West Yorkshire
Fire & Rescue Authority

Minutes

Audit Committee

Date: 26 July 2019

Time: 10.30 am

Venue: Fire and Rescue Headquarters, Birkenshaw

Present:	Councillor K Renshaw (in the Chair), G Almas, R Downes, P Harrand, D Jenkins (as substitute for Councillor R Grahame) and M Pervaiz
In Attendance:	Simon Straker – Kirklees MC (internal audit) Paul Hewitson – Deloitte (external audit) Caroline Jamieson – Deloitte (external audit)
Apologies:	Councillor R Grahame

1 Minutes of the last meeting

RESOLVED

That the Minutes of the meeting held on 26 April 2019 be signed by the Chair as a correct record.

2 Urgent items

None.

3 Admission of the pubic

There were no items which required the exclusion of the public and press.

4 Declarations of interest

There were no declarations of disclosable pecuniary interest made in any matter under consideration at the meeting.

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5   Abridged performance management report

The Chief Legal and Governance Officer submitted a report which advised Members of the performance against key performance indicators where targets were not being achieved as follows;

- Arson
- Actual rescues, and
- Dwelling fires

Members sought information on the Firemapping tool which allowed for close examination and interpretation of incidents and particularly those related to arson and requested that information be made available in respect of convictions for arson.

It was further reported that no applications, authorisations or rejections had been made under the Regulation of Investigatory Powers Act (RIPA) 2000 during the relevant period. Members were reminded that, as explained at the 27 June 2019 meeting of the Full Authority, due to its limited use nationally, the requirement for Fire and Rescue Services to report upon the use of RIPA powers would shortly be removed by the Investigatory Powers Commissioner.

No further performance reports in respect of RIPA would be submitted to the Audit Committee and Members were advised that the recording of performance targets was being reviewed with a view to presenting more precise and timely information to Members.

 RESOLVED

That the report be noted.

6   Risk Management Strategy Group update

Consideration was given to a report of the Director of Service Delivery which advised of the risk management activity and developments reported to the Risk Management and Strategy Group in June 2019.

Members were informed that 22 risks had been reviewed together with a newly created risk relating to cyber threats / attacks which had been scored in the 'very high' risk category. The risk score for "inability to continue / deliver duty systems" had increase from 12 to 16 based on the impact of a number of issues linked to the interpretation of the Working Time Directive. It was further reported that risks relating to the UK leaving the EU were discussed at each meeting of the Group and those risks on the Community Risk Register were currently being reviewed against West Yorkshire Fire and Rescue Service (WYFRS) corporate risks, including foreseeable risks.

It was reported that the register currently identified seven 'very high' risks relating to;

- Loss or reduction in Government grant
- Wide area flooding
- Responding to a marauding terrorist firearms attach
- Risk in the national threat level to critical for a short period of time
- Inability to continue / deliver duty systems
- Reduced availability of retained duty system staff, and
- A digital or unauthorised attempt to access WYFRS systems

RESOLVED

That the report be noted.

7   Internal audit quarterly report

Members received a report of the Chief Finance and Procurement Officer which advised of the internal audit activity for the period April to June 2019.

One audit of key financial systems had been completed (Payroll Key Controls) which received adequate assurance and the business risk of Staff Fatality at an Incident had been awarded substantial assurance. Advice was included in the review of Payroll Key Controls with regard to the work that could be undertaken to progress towards an award of substantial assurance.

It was further reported that assurance had been given following an internal audit assessment about the financial probity and governance related to the Emergency Services Mobile Communications project (ESMCP).

RESOLVED

a)   That the report be noted; and

b)   That future quarterly internal audit reports include detail of the timeframes involved where recommendations are made for improvement in an action plan.

8   Internal audit annual report 2018 – 19

Members reviewed a report of the Chief Finance and Procurement Officer which sought endorsement of the conclusion related to the effectiveness of the system of internal audit and which asked Members to note the audit opinion on risk management and internal control during 2018 – 19.

The following issues were raised;

- Detail of service level agreement (SLA)
- Performance against SLA

RESOLVED

a) That endorsement be given to the Chief Finance and Procurement Officer's conclusion as to the effectiveness of the system of internal audit;

b) That the audit opinion on governance, risk management arrangements and the internal control environment in 2018 – 19 be noted, thereby providing assurance to the compilation process of the Annual Governance Statement 2018 – 19; and

c) That future reports include detail of target completion dates in respect of the recommendations on actions from the external assessment of the system of internal audit compliance.

9 Statement of accounts and financial outturn 2018 – 19

Consideration was given to a report of the Chief Finance and Procurement Officer which presented the draft Statement of Accounts 2018 – 19. Members were advised that it was hoped that the external auditors would be able to sign off the Statement by the statutory deadline of 31 July 2019.

RESOLVED

a) That the revenue and capital outturn for 2018 – 19 be noted;

b) That approval be given to the draft statement of accounts 2018 – 19; and

c) That the report on members' allowances 2018 – 19 be noted.

10 External audit annual report 2018 – 19

The Chief Finance and Procurement Officer submitted a report which presented the external auditor's ISA260 report following the audit of the Fire Authority 2018 – 19 Statement of Accounts and which set out the status and conclusions from the audit.

Members were advised that there were some issues that required further examination including the following;

- Accuracy of financial statements
- Actuarial review subsequent upon the McCloud pensions ruling

The representatives from Deloitte (external auditors) advised Members that they anticipated that the report could be concluded by the relevant statutory deadline of 31 July prior to the submission of the Letter of Representation (attached as an annex to the report now submitted).

The report detailed a number of significant risks as identified by the external auditor and Members considered comments from the Chief Finance and Procurement Officer in respect of those risks as the formal management response.

RESOLVED

a)   That the report be noted;

b)   That, for the reasons of non-materiality, no adjustments be made by management to amend the misstatements as identified;

c)   That it be confirmed that consideration had been given to the Letter of Representation and that it be signed by the Chief Finance and Procurement Officer subsequent upon the completion of the audit on 31 July 2019 by Deloitte LLP; and.

d)   That the Committee expresses its desire that the External Audit annual reports be submitted to the Audit Committee at least five clear days before the date of the relevant Audit Committee meeting.

Chair

DRAFT

EXCLUSION OF THE PUBLIC - SECTION 100A LOCAL GOVERNMENT ACT 1972

RESOLVED :   That the public be excluded from the meeting during the item of business specified below as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this time, there would be disclosure to them of exempt information of the description respectively specified.

AGENDA ITEM NO.	TITLE OF REPORT	MINUTE NUMBER (to be added)	Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972
E12	Risk Management and Business Continuity annual report		Paragraph 3 – financial and business affairs

Disclosure of Disclosable Pecuniary Interests (DPI's)

1 Members present at the meeting who are aware that they have a DPI in a matter being considered must disclose the details of that DPI to the meeting unless it is already recorded on the Authority Members DPI Register.

2 Any Member with a DPI may not participate in any discussion or vote and under Authority Standing Orders is required to leave the meeting during any discussion or vote unless they have been granted a dispensation from exclusion from the meeting by the Executive Committee or in certain circumstances by the Monitoring Officer before any consideration of the item by the committee starts.

Footnote:

(1) Members are referred to the Authority Constitution and to the provisions of sections 30-34 of the Localism Act 2011 and to the statutory regulations made thereunder which define the meaning of a DPI.

(2) Members are reminded of the potential criminal sanctions and disqualification provisions under Section 34 of the Act applicable to breaches of disclosure and non- participation requirements.

(3) A Member with a sensitive DPI need not disclose the details of that interest with the Monitoring Officers agreement but must still disclose the existence of a DPI and must withdraw from the meeting.

Application for dispensation to vote

Attached is a blank "application for dispensation" form which Members of the Committee may use to seek the grant of an individual dispensation on any item on the agenda.

Where possible, the completed form should be returned to the Monitoring Officer in advance of the meeting so that he can consider whether a dispensation should be granted. Block dispensations affecting a significant number of Members will be referred to the Executive Committee for approval, if time permits.

West Yorkshire Fire and Rescue Authority

Sections 31 and 33 Localism Act 2011

Member Participation & Voting Dispensation Request

Section for completion by Member

Name of Member:

Correspondence/ email address:

Dispensation applied for: (1) Participation (2) Voting (3) Both

Details of Meeting/agenda Item:

Full details of why you are applying for a dispensation:

Signed:

Dated:

Please send your application to the Monitoring Officer at Fire & Rescue Service Headquarters Birkenshaw BD11 2DY – Michael.barnes@westyorksfire.gov.uk

Section for completion by Monitoring Officer:

No in Register**:**

Received on:

Granted/ Refused

Reasons for refusal / Statutory Grounds relied upon for grant:

Internal Audit Quarterly Report

Audit Committee

Date: 18 October 2019

Agenda Item:

6

Submitted By: Chief Finance and Procurement Officer

Purpose	To present the Internal Audit report (July to September 2019) to Members
Recommendations	That Members note the content of the report
Summary	To provide a summary of the audit activity for the period July to September 2019 and to report the findings to the Committee.

Local Government (Access to information) Act 1972

Exemption Category:	**Nil**
Contact Officer:	Simon Straker
	simon.straker@kirklees.gov.uk
Background papers open to inspection:	Internal audit reports
Annexes:	Internal Audit Quarterly Report

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1 Information

1.1 This Committee has the responsibility for monitoring the work of internal audit. In order to facilitate this, Internal Audit provide a quarterly report of its progress which includes a summary of the work completed and an assessment of the level of assurance provided by the systems examined. This report covers the period from July to September 2019.

On completion of each audit the Auditors provide an assessment of the level of assurance that the control systems in place provide. There are four rankings as detailed below. :-

Substantial assurance
Adequate assurance
Limited assurance
No assurance

More details of how these classifications are measured are provided in the attached appendix.

This report includes a detailed explanation of action which has been taken on any audits which are ranked as providing either limited assurance or no assurance.

2 Audit Work

2.1 There has been one audit of key financial systems which received substantial assurance and there are three audits that are currently in progress.

3 Audit Performance 2019/20

3.1 Section 10 of the attached appendix compares current audit performance in the current financial year with the previous year. The current audit programme is behind schedule as per the audit plan, seven audits were due to be completed by the end of quarter two when in fact two have been completed and five are in progress. The Internal Audit Manager, Simon Straker has provided reassurance that the audit plan will be completed within the financial year.

4 Financial Implications

4.1 There are no financial implications associated with this report. Internal audit is provided as part of the Authority's Service Level Agreement with Kirklees Council.

5 Legal implications

5.1 The Chief Legal and Governance Officer has considered this report and has no observations to make at the time of submission of this report but may provide legal advice at the committee meeting and / or respond to any requests by Members for legal advice at the meeting.

6 Human Resources and Diversity Implications

6.1 There are no human resource or diversity implications.

7 Health, Safety and Wellbeing implications

7.1 There are no health and safety implications arising directly from this report.

8 Environmental implications

8.1 There are no environmental implications associated with this report

9 Your Fire and Rescue Service Priorities

9.1 The provision of internal audit satisfies the following fire and rescue service priorities:

- work smarter throughout the service

- be more efficient across all areas of the service to make savings

- make better use of technology and innovate where possible

INTERNAL AUDIT QUARTERLY REPORT

2019/20

July to September

2019

ABOUT THIS REPORT

This report contains information about the work of the Authority's Internal Audit provided by Kirklees Council. The 2019/20 Audit Plan as approved by this Committee at the start of the year is risk based and included 17 pieces of work covering a variety of areas enabling an annual opinion to be formed on the Authority's governance, risk management and internal control arrangements.

For ease of reference the audits are categorised as follows:

1. Summary
2. Major and Special Investigations
3. Key Financial Systems
4. Other Financial Systems & Risks
5. Locations and Departments
6. Business Risks & Controls
7. Follow Up Audits
8. Recommendation Implementation
9. Advice, Consultancy & Other Work
10. Audit Plan Delivery

Investigation summaries may be included as a separate appendix depending upon the findings. When reports have been agreed and finalised with the Director concerned and an Action Plan drawn up to implement any improvements, the findings are shown in the text. Incomplete audits are shown as Work in Progress together with the status reached: these will be reported in detail in a subsequent report once finalised.

Good practice suggests that the Authority's management and the Audit Committee should receive an audit opinion reached at the time of an audit based upon the management of risk concerning the activity and the operation of financial and other controls. At the first meeting of the Audit Committee, Members resolved to adopt an arrangement relating to the level of assurance that each audit provides.

As agreed with the Audit Committee, the report has been expanded to include details of the key recommendations applicable to each audit that does not result in a formal follow up visit and the action taken by management regarding their implementation.

The final section of the report concerns Audit Plan delivery.

It is the practice of Internal Audit to undertake follow up audits to ensure that agreed actions have been undertaken. Any audits that produce less than "adequate assurance" will be followed up, together with a sample of the remainder and a new opinion will be expressed about the level of assurance that can be derived from action taken by management to address the weaknesses identified.

1. **SUMMARY**

   This report contains an update on audit work during the second quarter of 2019/20.

   Seven audits were scheduled for the first half of the year and five of these have been either completed or are in progress, the latter unfortunately not completed in time to be reported here due to the lead-in timescale to the Committee. Each of the audits completed has produced a positive assurance opinion.

2. **SPECIAL INVESTIGATIONS & REVIEWS**

   None during this time.

3. KEY FINANCIAL SYSTEMS

System	Findings	Audit Opinion
Chief Finance & Procurement Officer		
Bank Reconciliation	Reconciliation of the financial ledger and bank statements is a key control in ensuring income and expenditure are accounted for fully. This task is performed by Kirklees Council under the financial services SLA. The audit confirmed that there are robust processes in place. Reviews of reconciliations for June/July 2019 indicated that these are completed on a timely basis and supported by clear working papers. A completion statement for each individual account reconciliation is signed off by a Senior Officer and a copy of this is forwarded to the Finance team at WYFRS on a monthly basis with the exception of the direct debit account. It was agreed that this omission would be addressed by the time of the next statement in August 2019. Confirmation has been received that this recommendation has been actioned. No other recommendations were made.	Substantial Assurance

4. OTHER FINANCIAL SYSTEMS & RISKS

System	Findings	Audit Opinion
Chief Finance & Procurement Officer		
IR35 Off-Payroll Workers	Audit in Progress	

4

Director of Service Delivery		
Hydrant Maintenance	Audit in Progress	
Director of Service Support		
Facilities Management	Audit in Progress	

5.   LOCATION & DEPARTMENT AUDITS

None during this period.

6. BUSINESS RISK AUDITS

This category of audits reflects the Audit Strategy to incorporate coverage of the controls and management actions to respond to the key risks to the Authority's objectives as codified in the Corporate Risk Matrix.

Risk	Findings	Audit Opinion
Director of Service Delivery		
Wide Area Flooding (High Risk – score 20)	Audit in Progress.	
Chief Finance & Procurement Officer		
Counter Fraud & Corruption (Medium Risk – score 9)	Draft report with Management.	
Chief Legal & Governance Officer		
Officer Delegation Scheme (2018/19)	Audit in progress	
GDPR Compliance	The planned audit has been deferred until 2020/21 at the request of the Chief Legal & Governance Officer.	

7. **FOLLOW UP AUDITS**

Any audits that result in a less than adequate assurance opinion are followed up usually within six months, depending upon the timescale for implementing the agreed recommendations. Additionally, a sample of other audits is followed up periodically too.

System	Findings	Audit Opinion
Director of Service Delivery		
Commercial Premises Database	Follow up audit in progress	

8. **REVIEW OF KEY RECOMMENDATIONS**

No key recommendations were outstanding other than those in follow up audits.

9. ADVICE, CONSULTANCY & OTHER WORK

System	Comments
Director of Service Support	
Emergency Services Mobile Communications Project (ESMCP)	Internal Audit has been requested to provide ongoing assurance about the financial probity and governance arising from the delivery of the project, both as regards WYFRS and within the Yorkshire & Humber region as a whole. WYFRS acts as custodian for the region of grant monies from the Home Office. The terms of reference of the former have been agreed by the Project Board. Assurance has been provided concerning validation of a grant and VFM return to the Home Office for monies received and expended on the project to date. National Project slippage and revision to financial support from Government has necessitated a review of the financing arrangements locally, which is still ongoing.

10. AUDIT PLAN DELIVERY 2018/19

Performance Indicators	18/19 Target	18/19 Actual	19/20 Target	19/20 Actual
Audits completed within the planned time allowance	80%	100%	80%	100%
Draft reports issued within 10 days of fieldwork completion	90%	100%	90%	100%
Client satisfaction in post audit questionnaires	90%	100%	90%	n/a
Chargeable audit days	160	155	160	58
QA compliance sample checks – percentage pass	100	100	100	n/a

Planned Audits Completed

By the end of Quarter 2 | 19 | 18 | 17

7 | 2 |
Planned Audits in Progress				5
Planned Audit Deferred				1
Planned Audits Outstanding				9
Unplanned Work Completed				0
Unplanned Work in Progress				1

9

West Yorkshire
Fire & Rescue Authority

ICT Strategy Programme Review

Audit Committee

Date: 18 October 2019

Agenda Item:

7

Submitted By: Director of Service Support

Purpose	To provide Audit Committee with the review of the third year of the ICT strategy programme.
Recommendations	That Committee note the content of the report.
Summary	The ICT strategy programme is subject to an annual review to assess the progress and identify challenges and areas of learning that can be fed into future programmes and projects. This report provides an evaluation of the third year of the programme. As the strategy has been revised and the new version approved by Finance and Resource Committee, this is the final review report. Project updates are provided to Full Authority in the programme of change report.

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1   Introduction

1.1   The ICT strategy programme was first approved by Finance and Resource Committee in April 2016. It is reviewed annually to assess the progress made and identify challenges and learning that can be applied to future projects and programmes. The review also enables the strategy to remain aligned to the overall service strategy.

2   Information

2.1   The attached report is the review of the third year of the ICT strategy programme as at the end of July 2019. The main learning points can be found in section 1.3 of the report. As in previous years, the main challenge has been project resourcing against a shrinking workforce and the overall portfolio of change currently underway.

2.2   Within the report, a brief update on each of the projects as at the end of July 2019 is provided.

2.3   The ICT strategy has been revised and approved by Finance and Resource Committee in July 2019. Therefore, this will be the final review under the old strategy with existing and future projects being reported through the programme of change report that is taken to Full Authority.

3   Financial Implications

3.1   There are no direct financial implications arising from this report. All projects under the strategy form part of the approved capital plan.

4   Legal Implications

4.1   There are no direct legal implications arising from this report.

5   Human Resource and Diversity Implications

5.1   There are no direct HR or diversity implications arising from this report. All projects under the strategy complete an equality impact assessment.

6   Health, Safety and Wellbeing Implications

6.1   There are no direct health and safety implications arising from this report.

7   Environmental Implications

7.1   The projects that sit within both versions of the ICT strategy will provide more flexibility around ways of working and mobile working which will result in environmental benefits. For example, being able to conduct meetings and training over Skype for Business conferencing will reduce the need to travel. Standardising equipment and maximising value from existing systems will reduce both cost and disposal off assets over time.

8   Your Fire and Rescue Service priorities

8.1   The original version of the strategy was fully aligned to the previous service plan and the strategy has been revised to align with the new Your Fire and Rescue Service priorities 2019 – 22 and its aims and objectives.

ICT Strategy Programme Progress Report

OFFICIAL
Ownership: Programme Framework
Date Issued:
Version: 1.0   Status: Draft

Revision and Signoff Sheet

Revision History

Revision date	Version	Summary of changes	Author
31/07/2019	0.1	Initial draft	Gayle Seekins

Approvals

Name	Position	Version approved	Date

Distribution

Name	Position	Date of issue	Version

Document Properties

Item	Details
Document Title	07a - ICT Strategy Review annex - Audit 18.10.19
Author	Administrator

Contents

1 Progress Report

1.1. Programme Details

Project name	ICT Strategy Programme
Location	WYFRS
Reporting period	May 2017 to June 2018
Report compiled by	Gayle Seekins
Date submitted	<Insert date>

1.2. Summary

The second year of the programme has seen considerable progress in some areas and slower progress in others.

- In December 2017 the dedicated Programme Manager returned to their business as usual role and has been managing the strategy programme alongside this work.
- The HR and rostering and System security projects have both been realigned following tender processes that resulted in significantly higher than expected costs.
- The Information security project was superceded by the need to be GDPR compliant by the 25th May 2018, however there is crossover between the work needed for both.
- The ITIL project was successfully delivered and the restructure that took place as part of this is currently under evaluation.
- The biggest challenge across all the projects remains to be resourcing, due to a shrinking workforce and limited funds to bring in suitably skilled project managers from outside the organisation.

1.3. Projects

1.3.1. Objectives completed in the previous year

- Produce a WYFRS ICT strategy and implementation plan.
- Establish programme governance.
- Establish and ICT training function.
- ITIL Service Management.

1.3.2. HR & Rostering Solution

Status	**In Progress**
Objective	Provide a HR and Rostering solution which encompasses the needs of WYFRS. This should be simpler, smarter and more engaging than the existing system and should interface with the required embedded systems within WYFRS
Activity dates	*Planned start:* 01/07/2016 *Planned completion:* 17/01/2020

Progress	In 2018, Access HR and Gartan Rostering were procured and implementation started.
	Access HR is being implemented in a phased approach as follows:
	• July 2019 - Core HR, sickness monitoring, recruitment. • August 2019 – Time recording, absence / leave management, training. • TBC – talent management, appraisals.
	This project has a dedicated project manager supported by three members of staff from HR and CST (not all full time on the project).

1.3.3. Information Management Strategy

Status	**Complete**
Objective	To develop and implement an information management strategy and the associated tools to enable all staff to understand how to manage the information they collect and use. The strategy will include an asset register, the retention schedule, naming conventions, use of metadata and compliance criteria. It should reflect any changes required under the General Data Protection Regulation (GDPR) 2018.
Activity dates	*Planned start:* 16/01/2017 *Planned completion:* 02/07/2019
Progress	An information management strategy has been produced along with several supporting documents and tools. An information asset register is in place and being reviewed by the information asset owners on an annual basis. This project has run closely with the SharePoint project which will utilise the governance guidelines and standards established within the information management strategy. This project also had significant crossover with the GDPR project which sat outside the ICT strategy and is also now complete.

1.3.4. System Security

Status	**Complete**
Objective	To support the management of relevant information / data in an efficient and secure way accounting for the following requirements: • Simple administration • Reduced administrative time / cost • Improved reporting for investigation / audit requirements • Provide more proactive management increasing efficiency • Streamline the user experience supporting easy access to relevant information • Streamline the management of access to required information / data

Activity dates	*Planned start:* 06/07/2016
	Planned completion: 02/07/2019
Progress	This project has been closed. System security is now a standard part of all ICT projects and managed within each of these.

1.3.5. SharePoint Upgrade

Status	**In Progress**
Objective	Create a new SharePoint 2016 installation and migrate relevant content across
	Ensure security model is updated in line with the security audit recommendations
	Ensure lessons learnt and new data management requirements are reflected in how the new version is structured.
	- New SharePoint structure is more flexible to meet the needs of the users - Access permissions and workflows are easier to manage - Document management and version control are in place in all libraries - User and champion training packages are established and rolled out
Activity dates	*Planned start:* July 2016
	Planned completion: 31/12/2019
Progress	The new site has now been built and the various sites are being set up, branded and tested. The migration will run through September and October 2019 with the legacy site being decommissioned in November 2019.
	Departments have all undertaken a data cleansing exercise on their current sites with support from the SharePoint team to ensure only valid and current information is migrated to the new sites.
	This project is being managed in addition to business as usual work and this along with some staffing changes within the department has caused delays.

1.3.6. Paperless Meeting Solution

Status	**Complete**
Objective	Develop a business case for a paperless meeting solution and implement the approved recommendations. As part of this ensure meeting environments have infrastructure in place for electronic working.
	The project will see a reduction in the volume of paper produced and used at meetings and associated costs, reduce administration time and better utilise the mobile hardware that is being rolled out.
	Users should be comfortable to attend meetings without paper copies
Activity dates	*Planned start:* September 2016
	Planned completion: 01/10/2019

Progress	The scope of this project was to look at paperless meetings for Management Team. Microsoft OneNote was trialled and found to offer sufficient functionaility without the need for procurement of a new solution. OneNote is already available to all users as part of the standard Microsoft suite of products. Although the project is showing as complete, the evaluation is still to be done. If paperless meetings become a wider requirement, a further project may be required to look at the best options to achieve this.

1.3.7   Mobile Device Management (MDM)

Status	**Complete**
Objective	Provide a software platform for the management and secure access of all mobile devices including but not limited to smartphones, tablets and laptops.
Activity dates	*Planned start:* January 2017 *Planned completion:* 02/11/2018
Progress	All mobile phones / tablets are now secured with the Airwatch mobile device management solution and the mobile computing policy has been updated to reflect the use of MDM.

1.3.8 Protection and Risk Information Database

Status	**In Progress**
Objective	Review the ways of working for protection and risk information and look at the best option for capturing, managing and reporting the information including electronic data capture and integration with other systems to prevent data duplication and improve data quality.
Activity dates	*Planned start:* 21/01/2019 *Planned completion:* 31/07/2020
Progress	This project has been split into two phases. Phase one – operational risk information and phase 2 – protection information. The solution is being built in house and is based on a standard platform. The same platform will be used to replace other systems in the future, providing a standard, consistent and intuitive interface for the users. Phase one commenced in January 2019 for the risk information and is scheduled for completion in October 2019 when work will start on phase 2 for protection information. Iyt is anticipated that work will be complete on phase two by July 2020 although this will be determined once the full requirements scoping takes place.

1.3.9 Voice over Internet Protocol (VoIP) Telephony

Status	**In Progress**

Objective	Replace the legacy telephone system with a networked solution that provides greater flexibility in ways of working, improves mobility, improves conferencing functionality and reduces call costs.
Activity dates	*Planned start:* 21/01/2019 *Planned completion:* 31/03/2021
Progress	The requirements gathering and scoping are underway along with potential supplier engagement. The project team are working with Procurement to establish best route to procure a solution and the requirements specification is being drafted. The implementation is likely to be phased with HQ being first followed by districts and stations. It should be noted that the 999 lines are out of scope of this project.

1.3.10   Vehicle CCTV

Status	**In Progress**
Objective	To implement a single, remotely accessible CCTV system for all liveried response vehicles, replacing the legacy systems currently in place that are coming to end of life.
Activity dates	*Planned start:* 21/01/2019 *Planned completion:* TBC
Progress	The requirements gathering and scoping for the project have been completed and the specification is being developed. A project manager for the procurement and implementation is being identified and following this, a formal timeline will be developed.

1.3.11   Tranman Fleet Management System Upgrade

Status	**In Progress**
Objective	To implement the latest version of Tranman to enable: • The life of a vehicle from procurement to disposal to be held electronically. • All vehicle maintenance and repair job cards to be electronic. • Users to be able to report vehicle faults electronically and track progress of repairs. • Staff are able to book pool cars electronically.
Activity dates	*Planned start:* 21/01/2019 *Planned completion:* 31/07/2019
Progress	The update is almost complete and will be going live in August 2019 with the project being complete in September 2019. The slight delays are due to robust testing and ensuring that effective training is provided.

1.3.12   Hydrant Management Upgrade

Status	**In Progress**
Objective	To implement the latest version of the hydrant management software. This is a small project to move to the latest version which is compatible with Windows 10. It will offer improved functionality including a faster turnaround time to get the information onto the MDTs.
Activity dates	*Planned start:* 01/07//2019 *Planned completion:* 31/10/2019
Progress	Initial meetings have been held with the stakeholders and supplier and a timeline for the update is being established.

1.3.13   Rich Media Management Solution

Status	**In Progress**
Objective	Implement a system to store and manage all rich media including footage from drone, aerial appliances, photographs, videos, etc. Images and video are currently stored in a variety of locations with varying levels of information governance and access control. This project is to look at a solution to manage all rich media in one place with the appropriate governance and controls in place.
Activity dates	*Planned start:* 01/07//2019 *Planned completion:* 31/03/2020
Progress	Initial meetings have been held with the stakeholders to gather requirements.

1.3.14   Other projects

Project	Objective	Comments
Command Support Software	Enable the ability to collect, manage and transfer information between incident sectors and incident command electronically	This project has been attempted in various formats but due to limited options on the market a suitable solution has not been found. It has now been brought under the strategy; however work is underway to determine the viability of Resilience Direct to provide a solution.
Electronic Forms	Review methods of producing consistent electronic forms with a standard look and feel that can be used across desktop and mobile	This project has been removed. The forms are being developed as part of the mobile working, risk information and protection developments. The existing Infopath forms

	working technologies that will simplify and enhance the end user experience.	held in SharePoint are being moved to Nintex forms as part of the SharePoint project. (Infopath is a Microsoft product that is going out of support).
ID Cards	Establish whether use of ID cards can be maximised to manage access to systems and technology including replacing system logins and accessing print.	To be reviewed as part of the revised strategy.
BYOD – Bring your own device	Review internal communication methods including BYOD and implement the recommendations from the approved business case.	To be reviewed as part of the revised strategy.
(Electronic Maintenance of Competence) EMOC Review	Assess whether the EMOC system meets the requirements for input, management and reporting and is easy to use.	To be reviewed as part of the revised strategy.
Performance Management	As part of the review of systems look at how performance management solutions can be enhanced including more corporate performance management.	On-going as part of each project
Thin Client	Develop the business case to determine whether to move to a thin client infrastructure and implement the approved recommendations.	To be reviewed as part of the revised strategy.
Equipment Management and electronic tagging of equipment	Assess the impact and benefits of electronic tagging of equipment. Assess whether EMS is meeting the requirements for the effective management of operational equipment. Determine what other equipment can be managed through EMS.	To be reviewed as part of the revised strategy.
OPEX (Stores and purchasing system) Upgrade	Assess whether the current OPEX system meets requirements and determine whether upgrade or replacement is required. Ensure that the current manual ordering processes can be automated.	The use of OPEX stores systems is being reviewed as part of the procurement review.
Printer Estate	Review the number and type of printers against requirements taking into account the use of electronic meetings and secure printing and investigate the benefits of a managed print solution.	Scheduled for 2020/21.

Commercial Viability of in-house ICT solutions	Establish whether there is a market for in house products, the implications to resources and cost and the benefits of establishing a trading arm.	Scheduled for 2020/21.

1.4. Challenges & Lessons Learned

The following table summarises the challenges we have faced during the reporting period and the lessons learned / solutions for each challenge.

Challenge	Lessons learned / solutions
Volume of organisational change impacting on the capacity of staff across all departments.	Early stakeholder engagement and realistic timelines. Challenge at senior level to ensure the change priorities are the right ones and that these contribute to achieving the aims and objectives set out in the Service Plan. Look at how we manage and resource change and determine whether this could be done in different way.
Financial approvals	Ensure the financial approval levels are clear from the outset so the appropriate approval committee cycle can be built into the timeline.
Project resource costs	A proper mechanism for recording the resource costs of a project needs to be established.
Ways of working	Time needs to be allocated in the initial phases of a project to look at ways of working and challenge whether these can be done more effectively. This will then feed into the requirements for the project to ensure the right solution is implemented.
Separating want from need	Over specifying the requirements leads to more expensive / complex solutions that do not get used to their full potential. We need to ensure that mandatory requirements are based on what we actually need and that additional functionality adds real benefit to the organisation.
Resources	Factor in the lead time to pull project resources together, whether that is internal or external resources, including where staff need to be backfilled before they can be released onto the project. Shrinking organisation and the large number of change projects underway means that appropriate resources are difficult to find and release. Departments may keep pulling project resources back into business as usual but this may not be the right decision based on the organisational requirements rather than the department requirements.

1.5. Budget

All the budget figures shown are the revised budgets following Star Chamber in December 2018 to determine affordability of the total capital plan. The plan will be revised further for 2020/21.

Budget heading	Total budget allocated	Total expenditure to date
HR & Rostering (Will be completed in the current FY).	£300,000	£137,750
Protection and Operational Risk Database (The solution is being built in-house so the budget will no longer be required.)	£100,000	£0
Command Support Software	£100,000	£0
Thin Client	£340,000	£0
ID Cards	£15,300	£0
Hydrant Management (Will be completed in the current FY).	£30,000	£0
Equipment Management and RFID tagging	£293,000	£0
BYOD	£60,000	£0
Tranman Upgrade (Will be completed in the current FY).	£66,075	£66,075
VoIP	£265,000	£0
Vehicle CCTV	£390,000	£0
Electronic Forms (Will be completed in the current FY).	£25,000	£24,432
Rich Media Solution	£200,000	£0
TOTAL	£2,184,375	£228,257

West Yorkshire
Fire & Rescue Authority

Abridged Performance Management Report
Audit Committee

Date: 18 October 2019

Submitted By: Chief Legal and Governance Officer

Agenda Item:

8

Purpose	To inform Members of the Authority's performance against Key Performance Indicators where targets are not being achieved
Recommendations	That Members note the report
Summary	The Performance Management and Activity Report which is presented to the Full Authority outlines the Authority's performance against key performance indicators thereby enabling the Authority to measure, monitor and evaluate performance against targets. This report highlights the key performance indicators where targets are not being achieved.

Local Government (Access to information) Act 1972

Exemption Category: **None**

Contact Officer: Alison Davey
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alison.davey@westyorksfire.gov.uk
T: 01274 655801

Background papers open to inspection: None

Annexes: Abridged Performance Management Report

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1   Introduction

1.1   The Performance Management and Activity Report, which is presented quarterly to the Full Authority meeting outlines the Authority's performance against key performance indicators thereby enabling the Authority to measure, monitor and evaluate performance against targets. These are detailed in three categories as shown below:

- o   Key Performance Indicators

- o   Service Delivery Indicators

- o   Corporate Health Indicators

1.2   The Performance Management and Activity Report is monitored quarterly by Management Team and the Full Authority.

1.3   A traffic light system is used to provide a clear visual indicator of performance against each specific target and comparison is made with the same period the previous year to indicate whether performance has improved, remained the same or deteriorated.

2   Information

2.1   The attached report highlights the key performance indicators where the targets are not being achieved.

2.2   Information regarding reasons why performance is not at the required level, together with actions being taken to address this, is provided within the report.

3   Financial Implications

3.1   There are no financial implications arising from this report.

4   Legal Implications

4.1   The Chief Legal & Governance Officer has considered this report and has no observations to make at the time of submission of this report but may provide legal advice at the committee meeting and/or respond to any requests by members for legal advice made at the meeting.

5   Human Resources and Diversity Implications

5.1   Measurement against key indicators on human resources and diversity are included in the Performance Management Report.

6   Health, Safety and Wellbeing Implications

6.1   There are no health and safety implications associated with this report.

7   Environmental implications

7.1   There are no direct envrironmental implications arising from this report.

8   Your Fire and Rescue Service priorities

8.1   This report links to all the Service Plan priorities.

West Yorkshire
Fire & Rescue Service

Performance Management and Activity Report (Abridged) 2019/20

Period covered: 1 April – 30 June 2019
Date Issued: 29 July 2019

Making West Yorkshire Safer
www.westyorksfire.gov.uk

Table of Contents

1. Introduction/Summary

The purpose of this report is to provide information regarding the performance of West Yorkshire Fire and Rescue Service against selected performance indicators for which performance has decreased compared with the same period the previous year.

The first section provides a summary of performance against all performance indicators detailed within the full Performance Management and Activity Report which is presented to Full Authority Committee meetings.

In this report, appropriate and progressive monthly statistics have been utilised to identify trends in performance, with corresponding information regarding the action being taken to address areas of under-performance.

All data, unless specified, is for the reporting period 1 April – 30 June 2019.

A traffic light system has been employed to provide straightforward visual indication of performance against each specific indicator.

If further data is available following the last Performance Management Report presented to the Full Authority, this has been included to show the performance trend.

2. Service Delivery Targets

	Not achieving target (by more than 10%)
	Satisfactory performance (within 10% of target)
	Achieving or exceeding target

	Actual Data (2009/10)	Three Year Average Target (2016/19)	Actual Data to date (2018/19)	Actual Data to date (2019/20)	Performance Against Three Year Average (2019/20)	End of Year Projection (2019/20)
Arson	10897	6811	1976	1845	**8.7%**	7400
Actual Rescues	875	775	226	241	**24.7%**	967
Total Activity	34270	23646	6667	6130	**4.0%**	24587
Dwelling Fires	1549	1145	297	270	**-5.4%**	1083
Non-Domestic Building Fires	513	438	110	108	**-1.1%**	433
Prevalence of False Alarms	16750	11306	2655	2384	**-15.4%**	9562
Fire-Related Injuries	270	198	58	47	**4.8%**	189
Road Traffic Collisions	1060	618	139	167	**8.4%**	670
Malicious False Alarms	713	361	96	73	**18.9%**	293

3. Service Delivery Indicators – Performance compared to previous year

| Description	2018-19	2019-20
Accidental Dwelling Fires (per 10,000 dwellings)	2.49	2.34
Number of deaths arising from accidental fires in dwellings (per 100,000 population)	0.00	0.04
Number of Fire-Related Deaths (per 100,000 population) arising from fires other than Accidental Dwelling Fires	0.04	0.13
Number of Injuries arising from accidental fires in dwellings (per 100,000 population)	1.69	1.26
(a) Number of Serious Injuries(per 100,000 population)	0.17	0.04
(b) Number of Slight Injuries (per 100,000 population)	1.52	1.21
The percentage of dwelling fires attended where there was a working smoke alarm which activated	50.17%	52.22%
The percentage of dwelling fires attended where a working smoke alarm was correctly fitted but did not activate	18.18%	16.30%
The percentage of dwelling fires attended where a smoke alarm, because it was faulty or incorrectly sited, did not activate	7.74%	5.19%
The percentage of dwelling fires attended where no smoke alarm was fitted	23.91%	26.30%
Number of calls to malicious false alarms (per 1000 population) – attended	0.04	0.03
False alarms caused by automatic fire detection equipment (per 1000 non-domestic properties)	8.16	8.10
False alarms caused by automatic fire detection equipment (per 1000 domestic properties)	1.01	0.92
Fires in non-domestic premises (per 1000 non-domestic premises)	1.30	1.28
Number of Primary Fires (per 100,000 population)	39.06	35.20
Number of Fire Casualties – excluding Precautionary Checks (per 100,000 population)	2.47	1.82
Arson Incidents – All Deliberate Fires (per 10,000 population)	8.57	8.00
Arson Incidents – Deliberate Primary Fires (per 10,000 population)	1.66	1.49
Arson Incidents – Deliberate Secondary Fires (per 10,000 population)	6.90	6.51

4. Service Delivery Indicators – WYFRS not achieving target

Description	Cumulative Year to Date Performance												Performance in 2018-19
	To 30 Apr	To 31 May	To 30 Jun	To 31 Jul	To 31 Aug	To 30 Sep	To 31 Oct	To 30 Nov	To 31 Dec	To 31 Jan	To 28 Feb	To 31 Mar	
Number of deaths arising from accidental fires in dwellings (per 100,000 population)	0.00	0.00	0.04 (1)										0.00

Comments:

This was a fire in a basement flat where the occupant self rescue prior to the arrival of the fire and rescue service. The fire was cooking related and the occupant suffered burns and smoke inhalation whilst attempting to escape.

Description	Cumulative Year to Date Performance												Performance in 2018-19
	To 30 Apr	To 31 May	To 30 Jun	To 31 Jul	To 31 Aug	To 30 Sep	To 31 Oct	To 30 Nov	To 31 Dec	To 31 Jan	To 28 Feb	To 31 Mar	
Number of Fire-Related Deaths (per 100,000 population) arising from fires other than Accidental Dwelling Fires	0.00	0.09 (2)	0.13 (3)										0.04 (1)

Comments:

Two of the three incidents appear, from the fire investigation reports, to have been started deliberately by individuals who have then succumbed as a result of heat and smoke. The third incident is still under investigation.

PREVENTING PROTECTING RESPONDING
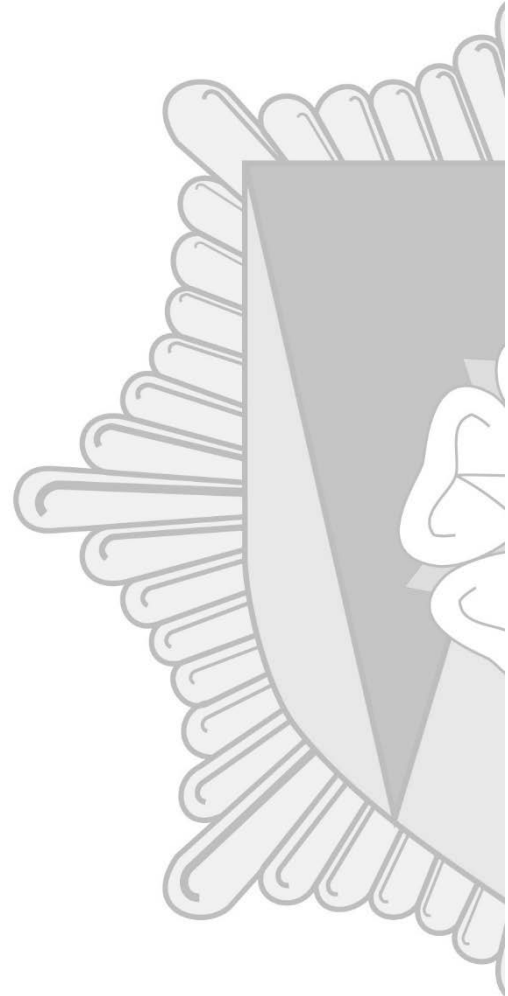
West Yorkshire Fire and Rescue Service

Oakroyd Hall

Birkenshaw

Bradford BD11 2DY

Performance Management Report

Service Assurance Update

Audit Committee

Date: 18 October 2019

Agenda Item:

9

Submitted By: Director of Service Support

Purpose	To update Audit Committee on the Service Assurance progress, the new Operational Assurance Framework, and Her Majesty's Inspectorate of Constabulary and Fire & Rescue Service (HMICFRS) inspection programme.
Recommendations	That Audit Committee note the content of the report.
Summary	This report gives an overview of three areas:

1) Service Assurance – Our 2018/19 service assurance self-assessments and audits have been completed and planning is underway for 2019/20.

2) Operational Assurance Framework - The new Framework (Annex A) has now gone live and is currently in the process of being implemented.

3) HMICFRS – We are awaiting the final report which will be published in December 2019.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: SM Gareth Atkins

Background papers open to inspection: None

Annexes: Annex A Operational Assurance Framework

                                       Annex B Service Assurance - Areas of Improvement

Making West Yorkshire Safer
www.westyorksfire.gov.uk

1 Introduction

1.1 This paper provides an overview of West Yorkshire Fire and Rescue Service's (WYFRS) Assurance process, the Operational Assurance Framework, and Her Majesty's Inspectorate of Constabulary and Fire & Rescue Service (HMICFRS) inspection programme.

1.2 WYFRS recognises the importance of the provision of assurance and its responsibilities contained within the National Framework document. A dedicated team, the Service Improvement and Assurance Team (SIAT) provide high level assurance to Management Board and the Fire Authority through the management of the HMICFRS inspection process, the SA processes and the development of the Operational Assurance process. The SIAT also deliver and manage a number of service improvement and assurance work streams.

1.3 Service Assurance Framework
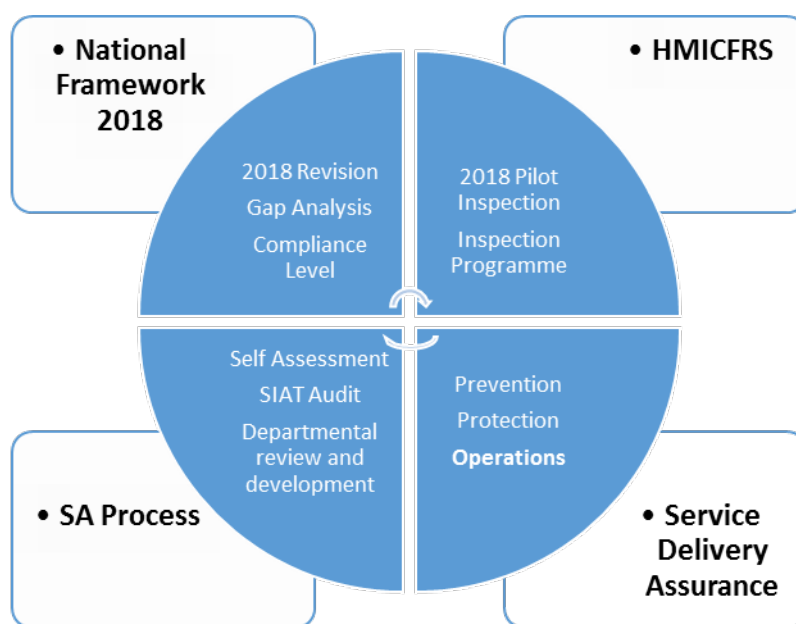
2 Information

2.1 Service Assurance

2.1.1 Between December 2018 and January 2019, 26 departments completed their self-assessment within the Service Assurance Toolkit. The process is designed to provide assurance on three separate levels:

- Level 1 Business Operations – Direct Assurance (Blue)
- Level 2 Corporate Governance Oversight – Risk Assurance (Red)
- Level 3 Third Party Review – Independent Assurance (Purple)

2.1.2 The three levels contain a number of descriptors (Table 1) that are completed as part of the self-assessment. Each of the descriptors contains a number of sub-questions that assist departments to provide a judgment of how they feel they are performing in each area.

Ref	Descriptor Title	Self-assessment
1.1	**Objectives**	Does the department have clearly defined departmental objectives?
1.2	**Action Plan**	Does the department have a clearly defined action plan?
1.3	**Performance Indicators**	Does the department have clearly defined performance indicators?
1.4	**Health and Safety**	Does the department have clearly defined and effective arrangements to take into account its health, safety and welfare responsibilities?
1.5	**Legal/Policy Compliance**	Does the department take into account statutory provisions, legislation and guidance?
1.6	**Training and Competence**	Does the department ensure that all employees have had suitable and sufficient training to carry out their role in line with the organisational Training and Development Strategy?
1.7	**Financial Controls**	Does the department have sufficient controls and systems in place to ensure its financial obligations are met?
1.8	**Staffing and Resourcing**	Does the department have sufficient staff and resources to operate effectively?
1.9	**Value for Money**	Does the department provide value for money?
2.1	**Policies**	Does the department comply with departmental and organisational policy?
2.2	**Reporting and Monitoring**	Does the department have comprehensive procedures in place for reporting and monitoring?
2.3	**Corporate Risk Management**	Does the department comply with the organisations Corporate Risk Management procedures i.e. Business Continuity?
2.4	**Equality Impact Assessment**	Does the department ensure that all activities are subject to an Equality Impact Assessment, where required?
2.5	**SIAT**	Has the department been subject to an assurance review within the last 12 months?
3.1	**Internal Audit**	Has the department been subject to any internal audits in the past 12 months?
3.2	**External Audit**	Has the department been subject to any external audits within the last 12 months?
3.3	**External Peer Challenge**	Has the department been involved in an external inspectorate process or peer challenge process within the last 12 months?

(Table 1)

45

2.1.2   ***Department Visits:*** Initial department visits were carried out between January and May 2019 where the SIAT spent time with the owners to gain further in-depth information and identify the evidence that was in place to support their self-assessment scores. The visits were put on hold for the HMICFRS inspection but resumed in July 2019. We continue to carry out these review meetings.

2.1.3   ***Good Practice:*** The evidence from review meetings and the returned self-assessments has been evaluated and good practice identified. Notable practice will be shared in a good practice workshop, articles in Burning Issues and through a Shared Good Practice Guide.

2.1.4   ***Value for Money:*** *Examples* of value for money are being identified and captured. These examples will be reviewed further to identify the impact they have on departments and the service. Notable practice will be shared across the service to support the continuous improvement of the organisation.

2.1.5   ***Areas for Improvement:*** Departments that have areas for improvement are currently being supported by the SIAT through set action plans, additional planned review meetings and referrals for training. A small number of descriptors had returns of 'Inadequate'; the SIAT have worked with these departments to address these areas and improve processes/performance. The table in Annex B shows how these have been addressed.

2.1.6   Trends show that the following areas require improvement:

- Objectives (19% require improvement)
- Action Plans (31% require improvement)
- Performance Indicators (58% require improvement)

2.1.7   These are currently areas of focus that were highlighted during our Organisational planning day. WYFRS place an emphasis on service planning and have a programme of work to review performance management.

2.1.8   The SIAT are satisfied that the areas identified are already being addressed in projects within the programme of change.

2.1.9   ***Dip Samples:*** Following the self-assessment, the descriptors below returned scores of outstanding and good. The SIAT analysed these grades further, to determine if there was sufficient evidence behind the self-assessment to justify the scoring.

- 1.4 Health & Safety
- 1.5 Legal/Policy Compliance
- 1.6 Training & Competence
- 1.7 Financial Controls
- 2.1 Policies

2.1.10   The first area to be sampled was the Equality Impact Assessments (EIA's). On analysis, it was identified that there was a lack of understanding as to when and how EIA's needed to be completed. Six departments/districts were offered additional training by the Diversity & Inclusion team. A full review of all departments/districts was carried out and the table below shows the outcome.

Referred for EIA training through Service Assurance Process	Recently completed/are completing EIA training	EIA training not required
11	5	10

2.1.11 **Annual Statement of Assurance:** The service assurance process ensures that evidence linked to the Annual Statement of Assurance is readily available.

2.1.12 **Reporting:** Service Assurance processes are reported to Tactical Project Board, Authority Meetings, Management Team, Management Board and Audit Committee to ensure oversight and scrutiny.

2.1.13 The Self-Assessment Toolkit and Guidance has been reviewed by relevant WYFRS specialist departments and amended accordingly to complement the work currently being carried out across the organisation.

2.2 Operational Assurance

2.2.1 Operational Assurance now forms part of the Service Assurance Framework. The new Operational Assurance Framework (Annex A) focuses on all areas of the service and how they contribute to operational effectiveness. It also details the expectations on departments, teams and districts to assure these elements including an assessment, analysis, assurance and audit process facilitated by the SIAT.

2.2.2 Implementation is in the early stages, but will follow the process below.

- Meetings with department heads to identify elements of their business that contribute to operational effectiveness.
- Evaluate the elements captured from the above to determine the levels of assurance currently in place.
- Identify any gaps in assurance and introduce control measures.
- Introduce an audit system to monitor progress.

2.3 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Service (HMICFRS)

2.3.1 In July 2017, Her Majesty's Inspectorate of Constabulary extended its remit to include inspections of England's Fire and Rescue Service and was renamed HMICFRS. HMICFRS assess how well fire and rescue services prevent, protect against, and respond to fires and other emergencies, and how well they look after their people.

2.3.2 The fire and rescue services inspection programme enables HMICFRS to draw together evidence from inspections of all 45 fire and rescue services in England. The inspection programme was developed with the fire and rescue service by recruiting experts, and taking advice from senior service representatives.

2.3.3 WYFRS' inspection took place between February and June; the process involved:

- Data collection
- Document requests
- Discovery week
- Fieldwork week
- Hot debrief.

2.3.4   We will provide a briefing to Members on 5 December 2019, prior to HMICFRS publishing the final report in early December 2019.

2.3.5   Actions from the final report will be progressed as a formal action plan. The results and content of the report will be reported to Authority on 21 February 2020.

3   Financial Implications

3.1   There are no direct financial implications associated with this report although areas for development may require investment decisions which will be incorporated into each specific business case for funding.

4   Legal implications

4.1   The Chief Legal and Governance Officer has considered this report and has no observations to make at the time of submission of this report but may provide legal advice at the committee meeting and / or respond to any requests by Members for legal advice made at the meeting.

5   Human Resource and Diversity Implications

5.1   There are no direct human resource and diversity implications associated with this report although equality impact assessments form an integral part of considerations for all aspects of service delivery.

6   Environmental Implications

6.1   There are no environmental implications arising directly from this report.

7   Health, Safety and wellbeing Implications

7.1   Health and safety is a fundamental consideration for all aspects of service delivery. Identified issues relating the Health, Safety and wellbeing will be addressed and dealt with depending on their level of urgency either through the action plan or directly if required.

8   Your Fire and Rescue Service Priorities

- Reduce the risks to the communities of West Yorkshire
- Continue to keep our firefighters safe
- Work smarter throughout the service
- Make better use of technology and innovate where possible
- Be more efficient across all areas of the service to make savings
- Support, develop and enable our people to be at their best

9   Conclusion

9.1   Our 2018/19 Service Assurance self-assessments and audits have been completed and systems are in place to start the 2019/20 process in December. Trends show that the following areas require improvement

- Objectives (19% require improvement)
- Action Plans (31% require improvement)
- Performance Indicators (58% require improvement)

9.2   The SIAT are satisfied that the areas identified are already being addressed in projects within the programme of change.

9.3   The descriptors below returned grades of outstanding and good following the dip sampling process:

- 1.4 Health & Safety
- 1.5 Legal/Policy Compliance
- 1.6 Training & Competence
- 1.7 Financial Controls
- 2.1 Policies

9.4   The new Operational Assurance Framework is now live and implementation is in progress.

9.5   HMICFRS will be publishing our inspection report in December 2019. Actions from the final report will be progressed as a formal action plan and the results and content of the report will be reported to Authority on 21 February 2020.

Operational Assurance Framework

Ownership: Director of Service Support
Date Issued: 04/08/2019
Version: 3

Revision and Sign off Sheet

Change Record

Date	Author	Version	Comments
25/07/2019	Matthew Walsh	0.1	Draft
04/08/2019	Matthew Walsh	0.2	Final Draft – CK, JB, TJ Comments
04/08/2019	Gareth Atkins	0.3	Formatting and proof read

Reviewers

Name	Version Approved	Position	Organisation	Date
N Smith		AM	WYFRS	

Distribution

Name	Position	Organisation

Document Properties

Item	Details
Document Title	Operational Assurance Framework
Author	Administrator
Creation Date	25/07/2019
Last Updated	04/08/2019

Contents

1   Introduction

1.1   Operational Assurance forms part of the Service Delivery Assurance element of the Service Improvement and Assurance Framework.

1.2   The Operational Assurance Framework will detail the requirements of departments and teams who have a direct or indirect impact on operational effectiveness. Where it is identified that an impact exists, there will be an expectation that assurance is provided. This will be in liaison with the Service Improvement and Assurance Team (SIAT).

• National Framework 2018

2018 Revision

Gap Analysis

Compliance Level

• HMICFRS

2018 Pilot Inspection

Inspection Programme

Self Assessment

SIAT Audit

Departmental review and development

Prevention

Protection

Response

• SA Process

• Service Delivery Assurance
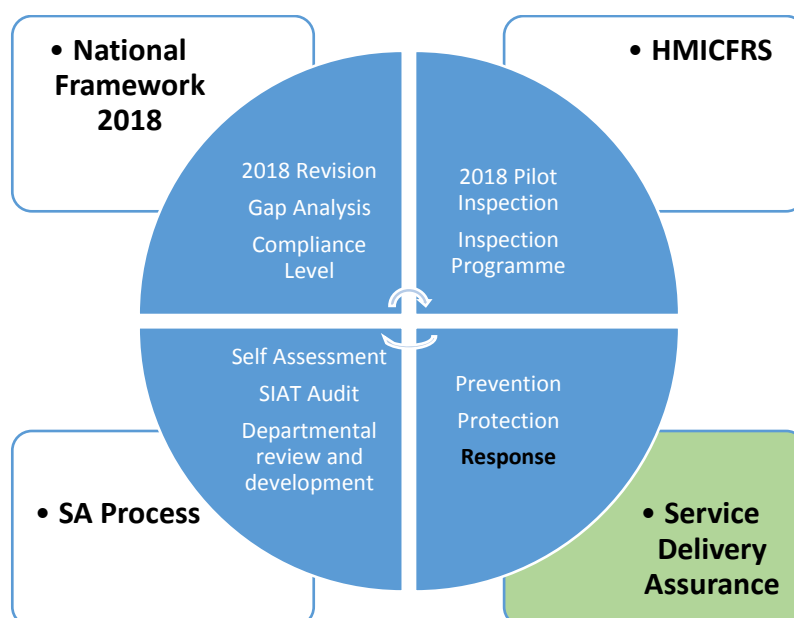
1.3   Operational Assurance is essential to ensure that frontline services operate effectively and safely. The main focus of operational assurance is on:

- **Firefighter Safety**
  - o   Safe and effective response to emergencies
  - o   Learning from recent incidents
  - o   Learning from firefighter deaths
  - o   Delivery of the service training strategies
  - o   Delivery of the Firefighter Safety Programme.

- **Public Safety**
  - o   Discharge of legal responsibilities covered in relevant legislation
  - o   Moral obligation
  - o   National Framework requirements.

- **Category 1 and 2 Responder Safety**
  - Obligation to our partners
  - Civil Contingencies Act 2004.

- **Effectiveness**
  - Fire Services Act and National Framework requirements
  - HMICFRS Inspection Process
  - Duty and moral reason (Pride).

- **Efficiency**
  - Fire Services Act and National Framework requirements
  - HMICFRS Inspection Process
  - Duty and moral reason (Pride)
  - Current and recent financial constraints.

1.4 This document sets out the service's priorities and objectives in relation to assuring operational effectiveness. The Framework sets out the high-level expectations. It does not prescribe how departments should provide their assurance functions. This will be determined by the departments themselves with support from the SIAT.

The priorities in this Framework are for departments to:

- **Assess their functions to identify any current work streams or elements of their business that contribute to operational effectiveness.**

- **Analyse these functions to determine the impact these have on operational service delivery.**

- **Determine the current level of assurance for the identified functions including any gaps.**

- **Collaborate with the SIAT to ensure the appropriate assurance mechanisms are in place.**

1.5 Departments need to assess all elements of their business that contribute to operational effectiveness. This framework will provide a set of generic expectations for each department and ones that are specific or only applicable to certain teams e.g. Districts.

2   Background

2.1 WYFRS assures operational effectiveness through a number of established routes. The traditional focus is on operations and actions that occur on the incident ground and during training and exercising events, such as:

- Observation of decisions and actions at incidents, through:

    o OpA Officer Role
    o District PMV/ SAV Process
    o Station Assessment
    o District Assessment
    o FSHQ Assessment.

These processes do provide an element of assurance to the service that the operations that are being carried out meet the criteria as detailed above i.e. Firefighter Safety, Public Safety etc. Crews and officers are observed directly whilst responding to, or dealing with an incident or exercise. The debrief process records the findings of these observations and facilitates learning and continuous improvement.

2.2 National Approach

WYFRS are not alone in their approach to this style of operational assurance. Liaison and feedback from around 15 different services within the UK has shown that the main focus of operational assurance predominately takes a direct approach and is focused on the outputs at incidents and in training, through observation, professional discussion and assessment.

3 Legal Duty/ Powers

3.1 West Yorkshire Fire and Rescue Service has a responsibility to ensure that its staff and the public are safe and adequately protected.

3.2 Fire and Rescue Services Act & National Framework

Under section 21 of the Fire and Rescue Services Act 2004, the Secretary of State must prepare a Fire and Rescue National Framework. Every fire and rescue authority must have regard to the Framework in carrying out their functions. Every authority must publish an annual statement of assurance of compliance with the Framework, Chapter 4 within the framework states:

> *"The annual statement of assurance should outline the way in which the authority and its fire and rescue service has had regard – in the period covered by the document – to this National Framework, the Integrated Risk Management Plan and to any strategic plan prepared by the authority for that period. The authority must also provide assurance to their community and to government on financial, governance and **operational matters.**"*

3.3 Health and Safety at Work Act 1974

Under the law employers are responsible for health and safety management. It is an employer's duty to protect the health, safety and welfare of their employees and

other people who might be affected by their business. Employers must do whatever is reasonably practicable to achieve this. This means making sure that workers and others are protected from anything that may cause harm, effectively controlling any risks to injury or health that could arise in the workplace*.*

4   Comprehensive Operational Assurance

4.1   The direct assurance route does provide an element of assurance to operational effectiveness, efficiency and the safety of all involved. However, focusing on the outputs and end results has limitations and provides little or no assurance around the other elements of the service that feed into operational effectiveness.

4.2   This framework will establish a comprehensive operational assurance process based on 3 key areas.

1.   **Direct Assurance of Operations** – Observation, discussion and assessment of operational incidents and training through individuals or appropriate systems. The following are current mechanisms that are used across departments and districts to provide direct assurance that operations are being carried out effectively on the incident and training grounds:

   - Opa Officer incident attendance
   - District PMV/SAV process
   - Station/District/HQ operational assessment BATA etc.
   - Ops Learning Officer
   - SIAT Assurance Process
   - Incident Commander Assessment
   - Observation and assessment from other stakeholders.

   This type of assurance will typically be carried out via direct observation, assessment or professional discussion.

2.   **Indirect Assurance of Operations** – Assessment of departments and functions that have a direct or indirect involvement to support operational effectiveness and delivery of operational strategic objectives. Most departments and teams will have some element of impact upon the operational effectiveness of crews attending incidents and carrying out training. The following are some examples of this:
   - Training and exercising
   - Operational learning
   - Debriefs
   - Operational Policy Team
   - Operations Teams
     - o   Response
     - o   Resilience

> ○ Specialist teams
- Transport
- Property
- Operational Equipment
- Logistics.

The above list is not exhaustive and it is envisaged that most departments and teams will be able to identify areas that contribute to operational effectiveness. This may include attendance at incident debriefs, sharing their learning and views on how incidents and exercises are delivered, and any improvements or actions that have been taken as part of the process.

3. **Operational Assurance Reporting** – This is captured using systems and documentation to record the inputs and outputs of operational assurance. These systems are established and being utilised at present to record operational assurance activities. The following are current examples of these:
   - Opa Observation Form
   - Emocs
   - IRS
   - EMS
   - Debrief Outcomes
   - SIAT Assurance Report.

The process detailed within this document will support departments to ensure that any current assurance recording mechanisms are fit for purpose. Where gaps are identified in reporting mechanisms the SIAT will assist departments to establish appropriate systems.

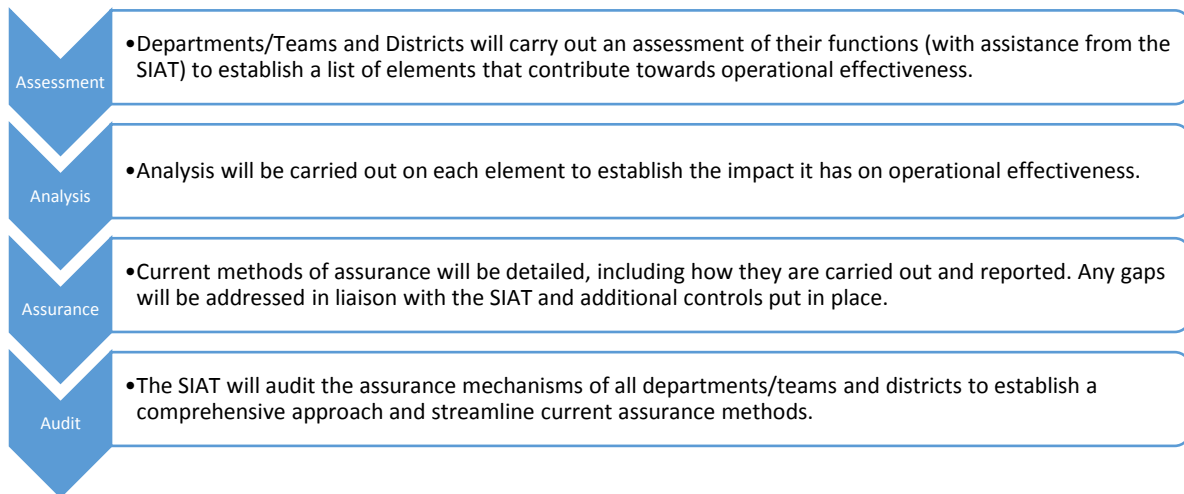## 5   Operational Assurance Expectations

5.1   This section details the expectations that each department or district will carry out that contribute to operational effectiveness. There may be slight differences in the requirements for support departments and those directly involved in frontline operations. These are detailed in the process diagram below and will assist individual teams to ensure they meet the requirements of the framework.

5.2   The diagram details how each department and district will establish their individual assurance processes based on the areas they identify that have an impact on operational effectiveness; the '4 A's' process consists of:

- Assessment
- Analysis
- Assurance
- Audit.

The process diagram details how each of the 'A's' will be carried out.

5.3   4 A's Process

- **Assessment** • Departments/Teams and Districts will carry out an assessment of their functions (with assistance from the SIAT) to establish a list of elements that contribute towards operational effectiveness.
- **Analysis** • Analysis will be carried out on each element to establish the impact it has on operational effectiveness.
- **Assurance** • Current methods of assurance will be detailed, including how they are carried out and reported. Any gaps will be addressed in liaison with the SIAT and additional controls put in place.
- **Audit** • The SIAT will audit the assurance mechanisms of all departments/teams and districts to establish a comprehensive approach and streamline current assurance methods.

- Reporting and recording must include an element to ensure the loop is closed and information is shared.
- Reporting and recording where possible should not be onerous and have quantifiable outcomes.

5.4   Departmental Specific Expectations

Departments, teams and districts will all differ in their level of contribution to operational effectiveness. The following are expectations that should be considered by the individual departments listed.

5.5   Districts/Operations/Control

- Ensure that any assurance mechanisms take into account a range of incident types.
- Based on awareness of foreseeable and local risks.
- Include an element that provides assurance at smaller incidents.
- Ensure that assurance can be scaled up or down and can be carried out dynamically.
- Ensure that assurance processes are intelligence led and not based solely on the number of appliances being mobilised.
- Consider the use of WC's in districts to carry out an assurance function.
- Consider liaison with IC's directly to determine if they would like the attendance of an assurance officer.
- Consider the use of 'shadow incident commanders' to provide assistance and assurance to newly promoted officers.
- Consider the introduction of a multi-agency liaison officer to support incident commanders and provide assurance at busy multi-agency incidents.

- Support the introduction of Operational Learning/Assurance Officers.

5.6 Training and Development

- Ensure that the frequency, content and delivery of operational training, including command is adequate given the reduction in the number of incidents being attended. The assurance of this should be appropriate to the level identified.

5.7 Operational Policy/Learning

- Assess the current mechanism for providing operational feedback (OpA feedback forms) to ensure that identified issues are shared at the appropriate levels.
- All changes to policy should be reviewed to ensure they are adding value in terms of improved operational assurance.

5.8 The SIAT will work with all teams/departments to ensure that their assurance mechanisms are appropriate and provide the right level of control with minimal impact on the day to day delivery of their functions.

6 Reality Testing

6.1 The assessment carried out by individual departments/teams and districts will provide real evidence to support this framework and develop a comprehensive operational assurance process. To further support this, 'reality testing' will be carried out. This will be a process to dissect an incident, taking into account all the elements that contribute towards it. All teams and departments may be involved in the reality testing process.

7 Service Improvement and Assurance Team

7.1 The SIAT will support departments, teams and districts to ensure that any elements that have been identified have the appropriate assurance mechanisms in place. In addition to this, audits and dip samples will be carried out by the team to close the loop and provide managers with assurance that the mechanisms they have put in place are fit for purpose.

8 Reporting and Monitoring

8.1 Operational effectiveness will be assured through the process prescribed within this framework. However, in order for the assurance process to be most effective a structured and robust way of recording, reporting and communicating any findings has been established around the 3 elements of assurance.
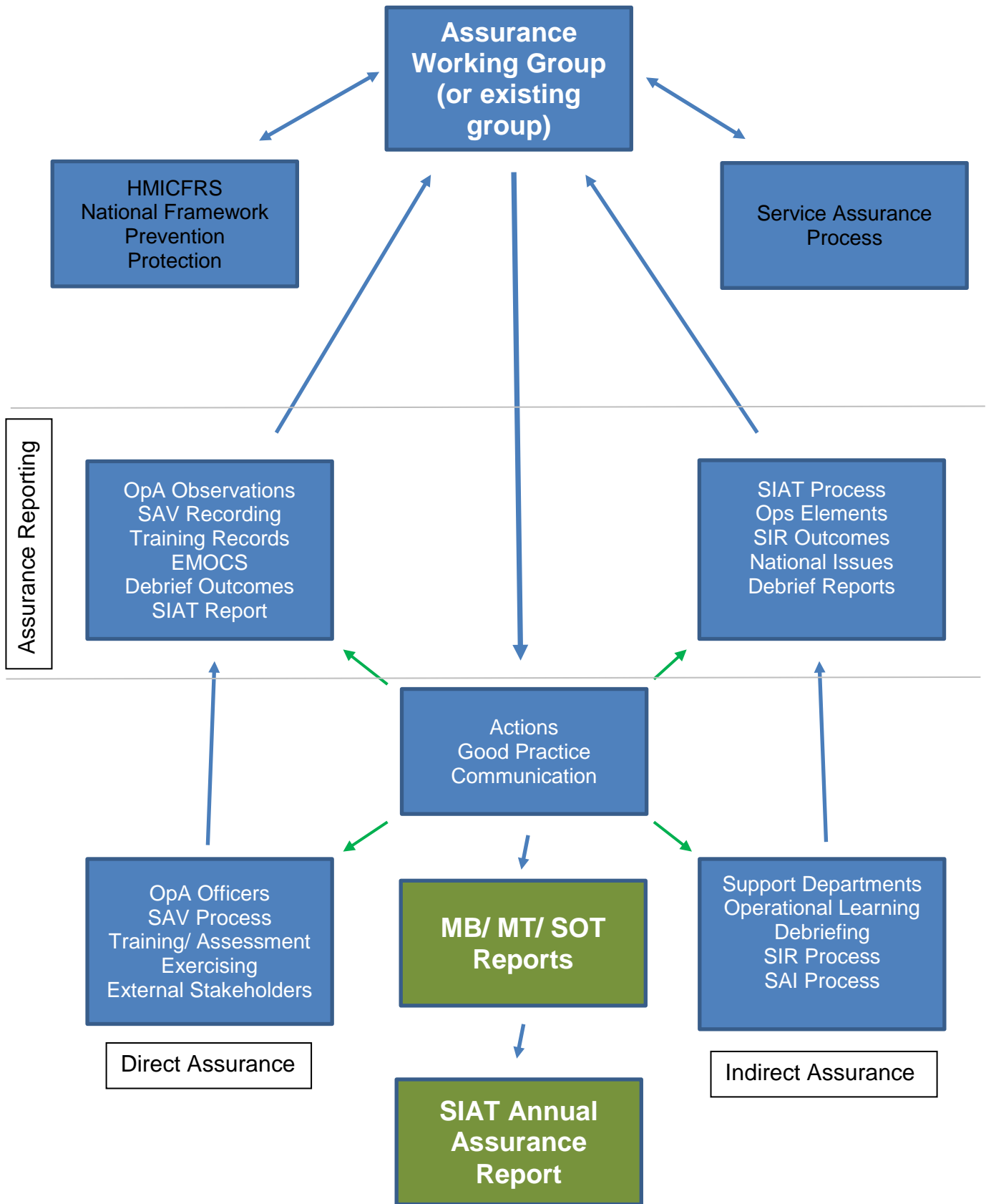
Information and outcomes obtained during assurance activities will be recorded and reported, then fed into the Assurance Working Group (or existing group) to establish
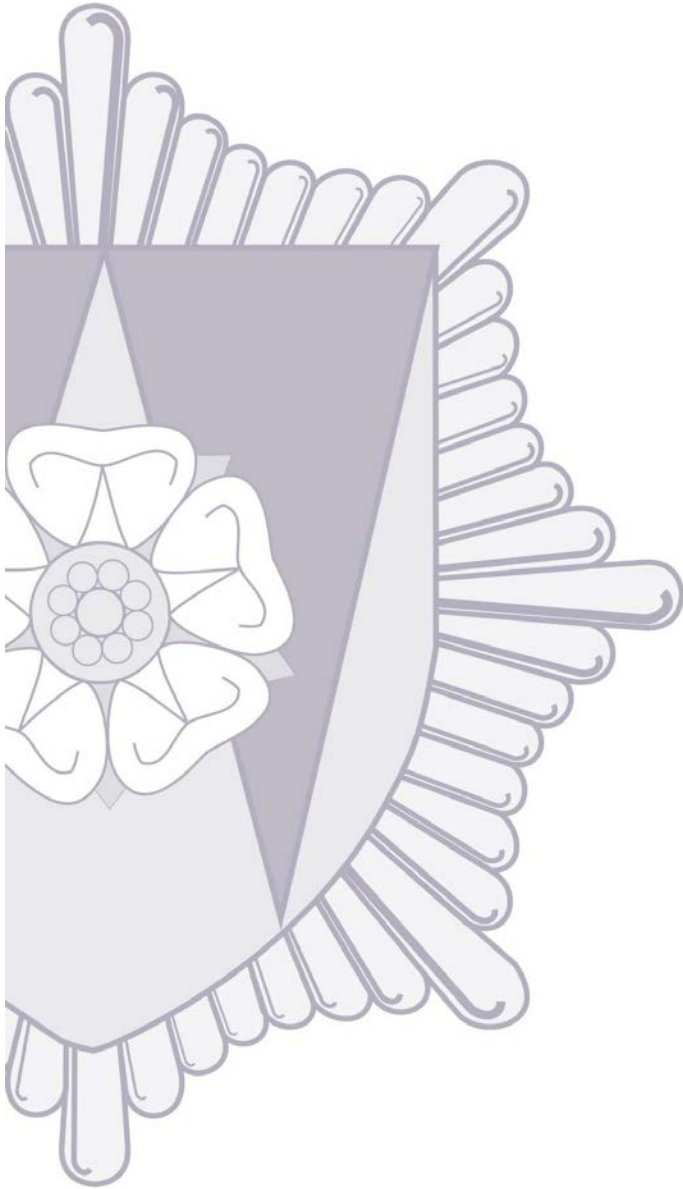
the most appropriate channel to disseminate actions and identified best practice. The group will meet on a quarterly basis with representation from the following departments and teams:

- Districts
- Training and Development Team
- Operational Learning
- SIAT – Operational and Service Assurance
- Prevention Team (ad hoc basis as required)
- Protection Team (ad hoc basis as required)
- Support Departments (ad hoc basis as required).

The identified teams will collate and report information to the Assurance Working Group (or existing group). The group will also receive updates and information from the SIAT on the Service Assurance Process and any other elements that may have a direct impact on operational effectiveness, such as the HMICFRS inspection process or changes to the National Framework. Findings, actions and best practice will be disseminated and communicated back to the appropriate teams and departments and monitored quarterly through the group. The work of the Assurance Working Group (or existing group) will be reported annually within the Statement of Assurance via the Service Improvement and Assurance Report. A graphical representation of this process is contained within Annex A.

Annex A (Service Improvement and Assurance Process)

Assurance Working Group (or existing group)

HMICFRS
National Framework
Prevention
Protection

Service Assurance Process

OpA Observations
SAV Recording
Training Records
EMOCS
Debrief Outcomes
SIAT Report

SIAT Process
Ops Elements
SIR Outcomes
National Issues
Debrief Reports

Actions
Good Practice
Communication

OpA Officers
SAV Process
Training/ Assessment
Exercising
External Stakeholders

MB/ MT/ SOT Reports

Support Departments
Operational Learning
Debriefing
SIR Process
SAI Process

Direct Assurance

Indirect Assurance

SIAT Annual Assurance Report

West Yorkshire Fire & Rescue Service

Oakroyd Hall

Birkenshaw

BD11 2DY

Annex B

Areas of Improvement Table

Department/ District	Date of initial review	Area marked as Inadequate	Review Date	Action
A	20/12/2018	1.3 Performance Indicators	01/05/2019	Performance Indicators have now been put in place based around Timescales and Quality. Training takes place in 6 safety critical areas. Area now moved up to Requires Improvement (details shown on self-assessment toolkit 02/05/2019)
B	02/12/2018	2.5 SIAT	17/01/2019	Annual Self-Assessment and corresponding dip samples are now being embedded and take place throughout the year
		2.4 EIA		EIA training had been arranged
		2.5 SIAT	13/12/2018	Annual Self-Assessment and corresponding dip samples now take place throughout the year
C	26/06/2019 07/12/2018	1.2 Action Plans	07/03/2019	Improvements have been put in place an all 3 areas have now been moved from Inadequate to Requires Improvement (details shown on March self-assessment toolkit)
		1.3 Performance Indicators		
		1.5 Legal Policy Compliance		
		2.4 Equality Impact Assessments		EIA training -Date to be confirmed after review on 04/06/2019. Review carried out on 26/06/2019 EIA's are now carried out as part of each project undertaken by the team. SA score now moved up to ('Requires Improvement' March 2019) 'Good' at last review.
		2.5 SIAT	07/03/2019	Annual Self-Assessment and corresponding dip samples are now being embedded and take place throughout the year
		3.3 External Inspectorate		Reviewed on 26/06/2019 moved from 'Inadequate' to Requires Improvement

External Audit Action Plan

Audit Committee

Date: 18 October 2019

Submitted By: Chief Finance and Procurement Officer

Agenda Item:

10

Purpose	To present to Members the recommendations and action plan resulting from the External Audit of the Statement of Accounts 2018/19.
Recommendations	That Members note the report
Summary	Following the conclusion of the external audit by Deloitte LLP of the Statement of Accounts, a number of recommendations were included in the ISA 260 report which was presented to Members on 26 July 2019. This report details the action plan that has been implemented to address the recommendations.

Local Government (Access to information) Act 1972

Exemption Category: Nil

Contact Officer: Alison Wood

Alison.wood@westyorksfire.gov.uk

01274 655711

Background papers open to inspection: ISA260 Report

Annexes: Recommendations and Action Plan

Making West Yorkshire Safer
www.westyorksfire.gov.uk

1 Introduction

1.1 It was the first year that Deloitte LLP had audited our Statement of Accounts, following the conclusion of the external audit, a report, called an ISA260 is presented to members which has purpose to;

- to provide a summary of audit findings and recommendations
- to provide an opinion on the arrangements in place for securing value for money and
- to provide an opinion on the Statement of Accounts.

The Authority received an unqualified opinion on its Statement of Accounts and the deadlines for the completion were met, i.e. the 31st May for completion and the 31st July for approval.

2 Information

2.1 The external audit report, the ISA260, included a number of recommendations relating to the Statement of Accounts. There were eighteen recommendations in total, two were of a low priority, nine medium and 7 with a high priority.

The finance team in conjunction with the Chief Finance and Procurement Officer have gone through the recommendations and the responses have been included as an action on the attached recommendations and actions report.

A number of the recommendations have been implemented already and a full action plan that includes responsibilities and dates for completion has been agreed with the finance team.

2.2 A meeting with Deloitte to discuss the external audit and identify improvements going forward for both the auditors and fire took place on the 30th September.

There were a number of recommendations from fire relating to the external audit process that have been presented to Deloitte LLP, these are

- The requirement for a detailed Prepared by Client (PBC) schedule. This is a list of areas that the external audit will cover and the working papers that are required to complete the audit. For the audit in 2018/19 the PBC was brief which caused uncertainty as to what working papers the auditors required.
  A detailed PBC ensures that the working papers can be prepared and tailored to the auditors' requirements, thus reducing queries and ensuring that the information provided is relevant to the audit. This will save time for both the external audit team and finance.

- Improvements in communication between the audit and finance team. A more formal process will be introduced to ensure that when queries are answered these are formally acknowledged by the auditor that the query has been fully answered.

- Improvements in data sharing between Deloitte and Fire. For the audit in 2018/19, a share point site was created whereby large files could be shared between both parties. Unfortunately, there were technical issues which meant that this not operate as intended. This resulted in delays in sending and receiving files.

2.3   Deloitte have confirmed that they will be submitting an invoice for £15,000 for the additional time incurred in the audit of the Statement of Accounts. Although the Chief Finance and Procurement Officer accepts that some additional work was necessary in order to complete the audit, on face value it does not equate to £15,000. Deloitte need approval from the Public Sector Audit Appointments Limited (PSAA) before the invoice can be issued. The Chief Finance and Procurement Officer has requested a full breakdown of the additional work completed from Deloitte and will be challenging the invoice with the PSAA, who will ultimately decide if the charge is justified.

3   Financial Implications

3.1   The annual external audit fee is £27,782 per annum, as explained in 2.3 there will be an additional charge for the external audit of the Statement of Accounts in 2018/19, the size of which is yet to be determined.

4   Legal Implications

4.1   The Chief Legal & Governance Officer has considered this report and has no observations to make at the time of submission of this report but may provide legal advice at the committee meeting and/or respond to any requests by members for legal advice made at the meeting.

5   Human Resource and Diversity Implications

5.1   There are no human resource and diversity implications

6   Health, Safety and Wellbeing Implications

6.1   There are no health, safety and wellbeing implications associated with this report.

7   Environmental Implications

7.1   There are no environmental implications associated with this report.

8   Your Fire and Rescue Service Priorities

8.1   External audit supports all the fire and rescue service priorities,

9   Conclusions

9.1   Following the conclusion of the external audit by Deloitte LLP a number of recommendations were proposed for the Statement of Accounts. These have been addressed and an action plan has been implemented ahead of the closure of the 2019/20 accounts.

Area	Observation	Priority	ACTION
Adoption of IFRS 9 and IFRS 15	Management should embed the principles of IFRS 9, Financial Instruments, and IFRS 15, Revenue from contracts, in to their monthly task lists because currently the principles of IFRS 9 and IFRS 15 are not embedded in to the Authority's workings.	Low	Due to the lack of capacity within the finance team and the minimal impact on the accounts, the review will be undertaken during the closure of accounts
Preparation for IFRS 16	The implementation of IFRS 16, Leases, for the financial year 2020/21 is expected to have a greater and more complex impact upon the Authority than the adoption of IFRS 9 and 15. The scope and potential complexity of work required, which may require system or process changes to underpin correct accounting under the standard, and will require work to be completed at a significantly earlier stage than has been the case for IFRS 9 and IFRS 15 to allow for financial reporting timetables to be met.	Medium	The impact of the introduction of IFRS16 is recognised and work is already underway to assess our existing leases. Training courses have been booked for September for two members of the team.
Journals	Anybody within the finance team can create and post their own journals with no maximum amount assigned to this or a review of these journals. We understand from management that following our recommendation made in January that a process for reviewing journals is now in place. The implemented changes made by management appear to address the risk, however, as this is a new control process we recommend that management reviews the extent to which this is embedded and robustly followed during 2019/20.	High	This process for approving journals is embedded within our processes and is considered as business as usual.
Access rights to SAP are not regularly reviewed	SAP has pre-programmed access rights to post journals, granted by an access request form done by the user's line manager. However, these rights are not reviewed routinely, such that if someone is granted additional rights, they may be able to both post and authorise. In addition, in the case of leavers, the leaver's line manager would be prompted by HR to contact Kirklees Metropolitan Borough Council (KMBC) to remove them from SAP, but this is not automatically done and may result in them being left with access rights. We recommend that a regular process of reviewing access rights is implemented.	High	A formal review of SAP rights has been implemented and is now fully documented and will be reviewed on a quarterly basis. There are a limited number of people, who have access to SAP so the risk of unauthorised access rights is minimal.
Firespace access not reviewed	It is noted from review of the access rights to Firespace that as at 20/3/19 there has not been a review of the access rights as KPMG auditors still have access to this system. This means that data leaks could occur and people may have access to information that they should not. We recommend that a regular process of reviewing access rights is implemented.	High	A formal review of SAP rights has been implemented and is now fully documented and will be reviewed on a quarterly basis.
Roles unclear within the team	During our documentation of business processes it has become apparent that many of the members of the team are new or have changed role in the last 18 months. In these circumstances it is important that business process documentation clearly sets out day to day responsibilities of all members of the finance team. Our review of the Authority's documentation suggests that there is scope to improve the clarity with which roles and responsibilities are set out. We do note however, that the year-end processes are clearly defined.	Medium	Due to the size of the finance team there is limited capacity for those who are involved in the closedown process to become involved in other areas of closedown work outside their area of expertise. In order to improve knowledge amongst the team a review of each other working papers by another member of the team has been implemented.
Year end process for identification of accruals	WYFRA have a process where creditors are identified based on invoices paid in the first week of April and not based on Goods Received Not Invoiced reports (GRNI) or Open Purchase Order (PO) reports. Management should adopt a clear process of identification of creditors including an analysis by GRNI and PO (where applicable) and invoices received till the closure of the books to ensure that the position recorded within the financial statements correctly records the value of expenditure.	Medium	A written and documented process for the identification of accruals will be introduced for 2019/20 accounts.
Property, plant and equipment disposal	There is currently no formal authorisation process for scrapped items. At the year-end, emails are sent to the relevant people who have control over their section of the fixed asset register to enquire if they still have all of those assets or if some assets have been disposed of. No physical verification is undertaken and there is no formal disposal process for these assets. It is recommended that management implement a robust disposals process.	High	A written procedure will be introduced for the disposal of assets that are written off that are either obsolete or have no book value. There is a process for the disposal of assets to third parties.
Componentisation of assets not in line with valuation report	When testing the revaluation of the Canteen Building, and the Stores and Workshops located at the Fire Headquarters, we noted that, whilst the valuer had separated these in to two discrete assets, within the fixed asset register and for the purposes of calculating depreciation management had combined these in to a single asset. This led to a misstatement in depreciation. Similar issues were noted with the Multipurpose Training Centre. We recommend that the fixed asset register and the valuation report be componentised on the same level and that depreciation is calculated at that level.	Medium	The fixed asset register will be amended in line with the property valuation
Production of financial statements	It was noted through our review of the financial statements that there were a not insignificant number of errors / disclosure deficiencies and omissions within the financial statements, including the narrative report and the Annual Governance Statement. Management should re-examine the quality control procedures surrounding the preparation of the financial statements.	Medium	A fully integrated excel and word document will be implemented for 2019/20.

Area	Observation	Priority	ACTION
Lack of communication between Kirklees Metropolitan Borough Council (KMBC) and WYFRA on journals posted after the close down deadline	It is noted that after the closure of ledgers, KMBC will input journal entries arising out of reconciliations and any manual entries requested by WYFRA, however, there is no formal communication of journals to the WYFRA from the KMBC team. Whilst management have implemented a compensating control, namely that, a daily report is run during the period of preparation of financial statements to update any changes and investigate the differences between the trial balances, we recommended that a more formal process be implemented. We recommend that under the SLA KMBC are required to notify management of journals posted as part of the close down process.	Medium	Kirklees Council do need to input journals as they have some responsibility in the closure of accounts and financial systems as part of the Service Level Agreement. An approvals process for the input of journals by Kirklees has been introduced.
Lack of review of pensions work	Through our work it is noted that there is no review of the pensions disclosures as these are completed by the Chief Finance and Procurement Officer. It is recommended that the preparation of the IAS19 elements of the financial statements are delegated to another member of the finance team and that these are then reviewed by the Chief Finance and Procurement Officer as part of an overall process of quality control.	Low	Pensions disclosures and IAS19 calculations will be handed over to the Senior Finance Manager prior to the closure of the 2019/20 accounts
Lack of adequate review of close down working papers	There is a process of review of year end working papers however Deloitte note that this has not been effective in the current year as illustrated by the extent of errors detected in the financial statements. We recommend that the review process be made more detailed and considered in light of actions in respect of the recommendation in relation to team roles above. Management should also implement further checks to ensure that the year end review process is undertaken.	Medium	The review of working papers has been included within the closedown timetable which documents responsibilities, working paper requirements and key dates for every piece of work in the closedown process.
Service level agreement (SLA) – lack of precision	Throughout the SLA there is limited specification as to what is covered under the SLA, with the terms used being broad and open to misinterpretation. The SLA should be rewritten so that it clearly defines each party's responsibilities under the SLA. For example "Ensure all relevant treasury management information…" should be redefined to state what is "all relevant information" is and similarly "related tasks" should be clearly defined as should the timetable requirements. This will then ensure that the actions under the SLA are easily identifiable, trackable and facilitates good governance, and effective accountability through the SLA and ensures no omissions from the process.	High	The Service Level Agreement with Kirklees will be reviewed prior to the closure of accounts for 2019/20
Service level agreement –improvement to governance	We noted through our work that there does not appear to be a clear documentation of the end to end business processes including the hand off between the service and the provider. We recommended that an exercise to map the key processes and controls and the delegation of this between the two authorities be undertaken and that the results of this exercise are incorporated in to the SLA. In addition we recommend that WYFRA receive reports from KMBC on the functioning of the key systems and controls used in the delivery of the SLA for the purposes of making their Annual Governance Statements.	High	The Service Level Agreement with Kirklees will be reviewed prior to the closure of accounts for 2019/21
Finance Interest in Property Valuations	We noted that the depreciated replacement cost (DRC) calculations include finance interest in the calculation which is not in accordance with the CIPFA requirements of "instant build". Whilst this does not have a significant effect on overall values, the methodology should be reviewed for future valuations.	Medium	The methodology for the future valuations of property will be reviewed with our external valuers.
No assurance over key financial systems	We noted that WYFRA do not routinely receive assurance from KMBC in respect of the hosted IT systems such as SAP Finance. In a similar manner to that suggested for business controls WYFRA should require KMBC to provide formal annual statements of assurance over the hosted IT systems. Areas of assurance to be covered include the following key areas: - Cyber Security Incident monitoring/response - Starters, movers and leavers - User Access Reviews - Change Management - Backups	High	The Service Level Agreement with Kirklees will be reviewed prior to the closure of accounts for 2019/21
Legal expenses recorded under supplies contingency	We noted inconsistencies in which expenditure heading legal expenses were recognised, management should determine the correct code for legal expenses and ensure this is understood by the finance team.	Medium	This has been addressed

Annual Audit Letter on the 2018/19 External Audit
West Yorkshire Fire and Rescue Service

October 2019

Contents

1. Letter to Members

The Members

West Yorkshire Fire and Rescue Service

Oakroyd Hall

Bradford Road

Birkenshaw

BD11 2DY

10 October 2019

Dear Sirs

We have pleasure in setting out this Annual Audit Letter to summarise the key matters arising from the work that we have carried out in respect of the audit for the year ended 31 March 2019.

Although this letter is addressed to the Members of West Yorkshire Fire and Rescue Service ("the Authority"), it is also intended to communicate the significant issues we have identified, in an accessible style, to key external stakeholders, including members of the public. The letter will be published on the Public Sector Audit Appointments Ltd (PSAA) website at **www.psaa.co.uk** and on the Authority's website.

This letter has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Ltd. This is available from **www.psaa.co.uk**.

This letter has been discussed and agreed with the Chief Finance and Procurement Officer. A copy of the letter will be provided to all Members.

This is our first year as the external auditor of the Authority following the transition of the PSAA contract in 2018/19. Our aim is to deliver a high standard of audit, delivering insights identified from our audit work to make a positive and practical contribution, which supports the Authority's own agenda.

Paul Hewitson

Audit Director

for and on behalf of Deloitte LLP

Newcastle Upon Tyne, United Kingdom

2.   Key Messages

Statement of Accounts	
Unqualified opinion issued on 31 July 2019	In 2018/19 the Authority was required to prepare its Statement of Accounts in accordance with International Financial Reporting Standards ("IFRS") as defined in the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and other relevant legislation. The Statement of Accounts was prepared and audited in accordance with the agreed timetable. Through our audit planning we identified three significant risks of material misstatement which we addressed through our audit. These were: • accuracy of valuation of property assets; • management override of controls; and • completeness of expenditure. Materiality for the Authority's accounts was set at £1,840,000. We issued an unqualified audit opinion on the Statement of Accounts on 31 July 2019.
Value for Money (VfM) conclusion	
Unqualified opinion issued on 31 July 2019	We are required to base our statutory VfM conclusion on the criteria specified by the National Audit Office, namely whether the Authority has in place proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We issued an unqualified opinion in respect of the VfM conclusion on 31 July 2019.
Annual Governance Statement	
All relevant governance matters were adequately and appropriately disclosed	We have considered the contents of the Annual Governance Statement and confirmed that the Statement complied with guidance and that it adequately and appropriately disclosed all relevant governance matters arising in the year that we are aware of.
Whole of Government accounts	
The Authority is below the audit threshold	The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review this pack as the Authority falls below the threshold where an audit is required. As required we have confirmed this fact to the National Audit Office by the national deadline of 13 September 2019.

Financial reporting systems	
Weaknesses in internal control were identified	During our audit we identified a number of areas for improvement in internal controls and procedures including 5 recommendations relating to the areas of significant risk outlined above.

3.   Responsibilities and Scope

Responsibilities of the Authority and Auditors
The Authority is responsible for maintaining the control environment and accounting records and preparing the accounting statements in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 based on IFRS and other relevant legislation. We are appointed as the Authority's independent external auditors by PSAA, the body responsible for appointing auditors to local public bodies in England. As the Authority's appointed external auditor, we are responsible for planning and carrying out an audit that meets the requirements of the National Audit Office's Code of Audit Practice ("the Code"). Under the Code, we have responsibilities in two main areas: •   the Authority's accounts; and •   whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion).

The scope of our work
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) as adopted by the UK Auditing Practices Board ("APB"). The audit opinion on the accounts reflects the financial reporting framework adopted by the Authority, being the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 based on IFRS and other relevant legislation. We conducted our work on the value for money conclusion in line with guidance issued by the National Audit Office in November 2017, in respect of local government bodies for the financial year ended 31 March 2019.

4.   Audit of the Accounts

Statement of Accounts	
Unqualified opinion issued on 31 July 2019	Before we give our opinion on the accounts, we are required to Report to Those Charged with Governance any significant matters arising from the audit. A detailed report was discussed with the members of the Audit Committee on 26 July 2019. Materiality for the Authority's accounts was set at £1,840,000 which equated to 2% of gross expenditure. The level of materiality shapes and informs the extent of the audit work we undertook, including review of balances which are below this which exhibit particular characteristics. This assists in the identification of transactions and balances which were likely to give rise to material misstatements, and in determining the extent of work undertaken in respect of the areas we judged to contain such risks. Our Report to Those Charged with Governance, in the case of the Authority, the Audit Committee, set out the details of any errors identified during the audit which were greater than £92,000, our clearly trivial threshold. The final Statement of Accounts upon which we issued our opinion contained two residual errors which remained unadjusted, these are set out in more detail below. Our audit work was designed to specifically address the following significant audit risks: • Whether property subject to revaluation in the year had been correctly stated – We obtained an understanding of the key controls in place around the revaluation of the Authority's property and performed detailed testing of the revalued assets including seeking the view of our internal valuation specialists as to whether the methodology employed by the Authority appeared reasonable. Whilst our work did not identify any errors requiring correction we did raise two recommendations concerning the way in which assets are broken down into their main elements as part of the valuation process and the inclusion of interest costs in final estimated value of properties. • Whether the Authority's controls had been bypassed by management in the preparation of the financial statements (Management override of controls) – We obtained an understanding of the key controls in place around journal entries and judgements made in the preparation of the financial statements. Using Computer Assisted Auditing Tools we identified a number of journals which exhibited characteristics of audit interest and performed detailed testing on these journals. We also reviewed the key accounting judgements for bias. Whilst our work did not identify any errors requiring correction we did raise a recommendation concerning the process for reviewing and approving journals. • Whether the Statement of Accounts contained all of the expenditure relating to the year ended 31 March 2019 (Completeness of expenditure) – We obtained an understanding of the controls in place that management rely upon to ensure that year-end transactions are correctly brought into (accrued) the expenditure reported for the year. We selected a sample of items recorded in expenditure in April 2019 and confirmed whether they

Statement of Accounts

had been included in or excluded from the total reported in 2019. We noted 6 errors within our testing which we estimated indicated that expenditure reported in the statement of accounts was understated by £294,000. In addition to reporting this error we made recommendations to improve the process to identify these items in future years.

We issued an unqualified opinion on the Authority's 2018/19 accounts on 31 July 2019, in accordance with the deadline set for local government bodies. Our opinion confirms that the accounts present a true and fair view of the financial position of the Authority as at 31 March 2019 and its income and expenditure for the year then ended.

Key issues from work performed on the Statement of Accounts

We identified two uncorrected misstatements	We received a set of draft accounts in line with the agreed deadline, which were supported by working papers.

Through our audit we identified a wide range of errors, including errors in the comparative financial information, which we communicated to the Authority for correction.

Following corrections the final Statement of Accounts upon which we issued our opinion contained two remaining errors.

The first error concerned the calculation of depreciation and the calculation of the amount of depreciation to be reversed upon revaluation (these entries can be found in note 14 of the Statement of Accounts). The error resulted in depreciation being overstated by £1,091,000 with the reversal of depreciation being similarly overstated by £1,091,000 resulting in no overall impact on the value of property at the year end.

The second error, as referred to above arose from our testing on whether all expenditure for the year had been reported. Based upon the 6 omissions identified we estimated that there was a likely error of £294,000 which would have increased the expenditure reported in the year. |

Annual Governance Statement

The Statement includes all appropriate disclosures and is consistent with our understanding of the Authority's governance arrangements	As appointed auditors, we review the Annual Governance Statement ("AGS") and comment on any inconsistencies noted between the AGS and our audit work, other work relating to the Code of Audit Practice, and our understanding of the Authority's Governance arrangements.

We have concluded that the Statement includes all appropriate disclosures and is consistent with our understanding of the Authority's governance arrangements and internal controls derived from our audit work. |

Powers and Duties

We did not receive any questions about the accounts	Under the Local Audit and Accountability Act 2014, auditors have specific powers and duties, including to give electors the opportunity to raise questions about the accounts and to consider and decide upon objections received in relation to the accounts. We did not receive any such questions or objections.

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or make any public interest reports	We have a duty to consider whether to issue a report in the public interest about something we believe the Authority should consider, or if the public should know about. We have not identified any matters that would require us to issue a public interest report.
Whole of Government accounts return	
The Authority is below the audit threshold	The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review this pack as the Authority falls below the threshold where an audit is required. As required by the guidance we have confirmed this with the National Audit Office by the national deadline of 13 September 2019.
Audit Certificate	
We have issued our certificate	We issued our certificate on 31 July 2019. The certificate confirms that we have concluded the audit for 2018/19 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.

5. Value for Money

Background and approach
The approach to our audit work in relation to value for money ("VFM") was specified by the National Audit Office. We are required to satisfy ourselves that the Authority has made proper arrangements for securing financial resilience and economy, efficiency and effectiveness in its use of resources. We would emphasise that it is the arrangements in place that we are required to assess, and not the actual decisions made by the Authority. We planned our local programme of work based on our risk assessment, which was informed by a series of risk factors determined by the National Audit Office. We did not identify any significant risks as part of our risk assessment.
The VFM conclusion
Having performed our work in line with guidance received from the National Audit Office we issued an unqualified value for money conclusion for the 2018/19 financial year.

6. Other Matters

Reports issued

Reports issued during the course of the 2018/19 audit included:

- Audit Fee letter;
- Annual Audit Plan;
- The Report to Those Charged with Governance on the 2018/19 audit of the Authority; and
- This Annual Audit Letter.

Audit plan

Annual Audit Letter

April 2018 — **February 2019** — **July 2019** — **October 2019**

Fee letter

Report to those charged with governance
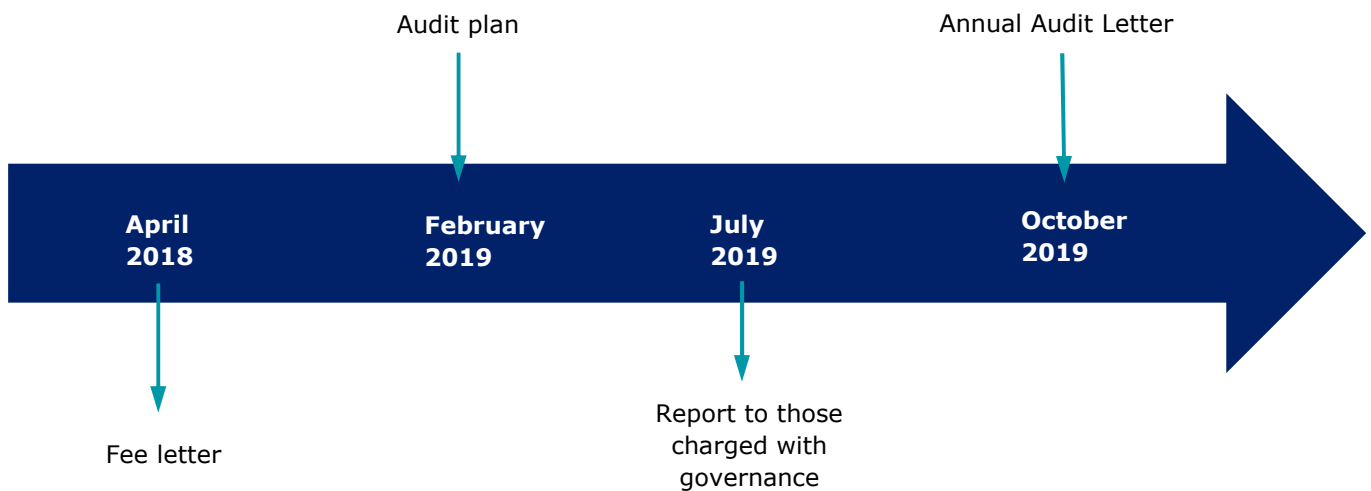
Analysis of audit fees

Audit fees charged are as follows:

	2018/19 £
Scale fees for the audit of the Authority's annual accounts, VfM conclusion and whole of government accounts return	27,782

As set out in our Report to Those Charged with Governance, the issues encountered during the audit resulted in substantially more audit work being required than was originally planned. Consequently we are currently in negotiations with management to agree an appropriate sum of additional audit fees to reflect the additional work that was required.

Independence and objectivity

In our professional judgement, our policies and safeguards that are in place ensure that we are independent within the meaning of all regulatory and professional requirements and that the objectivity of the audit partner and audit staff is not impaired.

We confirm that we comply with FRC's Ethical Standards for Auditors and that, in our professional judgement, we and, where applicable, all Deloitte network firms are independent and our objectivity is not compromised.

In our opinion there are no inconsistencies between FRC's Ethical Standards for Auditors and the Authority's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.

We are required to provide written details of all relationships (including the provision of non-audit services) between us and the organisation, its board and senior management and its affiliates, including all services provided by us and the DTTL network to the Authority, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence.

We are not aware of any relationships which are required to be disclosed.

No matters impacting our independence have arisen during the year.

Statement of Responsibilities

The Statement of Responsibilities of Auditors and Audited Bodies issued by PSAA explains the respective responsibilities of auditors and of the audited body and this report is prepared on the basis of, and our audit work is carried out in accordance with, that statement.

The matters raised in this report are only those that came to our attention during our audit and are not necessarily a comprehensive statement of all weaknesses that exist or of all improvements that might be made. You should assess recommendations for improvements for their full implications before they are implemented. In particular, we would emphasise that we are not responsible for the adequacy and appropriateness of the national data and methodology supporting our value for money conclusion as they are derived solely from the National Audit Office.

This report has been prepared for the Members, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other party.

An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the Annual Audit Letter since first published. These matters are the responsibility of the Authority but no control procedures can provide absolute assurance in this area.

Deloitte.