Manager.
26. The Board were amenable to the idea of undertaking further work on the introduction of EWIs but queried the value of any additional work at this time as the current risk management process was delivered to a very high standard. The Board therefore suggested that the review of EWIs should be revisited following the publication of a national suite of indicators by the Government.
27. The Service has signed up to undertake the ALARM Risk Management exercise again in June 2016 where there will be an opportunity to share best practice with other organisations taking part in the exercise in relation to the identification and use of EWIs.

Financial Implications

28. The fee for the internal audit of the risk management self-assessment was met from the approved annual internal audit budget.
29. Costs relating to implementing risk treatment plans are considered on a case by case basis and either met from existing departmental budgets or

referred to the Budget Management Board for assessment of business need and cost efficiency.

Legal Implications

30. Risk management can relate to legal aspects of the Authority's business, however, the content of this report does not have any specific legal implications. Legal risks to the organisation are incorporated in the Service's risk registers.

Equality & Diversity Implications

31. There are risks that have Equality & Diversity implications and these are identified in our themed risk registers.

Environmental Implications

32. There are risks that have Environmental implications and these are identified in our themed risk registers.

**CONTACT: JOANNE SMITH, FIRE SERVICE HQ, WINSFORD
TEL [01606] 868804**

BACKGROUND PAPERS:

- Appendix 1 Forward Plan 2016-17
- Appendix 2 RMB Terms of Reference
- Appendix 3 Completed work plan 2015-16
- Appendix 4 Risk Champions Terms of Reference

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Risk Management Board – Work Programme 2016-17

Date	Items for discussion
<p>Member/Auditor Meeting 18th October 2016</p>	<p>Standing items:</p> <ul style="list-style-type: none"> • Review/Monitor Strategic Risks <p>Items for annual review:</p> <ul style="list-style-type: none"> • Risk Management Framework Refresh (to approve for submission to Policy Cttee) • Annual Review of Crisis Management Plan • <i>Internal Audit Actions Plan –(by exception if any recommendations referred by PAG)</i> • <i>Finance Risks – by exception</i> • <i>IRMP project Risks – by exception</i>
<p>Member/Auditor Meeting 21st March 2017</p>	<p>Standing items:</p> <ul style="list-style-type: none"> • Review/Monitor Strategic Risks <p>Items for annual review:</p> <ul style="list-style-type: none"> • Annual Report topics for approval (for Policy Committee) • New Risks aligned to IRMP14 • Agree Work Programme 2017/18 • Updated Terms Of Reference • <i>Internal Audit Actions Plan –(by exception if any recommendations referred by PAG)</i> • <i>Finance Risks – by exception</i> • <i>IRMP project Risks – by exception</i>

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CHESHIRE FIRE & RESCUE SERVICE RISK MANAGEMENT BOARD (RMB) Terms Of Reference (ToR)

Policy Statement:

In the context of Corporate Risk Management, Cheshire Fire & Rescue Service adopts the Management of Risk (MoR)^{®1} definition of a risk as being: 'An uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives. A risk is measured by a combination of a perceived threat or opportunity and the magnitude of its impact on objectives'.

Cheshire Fire & Rescue Service's policy is to identify, analyse and respond appropriately to risks that have the potential to impede our business, change the way we do things, and/or affect the anticipated outcomes.

Role & Function:

The Risk Management Board (RMB) is responsible for ensuring that the organisation manages risk effectively through the development and implementation of a comprehensive Corporate Risk Management Framework:

- RMB will identify, assess and monitor strategic risks and ensure they are managed in line with the Corporate Risk Management Framework. This group has a critical 'check and challenge' role to ensure that identified risks are based on sound risk information and are adequately evaluated. The strategic risks recorded within the Service's Risk Management system will be used to determine the Authority's levels of balances and reserves.
- RMB will review any high priority Internal Audit recommendations in the context of risk to the organisation, and assess specific risks that may be escalated from Heads of Department (HoDs) or the Policy Approval Group (PAG).
- RMB will undertake annual reviews of the Service Crisis Management Plan.

Compliance with the Framework across the organisation will be supported by the Planning, Performance and Communications department (PPC) as gatekeepers of the Framework and associated suite of business risk management tools.

¹ M_o_R is a Registered Trade Mark of the Office of Government Commerce in the United Kingdom and other countries.

PPC is responsible for risk management and internal audit activities and will inform RMB of any high priority recommendations identified through the audit process. The Strategic risk register is used to develop the annual audit plan.

Membership:

The Risk Management Board is chaired by the Chief Fire Officer with the following representation from Officers, CFA and Internal/External Audit:

Chief Fire Officer – Chair
Deputy Chief Fire Officer
Head of Legal and Democratic Services and Monitoring Officer
Head of Finance and Treasurer
Head of Planning Performance & Communications
Corporate Programme Manager
External Audit representative
Internal Audit representative
Two CFA Members

Democratic Services facilitates these meetings and a record of action points is taken. A request for agenda items is made no later than 14 days prior to the RMB meeting and RMB members must provide an updated review of their functional risks so that they can be used to inform a review and update of the corporate risks.

Reporting:

The responsibility for Risk Management at the level of the Fire Authority has been delegated to the Policy Committee and the minutes from quarterly RMB meetings are copied to that committee. In addition, RMB presents an annual report to the Policy Committee for review and assurance. Two Fire Authority Members are appointed to RMB at the Fire Authority's AGM.

Frequency of Meetings:

RMB will meet on a six-monthly basis.

Review:

The Risk Management Board (RMB) Terms of Reference (ToR) will be reviewed and approved by the Board annually. Next review: March 2017.

Risk Management Board – Work Programme 2015-16

Date	Items for discussion
Officer Meeting 14 July 2015 (P O Conference Room)	<ul style="list-style-type: none"> • Review/Monitor Corporate Risks (including verbal update of risks just below threshold) • Pestle Analysis – Emerging Risks • Internal Audit Actions Plan –(by exception if any recommendations referred by PAG) • Risk Champion Training Update (ST) • Training for new Members (ST) • Partnership Risk (ST) • Review IRMP project risk registers (standing item- officer meetings) • Finance Risk Register Update (standing item – officer meetings)
Member/Auditor Meeting 22 October 2015 (P O Conference Room)	<ul style="list-style-type: none"> • Review/Monitor Corporate Risks • Risk Management Framework Refresh (to approve for submission to Policy Cttee) • Annual Review of Crisis Management Plan • Internal Audit Actions Plan –(by exception if any recommendations referred by PAG) • Risk Champion Thematic Risk Review Summary • Implementation from Management of Risk training
Officer Meeting 19 January 2016 (P O Conference Room)	<ul style="list-style-type: none"> • Review/Monitor Corporate Risks (including verbal update of risks just below threshold) • Internal Audit Actions Plan –(by exception if any recommendations referred by PAG) • Review IRMP project risk registers (standing item- officer meetings) • Finance Risk Register Update (standing item – officer meetings) • Blue Light Collaboration Programme Risk Register Update (standing item)
Member/Auditor Meeting 15 March 2016 (Lecture Theatre)	<ul style="list-style-type: none"> • Review/Monitor Corporate Risks • Annual Report topics for approval (for Policy Committee) • Alarm Benchmarking - Submission • New Risks aligned to IRMP13 • Agree Work Programme 2016/17 • Updated Terms Of Reference • Internal Audit Actions Plan –(by exception if any recommendations referred by PAG) • Risk Champion Thematic Risk Review Summary • Blue Light Collaboration Programme Risk Register Update (standing item)

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RISK CHAMPIONS GROUP TERMS of REFERENCE (ToR)

2015/16



Overview

The Risk Champion Group are a collective officer peer group who proactively support and challenge each other in the management of risk within each department, and who in conjunction with the Corporate Programme Office help embed and drive the approved risk management process within Cheshire Fire & Rescue Service.

The main objectives of the group are:

- **Collective Voice:** To provide a point of contact for sharing and resolving risk management issues within CFRS and a strong and effective voice on behalf of risk practitioners within their local areas.
- **Sharing Knowledge:** To work together along with risk practitioners on learning about the importance of understanding and embedding effective risk management which includes sharing/collaborating on best practice. The champions are seen as a lynchpin in continually improving risk knowledge and skills across the organisation.
- **Risk Management Culture:** To articulate and communicate the value of risk management in the decision making process to senior officers; members; and staff within CFRS, and represent the interests of risk management practitioners at relevant working groups, forums and committees.
- **Check and Challenge:** To be an 'honest broker' to the group in relation to developing; reviewing; managing and monitoring local and thematic risk registers.

Qualities of Risk Management Champions:

- The group are predominately at a senior level. They are decision-takers or able to influence decision-making.
- They have a good working knowledge of their departments; teams and business areas.
- They understand that risk management is part of good management and planning and not some tick box exercise.
- They proactively campaign and communicate the value of risk management.

Membership

The Risk Management Champions Group will have one or two representatives from each of the following departments nominated by their Head of Department (HoD):

- Finance
- ICT
- Legal & Democratic Service
- Operational Policy & Assurance
- People Development
- Prevention and Protection
- Property Management
- Planning Performance & Communications
- Programmes & Projects
- Service Delivery
- A member of Corporate Programme Office (Chair)

Frequency of Meetings

The group met monthly for the first year and meetings are now scheduled quarterly to link in with the timeline for Risk Management Board (RMB).

Forward Plan

The group will develop their thematic work areas and forward plan on an annual basis which will be reviewed at every meeting. The forward plan will include any specific risk themes or opportunities that needs to be addressed or discussed and identify training needs and skills gaps that need to be developed.

Reporting

Outcomes from the Risk Management Champions Group will be presented to RMB every six months and to Policy Committee annually.

Risk Champions will be required to provide verbal progress on their local and thematic area of expertise to the group when scheduled in the forward plan and from time to time may be requested to attend and present their thematic risk register to Risk Management Board (RMB).

This may include:

- Review of the red risks in their department and thematic risk registers
- Emerging risks and opportunities
- Communicate areas of best practice
- Any risks that have occurred and the learning outcomes
- Risk Management Training or workshop facilitation
- Project or Programme risks that might require escalation

CHESHIRE FIRE AUTHORITY

MEETING OF : POLICY COMMITTEE **ITEM: 4**
DATE : 22nd JUNE 2016
REPORT OF : HEAD OF PLANNING, PERFORMANCE & COMMS
AUTHOR : CHRIS ASTALL

**SUBJECT: INTEGRATED CONSULTATION and
CORPORATE PLANNING, TIMETABLE**

Summary

1. The purpose of this paper is to present to Members the annual Consultation and Corporate Planning Timetable (CPT).

Recommended That:

- [1] the Integrated Consultation and Corporate Planning Timetable covering development and delivery of the Authority's Integrated Risk Management Plan (IRMP 14) 17-18 be approved.

Background

3. The Consultation and Corporate Planning timetable facilitates a strategic step process that integrates all the Service's corporate **key** planning timelines in a simple visual format which enables delivery of the IRMP.

Information

4. The key corporate activities are populated in four quarters to align to the quarterly performance reporting cycle. Activities are presented under the following themes:

Planning	Financial	Consultation	Reporting
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Financial Implications

5. There are no direct financial impacts relating to this report.

Legal Implications

6. The timetable provides the Authority with a framework and timetable to help it meet its statutory requirement to publish an IRMP by the end of March 2017.

Equality & Diversity Implications

7. This report sets out a timetable and has no direct impact on people. Equality Impact Assessments (EIAs) have, however, been completed on the consultation and communication elements of the timetable to ensure the process is as inclusive as possible.

Environmental Implications

8. There are no direct impacts on the environment in relation to this report.

**CONTACT: JOANNE SMITH, FIRE SERVICE HQ, WINSFORD
TEL [01606] 868804**

BACKGROUND PAPERS:

Appendix 1: 2017-18 Consultation and Corporate Planning Timetable(CPT)
IRMP 14

CONSULTATION AND CORPORATE PLANNING TIMELINES – IRMP 14

Key	Planning	Financial	Consultation	Reporting IRMP 13	
	Corporate Activity			Forum/Committee	Timelines

APRIL- JUNE					
	Outline IRMP 14 proposals Horizon Scanning and Intelligence feeds: <ul style="list-style-type: none"> ▪ PESTELO ▪ Community Risk Model (CRM) 			SMT Planning Day	4 April
	Management Briefing IRMP 13			Management Briefing	20 April 16
	Programme health and assurance (bi monthly)			SMT/IRMP	Apr - June
	Q4 financial/performance reports IRMP 12			PAG CFA	16 May 15 June

JULY – SEPTEMBER					
	Outline IRMP 14 proposals.			Members Planning Days	24 June 8 July
	Q1 financial/performance reports IRMP 13			PAG Performance & Overview	15 Aug 24 Aug
	Refine action plan for IRMP14			Member Planning Day	9 Sept
	Presentation of draft IRMP 14 action plan to Members for approval - commence public consultation.			Cheshire Fire Authority (CFA)	21 Sept
	2017-18 revenue pressure; initial consideration of growth and efficiency options for development. agreement on business cases/budget bids required			HoDs	22 Sept
	Management Briefing - Planning IRMP 14			Management Briefing	Sept
	Commence 12 week public consultation on IRMP 14.			Corporate Communications	Sept - Dec
	Programme health and assurance (bi monthly)			SMT/IRMP	July - Sept

OCTOBER – DECEMBER					
	Staff consultation on IRMP 14.			Road shows	Oct - Dec
	Update on development of IRMP 14 action plan.			JCNP – FBU/FOA Unison	Oct
	IRMP consultation update			SMT Planning Day	3 Oct
	Consideration of the key budgetary issues and MTFP for the Authority. First review of business cases/budget bids (long list)			HoDs	20 Oct
	Programme health and assurance (bi monthly)			SMT/IRMP	Oct - Dec
	First review of business cases/budget bids (long list)			BMB Budget Planning	7 Nov
	Finalise growth savings (budget bids – short list) First budget report (setting the scene)			SMT Planning Day	7 Nov
	Budget and IRMP Consultation Update			Members Planning Day	11 Nov

CONSULTATION AND CORPORATE PLANNING TIMELINES – IRMP 14

Key	Planning	Financial	Consultation	Reporting IRMP 13	
	Corporate Activity			Forum/Committee	Timelines

OCTOBER – DECEMBER					
	Q2 financial/performance reports IRMP 13			PAG Performance & Overview	16 Nov
	First pass of budget to Members; Presentation of initial results of IRMP 14 consultation.			CFA	7 Dec

JANUARY – MARCH 2016					
	Review of detailed business cases for growth and efficiency items. Draft final revenue budget, capital programme and reserve position			BMB Budget Planning Day	TBC
	Programme health and assurance (bi-monthly)			SMT/IRMP	Jan - Mar
	Budget and IRMP update: presentation of MTFP and business cases/bids for growth and efficiency items; draft Capital programme and Reserves position			Members Planning Day	13 Jan
	Draft Budget Report			Policy Committee	25 Jan
	Final Budget Report			CFA	15 Feb
	Sign off IRMP 14 Action Plan				
	Scrutiny of draft Service plans.			Scrutiny panel led by Corporate Programme Office	Feb
	Q3 financial/performance reports IRMP 13			PAG Performance & Overview	1 Mar
	Sign off Service Plans 17-18			PAG	
	Management Briefing IRMP 14			Management Briefing	Mar
	Watch Management Conference – Briefing IRMP 14 and proposed duty system changes			TBC	TBC
	IRMP 14 published.			Corporate Comms	31 Mar