



NOTICE OF MEETING

<i>Meeting</i>	HIWFRA Standards and Governance Committee	<i>Clerk to the Hampshire & Isle of Wight Fire and Rescue Authority</i> CFO Neil Odin
<i>Date and Time</i>	Wednesday, 22nd March, 2023 10.00 am	<i>Fire & Police HQ</i> <i>Leigh Road,</i> <i>Eastleigh</i> <i>Hampshire</i> <i>SO50 9SJ</i>
<i>Place</i>	Meeting Room X, Fire and Police HQ, Eastleigh	
<i>Enquiries to</i>	<u>members.services@hants.gov.uk</u>	

The Openness of Local Government Bodies Regulations are in force, giving a legal right to members of the public to record (film, photograph and audio-record) and report on proceedings at meetings of the Authority, and its committees and/or its sub-committees. The Authority has a protocol on filming, photographing and audio-recording, and reporting at public meetings of the Authority which is available on our website. At the start of the meeting the Chairman will make an announcement that the meeting may be recorded and reported. Anyone who remains at the meeting after the Chairman's announcement will be deemed to have consented to the broadcast of their image and anything they say.

Agenda

1 **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

2 **DECLARATIONS OF INTEREST**

To enable Members to disclose to the meeting any disclosable pecuniary interest they may have in any matter on the agenda for the meeting, where that interest is not already entered in the Authority's register of interests, and any other pecuniary or non-pecuniary interests in any such matter that Members may wish to disclose.

3 **MINUTES OF PREVIOUS MEETING** (Pages 5 - 10)

To confirm the minutes of the previous meeting.

4 **DEPUTATIONS**

Pursuant to Standing Order 19, to receive any deputations to this meeting.

5 **CHAIRMAN'S ANNOUNCEMENTS**

To receive any announcements the Chairman may wish to make.

6 **INTERNAL AUDIT CHARTER AND INTERNAL AUDIT PLAN 2023/24**
(Pages 11 - 40)

To consider a report of the Chief Internal Auditor, which asks the Committee to approve the Internal Audit Charter and Internal Audit Plan 2023/24.

7 **INTERNAL AUDIT PROGRESS REPORT** (Pages 41 - 58)

To receive a report of the Chief Internal Auditor updating the Committee on the progress of internal audit work.

8 **INTERNAL AUDIT MANAGEMENT ACTIONS REPORT** (Pages 59 - 64)

To consider a report of the Chief Fire Officer on the progress made towards the implementation of internal audit management actions.

9 **ORGANISATIONAL RISK REGISTER UPDATE** (Pages 65 - 74)

To receive a report of the Chief Fire Officer providing an update on the Organisational Risk Register.

10 **FIRE STANDARDS PROGRESS REPORT** (Pages 75 - 90)

To receive a report from the Chief Fire officer to provide the Committee with awareness of the national Fire Standards and to provide the latest update on the alignment of the Service against the current approved standards.

11 **HIS MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE AND RESCUE SERVICE (HMICFRS) INSPECTION ROUND 2 - REPORT** (Pages 91 - 116)

To consider a report from the Chief Fire Officer to provide awareness of His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Round 2 Inspection report findings for Hampshire and Isle of Wight Fire and Rescue Service and the Service's approach to address the areas for improvement.

ABOUT THIS AGENDA:

This agenda is available through the Hampshire & Isle of Wight Fire and Rescue Service website (www.hantsfire.gov.uk) and can be provided, on request, in alternative versions (such as large print, Braille or audio) and in alternative languages.

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Public Document Pack Agenda Item 3

AT A MEETING of the HIWFRA Standards and Governance Committee held at Fire and Police Headquarters, Eastleigh on Monday, 28th November, 2022

Chairman:

* Councillor Derek Mellor

* Councillor David Harrison

* Councillor Zoe Huggins

* Councillor Gary Hughes

Councillor Cal Corkery

*Present

65. APOLOGIES FOR ABSENCE

Apologies were received from Cllr Cal Corkery.

66. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

67. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

68. DEPUTATIONS

There were no deputations.

69. CHAIRMAN'S ANNOUNCEMENTS

There were no formal announcements.

70. EXTERNAL AUDIT RESULTS 2021/22

The Committee considered a report from the Chief Financial Officer (item number 6 in the minute book). The External Auditor reported that the work on the audit of the Authority's accounts was substantially complete and he was '99.5% sure' that there would be an unqualified audit opinion on the Statement of Accounts.

The External Auditor gave an update on the progress and reported that:

- In respect to the Property, Plant and Equipment valuations, an adjustment to the balance sheet had been made of a reduction of £1.5m. Initial audit testing had identified that floor plans to support the valuation calculations did not support the reported valuations. Subsequent investigation by officers determined out of date floor plans held locally had been provided instead of the most up to date ones held centrally. An exercise was undertaken to review the valuations resulting in a net reduction of £1.5m.
- There were two further outstanding questions on property valuations, which were not expected to have any material effect.
- In terms of the pension valuations – the Auditors were still awaiting the finalisation of the Hampshire Local Government Pension Scheme (LGPS) audit, as the Authority's accounts must reflect its share of the LGPS fund assets and liabilities, but the Auditor had no expectations of a material effect on the accounts.
- All misstatements from the draft accounts had been corrected and adjusted in the accounts.

Members asked whether there was an issue that the work was not fully complete against the deadline of 30 November and heard that there had been multiple issues across multiple authorities, many were in the same position and that very few authorities would be complete by 30 November.

Resolved

The Committee received and noted the External Auditor's Audit Results Report for the year ended 31 March 2022.

71. **STATEMENT OF ACCOUNTS 2021/22**

The Committee considered a report from the Chief Financial Officer (item 7 in the minute book). A summary was provided of some updates made to the accounts since they had been published on the Service's website. Members were shown a comparison of the draft accounts presentation and the updated presentation for the following sections of the accounts; Movement in Reserves Statement, Balance Sheet, Cash flow statement and notes, Comprehensive Income and Expenditure Statement (CIES), Expenditure and Funding Analysis, Adjustments between accounting and funding basis, Unusable reserves, government grants and contributions, Property, Plant and Equipment. Notable changes related to:

- Update to collection fund entries, due to timing between the preparation of the draft accounts and the receipt of the finalised returns from the billing authorities. (net impact of £500k).

- A grant transferred from the Isle of Wight had been removed from the grants disclosure note. (£141k).
- Revision to the property valuation of Property, Plant and Equipment by a reduction of £1.5m (balance sheet), due to the external audit work as explained in the External Audit Results report.
- Where the identified changes affected the numbers in the accounts, all changes related to unusable reserves. The usable reserves figures were unchanged.

In response to a question from Members, the Committee heard that the pension reserve on page 101 of the reports pack is an unusable (notional) accounting reserve and reflects the Authority's share of the scheme assets and liabilities and is not a 'cash' figure. LGPS scheme assets and liabilities are subject to a full actuarial revaluation every three years.

Members discussed the underspend from the financial year 2021/22 of c.£2.6m and asked about the Reserves Strategy, and how this was decided and planned to be used in terms of capital and revenue spending. The Committee expressed concern that the equivalent of approximately 5% of the council tax precept had ended up being added to reserves for capital spending as a result of the underspend and the impact upon council taxpayers. They wished this to be noted. Members also asked about the value in the ICT Reserve, the Equipment Replacement Reserve, the HQ Maintenance Reserve and the increase of £4.5m to the total value of Usable Reserve.

Members heard that the Reserves Strategy is agreed by the Authority as part of the budget setting process in February each year and that adding the underspend of c£2.6m from 2021/22 to the capital payments reserve had been agreed by Members as part of the outturn report in July given the Authority's future capital priorities. It was explained that planned contributions to reserves allow the Authority to fund the replacement of equipment and spend on ICT priorities at the time they are required, given the uneven profile of spend over time. The officer also explained that there were a limited number of ways for Fire Authorities to fund capital expenditure and that no capital funding was provided to the Authority by government. There were also limited opportunities to generate capital receipts from selling assets. The Authority therefore has to use revenue resources to fund capital expenditure. The officer gave examples such as the vehicle replacement programme and projects such as the building of the new Bishops Waltham Fire Station.

Members heard that the Capital Payments Reserve is used to fund priorities of the Authority and that the Authority could determine what it could be spent on as the funding originally came from revenue sources.

Members heard that the maintenance of reserves had helped the Authority make strategic choices in the past and that the Community Risk Management Plan was informed by the 'bottom line'.

Members heard that the Authority sets the Reserves Strategy and that a Budget Update Report would be presented to the Authority in December and then a Budget and Precept Report, including the Reserves Strategy in February 2023.

Resolved

- The Statement of Accounts for 2021/22 (draft) at Appendix 1 was approved by the HIWFRA Standards and Governance Committee subject to any final amendments reported at the meeting including the changes outlined in paragraph 18, with the Chief Financial Officer given delegated authority to approve further minor amendments to the Statement of Accounts if required prior to publication.
- The Letter of Representations (draft) attached at Appendix 2 was approved and signed by the Chairman on behalf of the HIWFRA Standards and Governance Committee.

72. INTERNAL AUDIT PROGRESS REPORT

The Committee considered a report from the Chief Internal Auditor (minute book item number 8) and heard that good progress had been made on implementing the outstanding internal audit actions, with only three remaining overdue. There had been no audit reports with limited assurance issued since the last report to the Committee.

In response to a question about the internal audit actions relating to the Audit Review of Referral Pathways, the Committee was told that the actions would stay on the update report until all were cleared and there would be more detail in the next report.

Resolved

The progress in delivering the internal audit plan for 2021/22 and 2022/23 and the outcomes to date was noted by Hampshire and Isle of Wight Fire and Rescue Authority Standards and Governance Committee.

73. INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT

The Committee considered a report from the Chief Fire Officer (minute book number 9), which provided the latest update on the Internal Audit management actions not completed within their target date and status. The officer reported that the number of open management actions remained broadly similar to the last report and that all relating to the Audit Review of DBS checks had all been completed.

He explained that the action relating to the Gartan Management system was specific, relating to qualification dates and that this information was currently held locally for protection and prevention staff and was about making the system more efficient and of low risk.

In response to a question from Members, the officer explained the internal governance and oversight processes in place to monitor and scrutinise the implementation of internal audit actions and their escalation where there was slippage in timeframes.

Resolved

The Standards and Governance Committee noted the progress made towards the implementation of the internal audit management actions and the delivery of the audit plan.

74. **ORGANISATIONAL RISK REGISTER UPDATE**

The Committee considered a report from the Chief Fire Officer, (item 10 in the minute book) providing an update on the Organisational Risk Register. The officer drew the Committee's attention to the Heat Map in appendix A which showed the current risk scores. He explained that in respect to risk number ORG27, planning was underway within the Service to ensure that critical services would continue to be maintained.

The officer explained that there was a new risk management procedure which had been approved by the Executive Group.

Members asked about the impacts and reaction of the Service to the recently publicised London Fire Brigade Report and heard that duty officers had been available to staff and had visited fire stations to speak to people if they wished it. Communications had been made to staff to remind them about how they could report any concerns via safe mechanisms.

Members discussed possible impacts on the wellbeing of staff.

In response to questions from Members about 'enduring risks', it was confirmed that:

- a risk tolerance level had been introduced and was to be embedded in the process.
- Draft regulations in respect to the McCloud pension issue were due to be issued in October 2023 and would take a period of time to implement.

Resolved

The HIWFRS Organisational Risk Register status under the delegated management of the Chief Fire Officer was noted by the HIWFRA Standards and Governance Committee.

Chairman, HIWFRA Standards and Governance Committee

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**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA – Standards and Governance Committee

Purpose: Approval

Date: **22 MARCH 2023**

Title: **INTERNAL AUDIT CHARTER & INTERNAL AUDIT PLAN 2023/24**

Report of the Chief Internal Auditor

SUMMARY

1. The purpose of this paper is to provide a copy of the Internal Audit Charter and the proposed 2023/24 internal audit plan for the Hampshire and Isle of Wight Fire and Rescue Authority (HIWFRA). These are attached as appendices.

BACKGROUND

2. Section 151 of the Local Government Act 1972 requires that authorities 'make arrangements for the proper administration of their financial affairs'. The Accounts and Audit (England) Regulation 2015 require an authority to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.
3. Internal audit is also a key part of the control mechanism established by management and an essential part of good governance in the public sector and provides evidence to support the Annual Governance Statement.
4. Southern Internal Audit Partnership (SIAP) are the appointed internal audit provider for the HIWFRA.

INTERNAL AUDIT CHARTER

5. The Public Sector Internal Audit Standards require that an Internal Audit Charter be developed and regularly reviewed and approved.

6. The proposed Internal Audit Charter for 2023/24 is attached as appendix A for consideration. The Internal Audit Charter will be reviewed on an annual basis and presented with the Internal Audit Plan for approval each year. There have been no changes to the Internal Audit Charter since it was approved last year.

INTERNAL AUDIT PLAN

7. The internal audit plan for 2023/24, which has been prepared in accordance with the Internal Audit Charter and discussed at liaison meetings with management and officers, is attached at appendix B for consideration. The Shared Services aspects of the Internal Audit Plan are yet to be confirmed and are agreed separately through Shared Services governance mechanisms. Progress against the audit plan, including the Shared Services aspects of the plan, will, however, be provided through the regular progress updates to the Standards and Governance Committee.
8. The plan will remain flexible during the year to ensure that planned reviews continue to reflect the risk profile of HIWFRA and to enable coverage of emerging risks as required.
9. HIWFRA entered into shared service arrangements with Hampshire County Council, Hampshire Constabulary and the Police and Crime Commissioner in 2014 and since that time, arrangements for obtaining assurance around these services have evolved. Initially this was through a shared internal audit plan, delivered by SIAP, for the four organisations.
10. Since April 2019, however, that has changed. The Shared Services - International Standard on Assurance Engagements ISAE 3402 was developed to provide an international assurance standard for allowing public bodies to issue a report for use by user organisations and their auditors (user auditors) on the controls at a service organisation that are likely to impact or be a part of the user organisation's system of internal control over financial reporting. This Standard provides assurance over many of the areas previously included in the internal audit plan. Assurance against the international standard is provided by Ernst & Young.
11. The SIAP will continue to provide assurance to the HIWFRA and partner organisations for those systems and process outside of the scope of the ISAE 3402 through the shared internal audit plan. All partner organisations contribute audit days to this plan. At the time of writing this report, the shared internal audit plan is in development. An internal audit protocol for this work has been agreed with partner and shared services management.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

12. The Internal Audit Plan is designed to validate the assurance and control framework which exists in the HIWFRA and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved. The audit plan also supports various Safety Plan priorities – including but not limited to high performance; and learning and improving.

COLLABORATION

13. As indicated above, a shared internal audit plan is in the process of being developed to provide assurance to HIWFRA, Hampshire County Council, Hampshire Constabulary and the Hampshire Police and Crime Commissioner on areas of shared services that fall outside the scope of the ISAE3402 assurance work.

RESOURCE IMPLICATIONS

14. The cost of internal audit services is reflected in the Authority's budget, based on an average of 185 days per year. The average days will be monitored over a three-year rolling basis.
15. The audit plan will remain fluid to enable us to react to the changing needs of HIWFRA.

IMPACT ASSESSMENTS

16. Impact assessments have not been required for this report as the production of the report will not result in the implementation of a new change activity, and/or introducing, or amending, a Service Policy.

LEGAL IMPLICATIONS

17. The requirement for internal audit for local authorities is set out in the Local Government Act 1972 and the Accounts and Audit Regulations 2015. There are no legal implications arising from this report.

OPTIONS

18. To approve or not approve the Internal Audit Charter and the 2023/24 internal audit plan for HIWFRA.
19. Approving the Charter and internal audit plan will ensure that HIWFRA receives assurance on the Service's key business risks and will enable the

Authority to provide scrutiny through audit review findings (and progress against associated management actions) and the annual assurance opinion.

RISK ANALYSIS

20. The risk-based approach to internal audit planning and reviews aims to ensure that internal audit resource focuses on key business risks and as such feedback from risk management discussions and risk registers have been used to inform the planning process and ensure that key risks are reflected in planned work.

EVALUATION

21. Internal audit activity provides the Authority with an assurance mechanism to evaluate the effectiveness of the Service's risk management, control and governance processes.
22. Management actions identified and agreed as a result of internal audit review will assist the HIWFRA in securing continuous improvement within governance, risk management and control processes. Progress against these management actions is monitored by both SIAP and the Service – with separate reporting into the Standards and Governance Committee.

CONCLUSION

23. The risk-based approach to internal audit planning and reviews is a crucial assurance mechanism for both the HIWFRA and the Service. The proposed audit plan has been developed in collaboration and consultation with management and officers and covers a range of areas across the Service's directorates.

RECOMMENDATION

24. That the Internal Audit Charter and Internal Audit Plan for 2023/24 be approved by the Standards and Governance Committee.

APPENDICES ATTACHED

25. Appendix A – Internal Audit Charter 2023/24.
26. Appendix B – Internal Audit Plan 2023/24.

Contact:

Karen Shaw, Chief Internal Auditor, 07784265138, karen.shaw@hants.gov.uk

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**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

**Southern Internal
Audit Partnership**

Hampshire & Isle of Wight Fire and Rescue Authority

Internal Audit Charter

Introduction

The Public Sector Internal Audit Standards, which took effect from the 1 April 2013, provide a consolidated approach to audit standards across the whole of the public sector providing continuity, sound corporate governance, and transparency.

The 'Standards' form part of the wider mandatory elements of the International Professional Practices Framework (IPPF) which also includes the mission; core principles; definition of internal audit; and Code of Ethics.

The Standards require all internal audit activities to implement and retain an 'Internal Audit Charter'. The purpose of the Internal Audit Charter is to formally define the internal audit activity's purpose, authority, and responsibility.

Hampshire & Isle of Wight Fire & Rescue Authority (HIWFRA) assume a Key Stakeholder role within the Southern Internal Audit Partnership (SIAP). The SIAP currently provides internal audit services to a wide portfolio of public sector clients (Annex 1) through a variety of partnership and sold service delivery models.

Mission and Core Principles

The IPPF 'Mission' aims *'to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.'*

The 'Core Principles' underpin delivery of the IPPF mission, requiring that the internal audit function:

- Demonstrates integrity.
- Demonstrates competence and due professional care.

- Is objective and free from undue influence (independent).
- Aligns with the strategies, objectives and risks of the organisation.
- Is appropriately positioned and adequately resourced.
- Demonstrates quality and continuous improvement.
- Communicates effectively.
- Provides risk-based assurance.
- Is insightful, proactive, and future-focused.
- Promotes organisational improvement.

Authority

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ in relation to internal audit are laid down in the Public Sector Internal Audit Standards 2013 which were updated in 2017 [the Standards].

Purpose

HIWFRA is responsible for establishing and maintaining appropriate arrangements for:

- risk and performance management;
- assurance and control frameworks including anti-fraud and whistleblowing;
- financial management;
- achieving effectiveness and securing value for money; and
- governance.

The purpose of internal audit is to provide reasonable assurance to HIWFRA that necessary arrangements are in place and operating effectively, and to identify risk exposures and areas where improvements can be made.

Internal Audit activity should support HIWFRA in maintaining and improving the overall control / assurance framework, to assist with the achievement of the organisation’s vision, service plan, and intention to be the best.

It will do this through:

- Assurance work - which involves assessing how well the systems and processes are designed and working.

- Consulting activities - available to help to improve those systems and processes where necessary.
- Adding value - by sharing learning opportunities and improvements based on knowledge of best practice across the public sector.

The role of Internal Audit is best summarised through its definition within the Standards, as an:

‘independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes’.

Definitions

In this charter the following definitions apply:

The Board – the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment, and the integrity of financial reporting. For HIWFRA this is the Standards and Governance Committee.

Senior Management – those responsible for the leadership and direction of Hampshire & Isle of Wight Fire and Rescue Service. This is the Executive Group.

Responsibility

The responsibility for maintaining an adequate and effective system of internal audit within HIWFRA lies with the Authority’s Finance Director (S151 Officer).

The Authority and its Members must also be satisfied about the adequacy of the advice and support it receives.

For HIWFRA, internal audit is provided by the Southern Internal Audit Partnership.

The Chief Internal Auditor (Deputy Head of Southern Internal Audit Partnership) is responsible for effectively managing the internal audit activity in accordance with the *‘Mission’*, *‘Core Principles’*, *‘Definition of Internal Auditing’*, the *‘Code of Ethics’* and *‘the Standards’*.

Senior management is responsible for ensuring that internal control, risk management and governance arrangements are sufficient to address the risks facing the delivery of the vision and service plan objectives agreed for HIWFRA.

Accountability for responding to internal audit’s advice lies with senior management, who either accept and implement the advice, or formally reject it. Audit advice is

without prejudice to the right of internal audit to review the policies, procedures, and operations at a later date.

The Chief Internal Auditor must be satisfied that senior management accept accountability for, and provide an adequate response to, issues raised through internal audit's work. When the Chief Internal Auditor is not satisfied, the matter will be escalated to: the audit sponsor; the Finance Director; the Director of Performance, Assurance and Communications; Chief Officer, or Standards and Governance Committee, as appropriate.

More detailed roles and responsibilities (for both SIAP and the Service), as well as audit processes, are outlined in a separate HIWFRS Procedure document (Pro/11/02).

Position in the organisation

The Chief Internal Auditor reports functionally to the Board, and organisationally to the Finance Director who has statutory responsibility as proper officer under Section 151 of the Local Government Act 1972, for ensuring an effective system of internal financial control and proper financial administration of HIWFRA's affairs.

The Chief Internal Auditor has direct access to the Chief Officer who carries the responsibility for the proper management of Hampshire & Isle of Wight Fire & Rescue Service and for ensuring that the principles of good governance are reflected in sound management arrangements.

The Chief Internal Auditor has direct access to HIWFRA's Monitoring Officer where matters arise relating to the Chief Officer's responsibility, legality, and standards.

Where it is considered necessary to the proper discharge of the internal audit function, the Chief Internal Auditor has direct access to elected Members of HIWFRA and in particular those who serve on committees charged with governance (i.e. the Standards and Governance Committee).

The Chief Internal Auditor will meet regularly with the external auditors to consult on audit plans, discuss matters of mutual interest and to seek opportunities for cooperation in the conduct of audit work. The external auditors will have the opportunity to take account of the work of internal audit where appropriate.

Monthly liaison meetings are held with the Finance Director, Head of Performance and Organisational Assurance Manager to facilitate discussion of key risks to ensure that internal audit plans continue to meet the needs of HIWFRA and to review the delivery of the plan and any issues arising from the reviews as well as the progress in completing management actions.

Internal audit resources

The Chief Internal Auditor will be professionally qualified (CMIIA, CCAB, or equivalent) and have wide internal audit and management experience, reflecting the responsibilities that arise from the need to liaise internally and externally with Members, senior management and other professionals.

The Finance Director will provide the Chief Internal Auditor with the resources necessary to fulfil HIWFRA's requirements and expectations as to the robustness and scope of the internal audit opinion.

The Chief Internal Auditor will ensure that the internal audit service has access to an appropriate range of knowledge, skills, qualifications, and experience required to deliver the audit strategy and operational audit plan.

The annual operational internal audit plan will identify the resources required to complete the work, thereby highlighting sufficiency of available resources. The Chief Internal Auditor can propose an increase in audit resource or a reduction in the number of audits if there are insufficient resources.

Senior Management and the Board will be advised where, for whatever reason, internal audit is unable to provide assurance on any significant risks within the timescale envisaged by the risk assessment process.

The annual operational internal audit plan will be submitted to senior management and the Board, for approval. The Chief Internal Auditor will be responsible for delivery of the plan. The plan will be kept under review to ensure it remains responsive to the changing priorities and risks of HIWFRA.

Significant matters that jeopardise the delivery of the plan or require changes to the plan will be identified, addressed, and reported to senior management and the Board.

If the Chief Internal Auditor, the Board, or Senior Management considers that the scope or coverage of internal audit is limited in any way, or the ability of internal audit to deliver a service consistent with the Standards is prejudiced, they will advise the Finance Director, accordingly.

Independence and objectivity

Internal auditors must be sufficiently independent of the activities they audit to enable them to provide impartial, unbiased, and effective professional judgements and advice.

Internal auditors must maintain an unbiased attitude that allows them to perform their engagements in such a manner that they believe in their work product and that

no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgement on audit matters to others.

To achieve the degree of independence and objectivity necessary to effectively discharge its responsibilities, arrangements are in place to ensure the internal audit activity:

- retains no executive or operational responsibilities;
- operates in a framework that allows unrestricted access to senior management and the Board;
- reports functionally to the Board;
- reports in their own name;
- rotates responsibilities for audit assignments within the internal audit team;
- completes individual declarations confirming compliance with rules on independence, conflicts of interest and acceptance of inducements; and
- ensures the planning process recognises and addresses potential conflicts of interest through internal audit staff not undertaking an audit for at least two years in an area where they have had previous operational roles.

If independence or objectivity is impaired in fact or appearance, the details of the impairment will be disclosed to Senior Management and the Board. The nature of the disclosure will depend upon the impairment.

Due professional care

Internal auditors will perform work with due professional care, competence, and diligence. Internal auditors cannot be expected to identify every control weakness or irregularity but their work should be designed to enable them to provide reasonable assurance regarding the controls examined within the scope of their review.

Internal auditors will have a continuing duty to develop and maintain their professional skills, knowledge, and judgement based on appropriate training, ability, integrity, objectivity, and respect.

Internal auditors will apprise themselves of the *'Mission'*, *'Core Principles'*, *'Definition of Internal Auditing'*, the *'Code of Ethics'* and the *'Standards'* and will work in accordance with them in the conduct of their duties.

Internal auditors will be alert to the possibility of intentional wrongdoing, errors and omissions, poor value for money, failure to comply with management policy and conflicts of interest. They will ensure that any suspicions of fraud, corruption, or improper conduct are promptly reported to the Chief Internal Auditor in accordance with laid down procedures.

Internal auditors will treat the information they receive in carrying out their duties as confidential. There will be no unauthorised disclosure of information unless there is

a legal or professional requirement to do so. Confidential information gained in the course of internal audit work will not be used to affect personal gain.

Access to relevant personnel and records

In carrying out their duties, internal audit (on production of identification) shall have unrestricted right of access to all records, assets, personnel and premises, belonging to HIWFRA or its key delivery partner organisations, where appropriate authority has been provided in the relevant agreements.

Internal audit has authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities. Such access shall be granted on demand, in a timely fashion, and not subject to prior notice.

Scope of Internal Audit activities

The Chief Internal Auditor is responsible for the delivery of an annual audit opinion and report that can be used by HIWFRA to inform its governance statement. The annual opinion will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control.

A range of internal audit services are provided (Annex 2) to form the annual opinion. The approach is determined by the Chief Internal Auditor and will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

In accordance with the annual audit plan, auditors will plan and evaluate their work so as to have a reasonable expectation of detecting fraud and identifying any significant weaknesses in internal controls. Additionally, proactive fraud reviews will be incorporated within the plan to deter and detect fraud, covering known areas of high risk.

Managers are required to report all suspicions of theft, fraud and irregularity to the Chief Internal Auditor so that they can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. Internal audit will not carry out investigations unless commissioned to do so and where this is the case, the Chief Internal Auditor will ensure that investigators are fully trained in carrying out their responsibilities.

Internal audit also facilitate HIWFRA's participation in the National Fraud Initiative (NFI) in which data from HIWFRA's main systems are matched with data supplied from other Local Authorities and external agencies to detect potential fraudulent activity.

Where appropriate Internal audit will also use their experience of working with other public sector clients to identify areas of best practice and learning opportunities that may assist HIWFRA review and improve the efficiency of their own processes and control framework.

Reporting

Chief Internal Auditor's Annual Report and Opinion

The Chief Internal Auditor shall deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

The annual internal audit report and opinion will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control.

The annual report will incorporate as a minimum:

- The opinion;
- a summary of the work that supports the opinion; and
- a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

Senior Management

As those responsible for the leadership and direction of Hampshire & Isle of Wight Fire & Rescue Service it is imperative that the Executive Group is engaged in:

- approving the internal audit charter (minimum annually);
- approving the risk-based internal audit plan;
- receiving communications from the Chief Internal Auditor on the internal audit activity's performance relative to its plan and other matters;
- making appropriate enquiries of management and the Chief Internal Auditor to determine whether there are inappropriate scope and resource limitations; and
- receiving the results of internal and external assessments of the quality assurance and improvement programme, including areas of non-conformance.

The Standards and Governance Committee (The Board)

Organisational independence is effectively achieved when the Chief Internal Auditor reports functionally to the Board. Such reporting will include:

- approving the internal audit charter;
- approving the risk based internal audit plan;
- approving the internal audit budget and resource plan;

- receiving communications from the Chief Internal Auditor on the internal audit activity's performance relative to its plan and other matters, including the annual report and opinion;
- making appropriate enquiries of management and the Chief Internal Auditor to determine whether there are inappropriate scope and resource limitations;
- receiving the results of internal and external assessments of the quality assurance and improvement programme, including areas of non-conformance; and
- approval of significant consulting services not already included in the audit plan, prior to acceptance of the engagement.

Quality assurance and performance monitoring

The internal audit team will work to the Public Sector Internal Audit Standards to maintain consistency in service provision. This requirement will be enforced through appropriate supervision and supervisory/management review of all audit working papers, action plans and audit reports.

An annual satisfaction survey will be conducted with key stakeholders to assess the value of the service and to seek suggestions for improvement.

In addition, in line with the Standards:

- an annual self assessment will be completed by internal audit against the Standards;
- an external assessment of internal audit will also be conducted at least once every five years by an external, qualified, independent assessor or assessment team; and
- to enable senior management and the Standards and Governance Committee to formally monitor the performance of the internal audit service, a set of key performance indicators will be agreed. Details of actual delivery against these targets will be reported to senior management and the Standards and Governance Committee.

Ownership of documentation

Internal audit files and working papers, which address compliance with the Standards, are the property of HIWFRA.

Internal audit's data retention policy on the archiving and secure destruction of audit files requires that all audit files are retained for a period of four years (three plus the current) except for those papers used in the course of a fraud investigation which will be retained for a period of seven years. An annual programme is in place for the secure destruction of files once these time frames have elapsed.

Indemnity and Insurance

Internal Audit's professional indemnity cover is provided through a third party insurer and is sufficient to meet all eventualities in respect of external contract arrangements up to the sum of £5 million. Southern Internal Audit Partnership will indemnify HIWFRA against claims and costs arising from its negligence or wilful breach of any obligation under this agreement provided that its maximum liability shall not exceed £5 million.

Fees

The fees for internal audit work will be agreed in advance of each financial year to reflect the number and mix of days required and movements in cost base.

If specific assignments are requested in addition to the annual plan, fees will be agreed in advance based on the staff mix required.

Review of the internal audit charter

This charter will be reviewed annually (minimum) by the Chief Internal Auditor and presented to Senior Management and the Board for approval.

Annex 1

Southern Internal Audit Partnership – Client Portfolio

Strategic Partners:	Hampshire County Council
Key Stakeholder Partners:	West Sussex County Council Havant Borough Council East Hampshire District Council Winchester City Council New Forest District Council Mole Valley District Council Epsom & Ewell Borough Council Reigate & Banstead Borough Council Tandridge District Council Crawley Borough Council Arun District Council Guildford Borough Council Hart District Council
Blue light Key Stakeholder Partners:	Hampshire & IoW Fire & Rescue Authority West Sussex Fire Service Office of the Hampshire & IoW Police & Crime Commissioner / Hampshire & IoW Constabulary Office of the Sussex Police & Crime Commissioner / Sussex Police Force Office of the Surrey Police & Crime Commissioner / Surrey Police Force
External clients:	Waverley Borough Council Hampshire Pension Fund West Sussex Pension Fund New Forest National Park Authority Ringwood Town Council Lymington & Pennington Town Council Langstone Harbour Authority Chichester Harbour Authority Isle of Wight College

Annex 2

Assurance Services

- **Risk based audit:** in which risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of managements' objectives. Any audit work intended to provide an audit opinion will be undertaken using this approach.

Where appropriate, internal audit will also use their experience of working with other public sector clients to identify areas of best practice and learning opportunities that may assist HIWFRA review and improve the efficiency of their own processes and control framework.

- **Developing systems audit:** in which:
 - the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management; and
 - programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.
- **Compliance audit:** in which a limited review, covering only the operation of controls in place to fulfil statutory, good practice or policy compliance obligations are assessed.
- **Quality assurance review:** in which the approach and competency of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.
- **Fraud and irregularity investigations:** Internal audit may also provide specialist skills and knowledge to assist in or lead fraud or irregularity investigations, or to ascertain the effectiveness of fraud prevention controls and detection processes. Internal audit's role in this respect is outlined in the Service's Anti-theft, Fraud, Bribery and Corruption Policy and associated procedures.
- **Advisory / Consultancy services:** in which advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management, and governance. It should be noted that it would not be appropriate for an auditor to become involved in establishing or implementing controls or to assume any operational responsibilities and that any advisory work undertaken must not prejudice the scope, objectivity and quality of future audit work.

- **Third party assurance:** the availability of objective assurance from other assurance providers will be considered in determining audit needs. Where internal audit needs to work with the internal auditors of other organisations, a practice which is expanding with the development of more organisational strategic partnerships, the roles and responsibilities of each party, as well as billing arrangements, will be clearly defined, agreed and documented prior to the commencement of work. Internal audit will also ensure awareness of and seek to place reliance on the work of other review bodies, such as HMICFRS and HMRC etc.

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**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

**HAMPSHIRE & ISLE OF WIGHT FIRE & RESCUE
AUTHORITY
INTERNAL AUDIT PLAN 2023-24**

Prepared by: **Karen Shaw, Deputy Head of Partnership**
February 2023

Introduction

The role of internal audit is that of an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

Hampshire & Isle of Wight Fire & Rescue Authority (HIWFRA) are responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the HIWFRA that these arrangements are in place and operating effectively.

HIWFRA’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the organisation’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant Directors and Audit Sponsors to ensure it continues to reflect the needs of the organisation. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with HIWFRA and reported to the Standards and Governance Committee through regular progress reports.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Karen Shaw, Deputy Head of Southern Internal Audit Partnership, supported by Beverly Davies and Penny Knowles, Audit Managers.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In September 2020 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally, the IIA were excellently positioned to undertake the external assessment.

Page 33
 Considering all sources of evidence the external assessment team concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

HIWFRA Safety Plan 2020 – 2025

The core functions of UK fire and rescue services are to make provision for the purpose of promoting fire safety in their area, protect buildings and the people in them, responding to fires, rescuing people in road traffic collisions (RTC) and attending other emergencies.

The HIWFRA Safety Plan sets out a five-year strategy to ensure the Service consistently provides a service to the local communities to achieve this with the overriding purpose 'Together We Make Life Safer.'

In the Safety Plan, the Service recognises that it must continue to evolve as an organisation to meet the new risks and challenges faced, and by focussing on the higher risk areas, internal audit can provide independent, objective assurance and consulting activity designed to add value and support the ongoing developments and improvement.

HIWFRA has a clear framework and approach to risk management. The strategic risks assessed by the organisation are a key focus of our planning for the year to ensure the internal audit plan meets the organisation's assurance needs and contributes to the achievement of objectives. We will monitor the Service's Risk Register developments closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Developing the internal audit plan 2023/24

HIWFRA

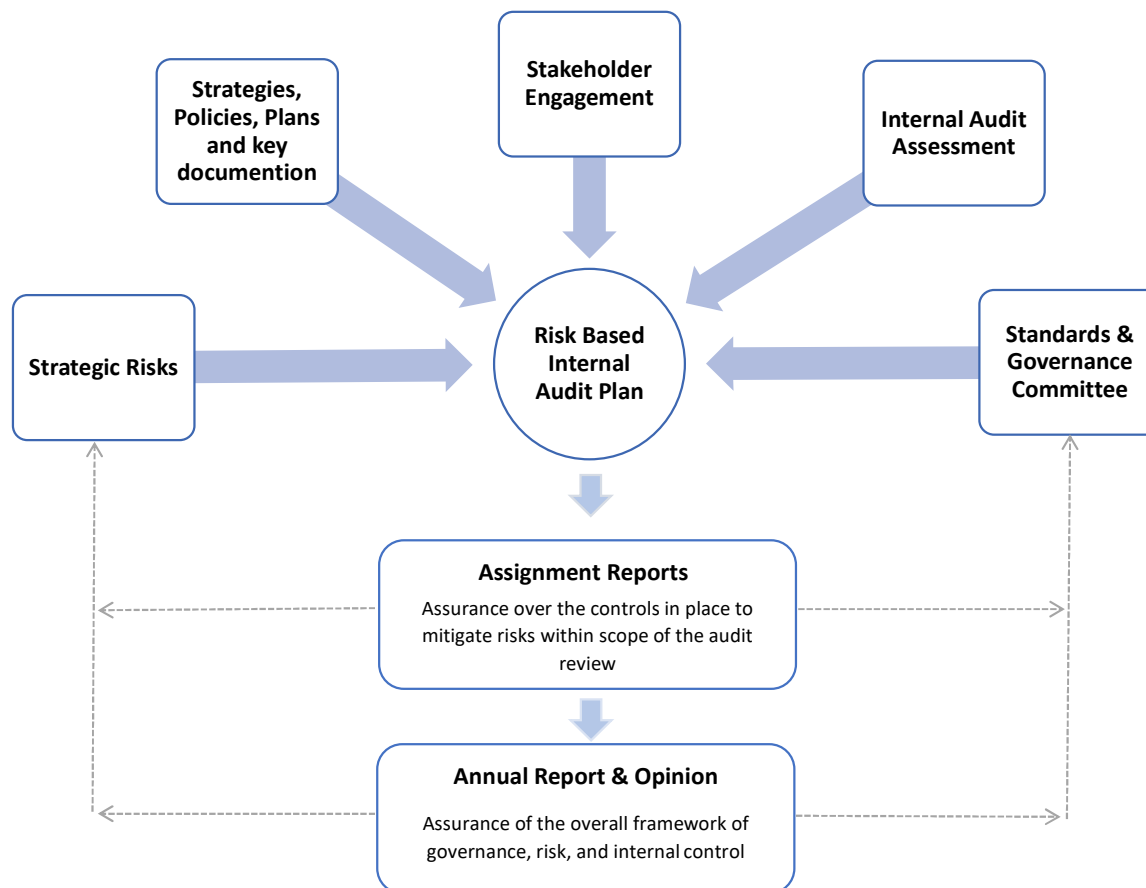
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation’s goals.

Based on conversations with key stakeholders, review of key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

However, audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

The HIWFRA are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation.

We will, however, continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained



Shared Services

Services provided under the shared service arrangements with Hampshire County Council, Hampshire and Isle of Wight Constabulary and the Police and Crime Commissioner for Hampshire and the Isle of Wight continue to be reviewed via a joint internal audit plan that provides assurance to all parties to avoid duplication of effort, however changes to this approach took effect from 2019/20 for some areas as outlined below. All four organisations contribute audit days to this plan. An internal audit protocol for this work has been agreed with partner and shared services management.

Shared Services - International Standard on Assurance Engagements No. 3402

ISAE 3402 has been developed to provide an international assurance standard for allowing public bodies to issue a report for use by user organisations and their auditors (user auditors) on the controls at a service organisation that are likely to impact or be a part of the user organisation's system of internal control over financial reporting.

The Integrated Business Centre (IBC) is a shared service function hosted by Hampshire County Council, delivering transactional processing and business support services to a growing number of public sector bodies. Such services include general ledger; Order to Cash; Purchase and Payables; Cash & Bank; Payroll; and Information Systems.

Due to the significance of the business processes provided on behalf of partner organisations it is appropriate for Hampshire County Council to provide assurance on its service through compliance with such international standard requirements. Assurance against the international standard is now provided by Ernst & Young.

The SIAP will continue to provide assurance to the HIWFRA and partner organisations for those systems and process outside of the scope of the ISAE 3402 through the shared internal audit plan. At the time of writing this report the shared services internal audit plan is still being developed and will be reported through regular progress reports in due course.

HIWFRA Internal Audit Plan 2023-24

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
Benefits Management	Executive (Exec) Sponsor: Shantha Dickinson Chief Officer Group (COG) Lead: Alex Quick	A follow-up to the 2020/21 Change Management Framework audit, this audit will assess the governance, control and assurance mechanisms around Benefits Management, with due consideration given to the Change Management Framework, Directorate Plans and Safety Plan.		Q1	12
Provided vehicles	Exec Sponsor: Matt Robertson COG Lead: Darren House	This audit will review the provided vehicles procedure, providing assurance on the control framework and compliance with the approved procedures.		Q2	12
ICT Major Incident Management (ITIL based)	Exec Sponsor: Matt Robertson COG Lead: Tony Oliver	This audit will adopt an ITIL based approach to reviewing the Service's approach to ICT Major Incident Management. ITIL is a framework for effectively managing ICT services throughout the entire service lifecycle.	ORG0015	Q2	12
ICT Assurance Mapping and Coverage Analysis Based on ITIL 4 Practices	Exec Sponsor: Matt Robertson COG Lead: Tony Oliver	Mapping of other sources of assurance and identification of possible areas of ICT audit from analysis of ITIL 4 practices against areas of ICT activity in the organisation and associated risks. This will be used to inform future internal audit plans.	ORG0015	Q3	8
Long-term sickness absence management and restricted duties	Exec Sponsor: Molly Rowland COG Lead: Ben Allen, Sarah Hughes	This audit will focus on the assurance, control and governance in place, including local recording and management, as well as reporting, of long-term sickness absence management and	ORG0031	Q3	20

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
		restricted duties cases. This will build upon testing on sickness absence management cases carried out by HMICFRS in their 2022 inspection.			
Overtime	Exec Sponsor: Stew Adamson COG Lead: Dan Tasker	This audit will review the controls and assurance mechanisms in place around overtime, including the use of staff bank.		Q3	12
Contaminants	Exec Sponsor: Matt Robertson COG Lead: Darren House	This audit will review the Service's decontamination procedures with a specific focus on new hires, decontamination training and procedural alignment.	ORG0017	Q3	12
Health and safety training	Exec Sponsor: Shantha Dickinson COG Leads: Steve Polly & Ben Allen	This audit will focus on Health and Safety and the 2023/24 Health and Safety training matrix. The audit will follow individual Gartan training records and role-specific health and safety requirements listed in the matrix to ensure that the Service can evidence compliance with the matrix.	ORG0024	Q3	12
Financial management – capital expenditure	Exec Sponsor: Catherine Edgecombe COG Lead: Rob Sarfas	This audit will provide assurance on the Service's controls relating to the management of capital expenditure and borrowing.	ORG0037 ORG0038	Q4	10
NFI	Exec Sponsor: Shantha Dickinson	To facilitate the HIWFRA Statutory requirement for data matching.		Q1-4	5
Follow up	Various	To assess progress in implementing management actions for reviews carried out during 2022/23.		Q4	8

Audit	Audit sponsor	Scope	Link to Strategic Risk Register	Proposed Timing	Indicative days
Other audit activities		This includes preparation of the audit plan, annual internal audit report, advice and attending management and committee meetings.		Q1-4	24
Contribution to Shared Services Plan (see below)					20
TOTAL DAYS					167
Contingency (average annual plan to date is 185 days)					18

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Shared Services Internal Audit Plan 2023-24

The Shared Services aspects of the Internal Audit Plan are yet to be confirmed and are agreed separately through Shared Services governance mechanisms. Progress against the audit plan, including the Shared Services aspects of the plan, will, however, be provided through the regular progress updates to the Standards and Governance Committee.

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**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA – Standards & Governance Committee

Purpose: Noted

Date: **22 MARCH 2023**

Title: **INTERNAL AUDIT PROGRESS REPORT 2022/23**

Report of the Chief Internal Auditor

SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with:
 - an overview of internal audit work completed in accordance with the approved audit plans, and
 - an overview of the status of 'live' reports.

BACKGROUND

2. The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

3. In accordance with proper internal audit practices and the Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to the Standards and Governance Committee, summarising:
 - the status of 'live' internal audit reports;
 - an update on progress against the annual audit plans;

- a summary of internal audit performance, planning and resourcing issues; and
 - a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.
4. The report attached at Appendix A summarises the activities of internal audit for the period ending February 2022.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

5. The Internal Audit Plan is designed to validate the assurance and control framework which exists in the Authority and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved.

RESOURCE IMPLICATIONS

6. The 2022/23 plan was prepared on the basis of audit need and agreed with senior managers and endorsed by Hampshire & Isle of Wight Fire & Rescue Authority (Shadow Authority) on 10 February 2021 and the Standards and Governance Committee on 11 March 2022 following comprehensive risk assessment. The cost is reflected in the Authority's budget.
7. The audit plan will remain fluid to enable us to react to the changing needs of Hampshire and Isle of Wight Fire and Rescue Authority.

IMPACT ASSESSMENTS

8. Impact assessments have not been required for this report as the production of the report will not result in the implementation of a new change activity, and/or introducing, or amending, a Service Policy.

LEGAL IMPLICATIONS

9. There are no legal implications arising from this report.

OPTIONS

10. The options are that the progress in delivering the internal audit plan for 2022/23 and the outcomes to date are noted, or not noted, by Hampshire and Isle of Wight Fire and Rescue Authority Standards and Governance Committee.

EVALUATION

11. Internal audit activity provides the Authority with an assurance mechanism to evaluate the effectiveness of the Service's risk management, control and governance processes.

RISK ANALYSIS

12. The risk-based approach to internal audit planning and reviews aims to ensure that internal audit resource focuses on key business risks and as such the Authority's risk register has been used to inform the planning process and ensure that key risks are reflected in planned work.

CONCLUSION

13. The appendix outlines the progress made in delivering the internal audit plan for 2022/23 and the issues arising to date.

RECOMMENDATION

14. That the progress in delivering the internal audit plan for 2022/23 and the outcomes to date be noted by Hampshire and Isle of Wight Fire and Rescue Authority Standards and Governance Committee.

APPENDICES ATTACHED

15. Appendix A: Internal Audit Progress Report 2022/23.

Contact:

Karen Shaw, Chief Internal Auditor, Karen.Shaw@hants.gov.uk, 07784 265138

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**Southern Internal
Audit Partnership**

Assurance through excellence
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**Hampshire & Isle of Wight Fire & Rescue Authority: Standards and Governance Committee
Internal Audit Progress Report 2022-23**

March 2023

:

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

Hampshire and Isle of Wight Fire and Rescue Authority is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Hampshire and Isle of Wight Fire and Rescue Authority that these arrangements are in place and operating effectively.

The Hampshire and Isle of Wright Fire and Rescue Service’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

2. Purpose of report

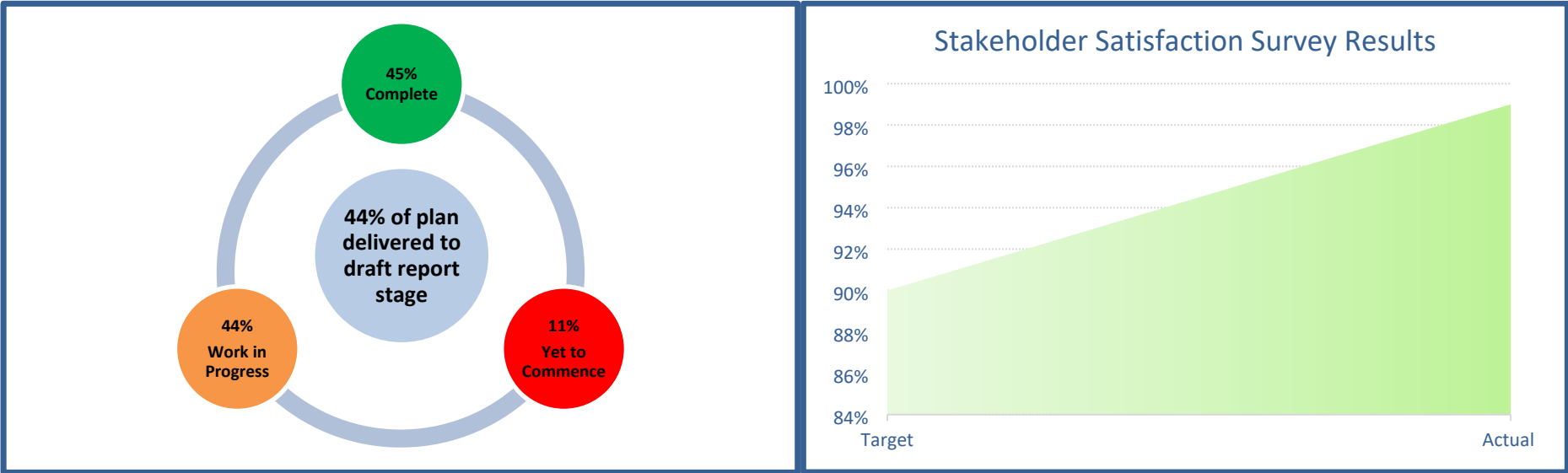
In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to ‘Senior Management’ and ‘the Board’, summarising:

- The status of ‘live’ internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. The assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

3. Performance dashboard



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Compliance with Public Sector Internal Audit Standards

An External Quality Assessment of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles. We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

4. Analysis of 'Live' audit reviews



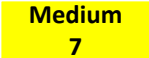

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Action(s)*	Not Yet Due*	Complete*	Overdue		
							L	M	H
Referral Pathways	16.11.21	D of O	Limited	19 (10)	0 (0)	19 (10)			
Prevention and Protection	24.02.22	D of O	Reasonable	3 (0)	0 (0)	2 (0)		1	
General Data Protection Regulations (GDPR) and Data Protection Compliance	31.03.22	D of CS	Limited	9 (5)	1 (1)	8 (4)			
ICT Change Management	08.04.22	D of CS	Reasonable	4 (0)	2 (0)	2 (0)			
Risk Management**	08.06.22	D of PP&A	Reasonable	7 (0)	0 (0)	7 (0)			
Data Quality**	17.06.22	D of PP&A	Limited	6 (1)	0 (0)	6 (1)			
Pay Claims (Recurring Allowances)	11.07.22	D of P&OD	Reasonable	1 (0)	0 (0)	0 (0)	1		
IT User Access**	22.07.22	D of CS	Reasonable	6 (0)	0 (0)	6 (0)			
Impact Assessments	08.08.22	DCFO	Reasonable	4 (1)	1 (1)	3 (0)			
Modern Slavery	15.09.22	DCFO	Reasonable	9 (0)	2 (0)	7 (0)			
Continuing Professional Development	24.11.22	D of P&OD	Limited	11 (4)	11 (4)	0 (0)			
Assurance over the competence of operational response capability	09.02.23	D of O	Limited	7 (6)	7 (6)	0 (0)			
Total				86 (27)	24 (12)	60 (15)	1	1	

*Total number of actions (total number of high priority actions)

** Audits where all actions have been cleared since our last report.



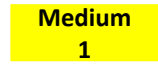

5. Executive Summaries of reports published concluding a ‘Limited’ or ‘No’ assurance opinion

There have been two new final reports published concluding a “limited” assurance opinion since our last progress report.

Continuing Professional Development				
Audit Sponsor	Assurance opinion	Management Actions		
Director of People & Organisational Development	 Limited	 Low 0	 Medium 7	 High 4
<p>HIWFRS reward eligible Grey Book employees for their continual professional development (CPD) with an annual CPD payment. The CPD scheme is designed to recognise and reward competent Grey Book employees (Wholetime, On-call and Control) who can demonstrate CPD at a ‘competent’ level. Eligibility for the payment is discussed as part of the personal development review (PDR) process each year and documented by the line manager, who will then approve and process the CPD payment. The CPD payment is a retrospective payment, payable between April to July, based on the eligibility criteria having been met in the previous financial year.</p> <p>Summary of key observations:</p> <ul style="list-style-type: none"> • Whilst there is a procedure document in place for the CPD payments process, which is subject to regular reviews, the following gaps in the procedures were noted: <ul style="list-style-type: none"> ○ Expectations for how eligibility for the CPD payment should be documented. ○ Confirmation of whether a PDR assessment forms part of the CPD eligibility assessment. ○ Confirmation of whether the PDR assessment should be completed prior to a payment being submitted to the IBC. ○ The responsibility of each line manager for assessing competency where an employee has multiple contracts. ○ Exemptions to eligibility criteria e.g. Fire Control are not expected to pass a fitness test. • The PDR and Maintenance of Competence procedures do not reference the CPD Payments process, and the PDR assessment form does not provide a section to evidence discussions about the CPD payment process and eligibility. • Testing has confirmed that of the 60 Grey Book employees that have/ will reach five years continuous service in 2022, 21 received a CPD payment that was either not pro-rated or they were not eligible for as they did not meet eligibility until after 1 April 2022. From an additional sample of 27 Grey Book employees that will reach five years continuous service from 2023, four received a CPD payment for 2021/2022. 				

- Whilst discussions with line managers confirmed that the firefighters in the sample tested were all in receipt of competent pay, that they were not subject to formal proceedings under the Capability or Disciplinary procedures, and they had passed the Service fitness test, there was no evidence to confirm that this had been considered prior to authorising the CPD payments. Of 24 PDR assessments provided as evidence for meeting the CPD eligibility requirement, 17 were completed after the CPD payment date.
- Testing of 15 Wholetime Grey Book employees that received a CPD payment for 2021/22 and who work less than 42 hours has confirmed that seven payments did not match the payment calculated based on the hours recorded on SAP.
- Whilst the Head of Response has undertaken some dip sampling of PDR assessment completion, the levels of oversight from the Group Commanders on the CPD payments made is varied and they do not undertake any dip sampling of whether individuals have met the eligibility criteria or whether a PDR assessment has been completed. A PDR app has been launched which will provide regular reporting to the Ops Performance Board on PDR assessment completion however this does not confirm CPD payment eligibility.

Assurance over the competence of operational response capability

Audit Sponsor	Assurance opinion	Management Actions		
Director of Operations				

This audit was a follow up from a previous limited assurance report and aimed to assess whether operational personnel are suitably competent in carrying out their roles. The review concentrated on ensuring that operational competency training, in particular for firefighters and Level 1 Incident Commanders, is completed in accordance with requirements and is being appropriately monitored and quality assured by Crew Managers, Watch Managers and Station Commanders. We assessed whether training is correctly recorded within Gartan to allow accurate monitoring by senior management.

Summary of key observations:

- The Learning and Development Station Manager told us that ‘high level’ monitoring of competencies is being carried out on an ad hoc basis to flag and address issues, although no evidence of this was provided. Data is also regularly reported by the Analyst Team, analysed by Senior Management, and presented during the Ops Performance Board meeting. However, the report is limited to only showing completed but expired competency figures for analysis. This is because all competencies are currently applied to all roles in Gartan and there is an ambiguous category of ‘not taken’ competencies showing in Gartan. ‘Not taken’ competencies could mean that they are not applicable to the role or are needed but have never been completed. The Gartan Expert Matrix, which was requested by management to assist in monitoring competencies more efficiently, is currently undergoing a testing trial. Review of

the draft Gartan Expert Matrix found that it presents competencies tailored to each station's requirements, and clearly highlights completed, due, overdue and not assessed competencies. Our discussions with key staff across the Service identified that the training matrix is expected to significantly improve the ease with which competencies can be monitored. A RAG system will be used to provide a high-level view of the training status. In addition, the Service are working to use an API to flow Gartan Expert data 'live' into the Power BI reporting application via the data warehouse to further improve the monitoring reports. The aim is to launch the Gartan Expert Matrix before the end of 2022, and this will be key to addressing the issues raised in this report. As this work is already progressing, no further observation was made.

- Our testing confirmed that roles and responsibilities are unclear and stations are unsure about who is expected to carry out the inputting, booking and monitoring of training. Whilst we were advised by Learning and Development that there is an expectation for personal accountability for maintaining competence through up-to-date training, in practice we found that staff are not monitoring their own records.
- The impact of the lack of clarity around roles and responsibilities and the lack of clear monitoring information was reflected in our testing results. 14 competencies were tested across the six stations which included on call and retained staff and we found that whilst key safety critical competencies such as Fitness Workplace Assessment were in date, for the remaining competencies tested across Workplace Assessments (WA) and Breathing Apparatus (BA) we found expired competencies in each station of between 2% and 20% of staff.
- Due to the current system configuration, each station reported that whilst they are fully aware of the specific training required for their roles, monitoring of completion of the training has become difficult. Audit testing highlighted that there are significant variations in how each station carries out monitoring of competencies as there is no standardised process to follow.
- It was acknowledged by L&D, the Area Manager, Response and operational staff interviewed that the initial training provided on the use of the Gartan system did not meet needs as it was not role based. As a consequence, the Learning and Development Station Manager visited stations to offer additional training and support. In addition, online guidance and resources are available to all staff on SharePoint, including training videos, bite size and full training packages, as well as short videos, covering easy to use step by step guides for specific staff groups. However, despite this, discussions with our sample of staff across a number of sites identified a lack of knowledge and understanding on how to navigate and use Gartan effectively.

6. Planning & Resourcing

The internal audit plan for 2022/23 was approved by the Standards and Governance Committee on 11 March 2022.

The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Authority. Progress against the plan is detailed within section 7.

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	Audit Outline	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Fire Audit Plan 2021/22								
IT User Access	D of CS	✓	✓	✓	✓	✓	Reasonable	
Fire Audit Plan 2022/23								
Modern Slavery - Assurance	DCFO	✓	✓	✓	✓	✓	Reasonable	
Impact Assessments	DCFO	✓	✓	✓	✓	✓	Reasonable	
Property and facilities – statutory compliance works	D of CS	✓	✓	✓	✓	✓	Reasonable	
Continuing professional development payments	D of P&OD	✓	✓	✓	✓	✓	Limited	
Assurance over the competence of operational response capability – detailed follow-up	D of O	✓	✓	✓	✓	✓	Limited	
Purchasing Cards (P-Card)	DCFO	✓	✓	✓				Q3 Review stage
								Q3
Cyber security controls	D of CS	✓	✓	✓				Detailed scoping 15.12.22 – testing January
Analytical Risk Assessments	D of O	✓						Q4 Variation in
ICT networks and communications	D of CS	✓						Q4
ICT systems, applications, and governance	D of CS	✓						Q4
Follow Up	Various							Q4
NFI	DCFO	N/A	N/A	✓	N/A	N/A	N/A	Q1-4
Shared Services Audit Plan 2022/23	These are Shared Service audits with no direct Hampshire and Isle of Wight Fire and Rescue Service Audit Owner and Exec Sponsor; however overarching accountability for HIWFRS Shared Services activity sits with the							

Audit Review	Sponsor	Scoping	Audit Outline	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
	HIWFRS DCFO, Director of Policy, Planning and Assurance and the Head of Partnerships and External Relationships							
PCI DSS		N/A	N/A	✓	N/A	✓	N/A	Submission complete
Banking		✓	✓	✓	✓	✓	Substantial	
Pay Review and Award Process		✓	✓	✓				Q3
TUPE		✓	✓	✓				Q3
Budget Planning								Q3/4
Treasury Management		✓	✓					Q4

Audit Sponsors			
CFO	Chief Fire Officer	H of ICT	Head of ICT
DCFO	Deputy Chief Fire Officer	H of OA	Head of Operational Assets
D of O	Director of Operations	H of G&BS	Head of Governance and Business Support
D of CS	Director of Corporate Services	H of P&F	Head of Property and Facilities
D of PP&A	Director of Policy, Planning and Assurance (the Deputy Chief Fire Officer, DCFO)	SFBP	Senior Finance Business Partner
D of P&OD	Director of People and Organisational Development	HR BP	HR Business Partner
AD (Pr&Pr)	Assistant Director (Prevention and Protection)	N/A	Not applicable
AD (P&P)	Assistant Director (Policy and Planning)		
H of F	Head of Finance		
H of P	Head of Performance		

CFO	Chief Fire Officer	H of ICT	Head of ICT
DCFO	Deputy Chief Fire Officer	H of OA	Head of Operational Assets
D of O	Director of Operations	H of G&BS	Head of Governance and Business Support
D of CS	Director of Corporate Services	H of P&F	Head of Property and Facilities
D of PP&A	Director of Policy, Planning and Assurance (the Deputy Chief Fire Officer, DCFO)	SFBP	Senior Finance Business Partner
D of P&OD	Director of People and Organisational Development	HR BP	HR Business Partner
AD (Pr&Pr)	Assistant Director (Prevention and Protection)	N/A	Not applicable
AD (P&P)	Assistant Director (Policy and Planning)		
H of F	Head of Finance		
H of P	Head of Performance		

8. Adjustment to the Internal Audit Plan

There have been the following amendments to the plan:

Plan Variations for 2022/23	
Removed from the plan	Reason
Sickness Absence Management	Removed at client request due to HMICFRS's focus on sickness management and the ongoing development request into the Shared Services Partnership on grey book sickness recording which is at scoping stage.
Health and Safety – Reporting and Assurance	Removed at client request due to late delivery of the new Health and Safety Platform reporting and moved to next year's plan.
Shared Services Reporting from Concerto to Partners (Property Services)	Deferred to 2023/24 due to ongoing work to develop Concerto reporting.
Shared Services – Recruitment - contracts	Deferred to 2023/24 due to critical work around the pay award and other essential projects.
Added to the plan	Reason
Analytical Risk Assessments	Brought forward to replace Health and Safety.



**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA Standards and Governance Committee

Purpose: **Noted**

Date: **22 MARCH 2023**

Title: **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this paper is to provide the latest update on the management actions that have not been completed within their target date and their status. The Standards and Governance Committee has a key scrutiny role in monitoring the implementation of internal management actions.

BACKGROUND

2. Internal audit is one of various assurance mechanisms that the Service utilises as part of our wider assurance programme. This assurance programme includes internal and external assurance mechanisms, other external examples include from HMICFRS, OFSTED and ISO certification testing.
3. In terms of internal audit, the Hampshire and Isle of Wight Fire and Rescue Service (HIWFRS) Organisational Assurance team maintains, monitors and reports on a record of audits against the current risk-based Internal Audit Plan, noting whether they are in progress or have been completed. The respective members of the Chief Officer's Group are responsible for the delivery of actions that fall within their areas of responsibility.
4. Once a final audit report has been issued, the agreed management actions are recorded along with:
 - (a) the priority of the recommendation;
 - (b) the target date for implementation; and
 - (c) the person responsible for the action.
5. The Organisational Assurance team will ask for confirmation and evidence that an action has been implemented, or if it has not been completed when

it is expected to be. Any management actions that continue to remain outstanding are referred to the relevant Director. Our internal Integrated Performance and Assurance Group (IPAG) also provides an overview of outstanding recommendations, and they are also monitored regularly by the Director of Policy, Planning and Assurance and the Head of Performance.

MANAGEMENT ACTIONS

6. The table below lists those recommendations that are currently outstanding beyond their agreed target date and if they are of medium (M) or high (H) priority. There is a brief commentary against each to explain the status and any mitigating factors.

Internal Audit Management Actions			
Competency, Resourcing and Succession planning – Prevention and Protection			
Implementation of the new Gartan management system and the 'Expert Module' will resolve this risk. This is dependent on the project team delivering against their timeline.	31 October 2022, revised to 31 March 2023	M	The tracking of Prevention and Protection specific competencies needs to be manually set up within the Gartan Expert system by HIWFRS and this is being progressed between the ICT Systems Team and the Prevention and Protection teams. This will be delivered by Spring 2023. It is important to note, however, that there is current mitigation provided by a locally held training database.

MANAGEMENT COMMENTARY

7. The number of open audit management actions has reduced from 27 to 25 with 2 of those overdue, one noted above and one is a lower risk action to automate some pay claims processes. We have completed various audit management actions in recent months, though the open action figure has not reduced significantly because new audits, such as on the *Assurance Over the Competence of Operational Response Capability 2022/23*, have been completed with additional actions required.

8. It is important to note that since the last Committee, the nineteenth and final action in respect of the Prevention Referral Pathways audit was completed on 14 February, with the launch of the new electronic Safe and Well process and form. This was launched following extensive user engagement and will generate various efficiencies for the Service. The Service has also informed HMICFRS of the launch of the form, given their recent inspection report cited inefficient, manual processes.
9. The Service has also carried out various internal engagement and liaison with our internal auditors, to develop the risk-based internal audit plan for 2023/24. The Service, in conjunction with Southern Internal Audit Partnership, continually monitors progress against the plan and flexes the plan as required. This will be particularly crucial in 2023/24, owing to the potential impacts (on the plan) of industrial action across the fire and rescue sector.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

10. By ensuring the implementation of internal audit recommendations, we assist the Authority in improving its planning and performance management processes and in complying with its governance arrangements. This in turn assists the Authority in achieving our *High Performance* and *Learning and Improving Safety Plan* priorities, and our vision to work smarter, be more efficient, and to make life safer for everyone in Hampshire and the Isle of Wight.

COLLABORATION

11. The Southern Internal Audit Partnership provide internal audit on behalf of all partners within Shared Services and many other public service organisations.
12. Our internal audit procedure, which acts as a Memorandum of Understanding (MoU) and outlines how HIWFRS and the Southern Internal Audit Partnership (SIAP) collaborate, was revisited by HIWFRS and SIAP in 2021 light of the combined fire authority, and the relationship continues to be effective, as evidenced by the progress made with audit actions and our approach to risk-based audit planning.

RESOURCE IMPLICATIONS

13. When agreeing management actions in response to an audit report, the cost of addressing the risk should be considered against the risk materialising. Implementing audit recommendations helps to ensure that the Authority uses its resources efficiently, that key controls are in place and working, and opportunities to achieve value for money are taken.
14. The management of internal audit actions is within current resources.

IMPACT ASSESSMENTS

15. Impact assessments have not been required for this report as the production of the report will not result in the implementation a new change activity, and/or introducing, or amending, a Service Policy.

LEGAL IMPLICATIONS

16. There are no legal implications arising from this report.

RISK ANALYSIS

17. Failure to implement internal audit recommendations leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. Internal management of audit recommendations is an important process within the Authority's risk management arrangements. The updates on progress ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.

EVALUATION

18. The evaluation of the progress the Service makes in completing internal audit management actions forms an important part of the Service's organisational assurance activity, provides a valuable measure of corporate health and identifies learning across the Service. The Service's Organisational Assurance team regularly monitors progress in completing management actions, for example via reporting into the Service's Integrated Performance and Assurance Group (IPAG) and in regular discussions with our internal auditors, the Southern Internal Audit Partnership.

CONCLUSION

19. Progress continues to be made in both completing the management actions from previous audits and progressing the current audit plan. Management actions will be undertaken in respect of the specific audits themselves and more widely in respect of internal control issues and how they are managed across the Service. As outlined in the MoU, management actions are owned by an Executive Sponsor and a Chief Officer's Group lead, who work with their teams to ensure progress is made.

RECOMMENDATION

20. That the Standards and Governance Committee notes the progress made towards the implementation of the internal audit management actions and the delivery of the audit plan.

Contact:

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**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA Standards and Governance Committee

Purpose: Noted

Date: **22 MARCH 2023**

Title: **ORGANISATIONAL RISK REGISTER UPDATE**

Report of Chief Fire Officer

SUMMARY

1. This paper updates the Standards and Governance Committee on the status of our Organisational Risk Register in line with our Risk Management Procedure. This follows the last Organisational Risk Register Quarterly Review on 6 January 2023.
2. We now have 12 organisational risks on the Organisational Risk Register although one (sickness due to flu/pandemic) will be de-escalated to directorate level due to the reduced severity we are presently experiencing. Two new risks were added at the Quarterly Review relating to staff shortages due to industrial action and reputational challenges following HMICFRS' recent report.
3. The Risk Team is working with directorates to embed the Service's new Risk Management Procedure. This will include adding a risk tolerance level to every risk, enabling us to define and record the amount of risk we are prepared to accept after all relevant mitigations have been put in place. In doing so, this will also enable us to focus our attention on the risks where further mitigations are needed.

BACKGROUND

4. The Organisational Risk Register is part of the Service's Risk Management Procedure and the Fire Authority's Safety Plan. The register enables effective management of the Service's strategic risks; risks that may affect the Service's ability to meet FRA's Safety Plan.
5. The Executive Group is responsible for risk management across the Organisation. It manages risk by:

- ensuring the practice of effective risk management is fully embedded through the organisation. It does this through reviewing the use of JCAD, considering the outcome of any related audits or inspections, and considering over time how risks are managed and reduced
- scrutinising the Organisational Risk Register
- identifying potential opportunities for service improvement
- collectively deciding what risks are logged on the Organisational Risk Register, either through escalation from directorate risk registers or new risks, setting the risk score for each

EXISTING RISKS

6. In January 2023, we conducted the latest quarterly review of the Organisational Risk Register. It was agreed that nine of the existing risks should remain on the risk register. Following discussion, it was agreed that the tenth risk relating to staff absences should be re-defined to cover flu/pandemic and de-escalated due the reduced impact it is now having on the organisation.
7. Two new risks were added. The first related to staff absences due to forthcoming industrial action. At the time of writing both the likelihood and severity are high to reflect the uncertainty we face despite numerous mitigations. The second new risk concerned handling and reputational challenges following the publication of the HMICFRS inspection report of the Service. At the time of writing there has been limited political, public and press interest and so this risk could be de-escalated at the next Quarterly Review meeting should the low external interest be maintained.
8. Further information on each risk is attached at Appendix A and the heat map at Appendix B.
9. Each directorate and team have their own risk register enabling risks to be managed and mitigated at the most appropriate level.

SOUTHERN INTERNAL AUDIT PARTNERSHIP

10. Last summer, the Southern Internal Audit Partnership (“SIAP”) reviewed the Service’s risk management arrangements, concluding they were “reasonable.”
11. SIAP made four observations to improve risk management, each of which we accepted. Three were minor and technical in nature: clarifying our procedures (eg. documenting our scoring methodology), ensuring information gaps in our risk management system are filled and requiring risk managers to periodically provide ‘positive’ assurance that they have

managed their risks and mitigating actions. We have revised our risk management procedure to include this.

12. The fourth observation required us to include within our risk management framework a risk appetite. This is the amount of risk that the Organisation is willing to accept whilst trying to meet its objectives. SIAP concluded that without formally defining or adopting the risk appetite of the Organisation and what level of risk is tolerated, it is not possible to assess whether the mitigating actions bring the management of risk to an acceptable level. We have accepted this and included it within our revised risk management procedure. The Risk team will work with each risk owner to define this and will report back to a future Standards and Governance Committee on the outcome of this work. While setting the risk appetite is an operational matter and so something for the Service to progress, we will need to explain our rationale to the Committee so they can understand our approach.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

13. In supporting our risk management framework, the Organisational Risk Register ensures that we remain focussed on achieving against our Safety Plan priorities. The risk register continues to assist in mitigating these risks to ensure effective service delivery.

RESOURCE IMPLICATIONS

14. There are no specific financial implications from the contents of this paper. Any financial impacts of future control measures would need to be assessed against the related risks and opportunities. Any plans with financial implications will be subject to appropriate review and governance.
15. We are hoping to upgrade our JCAD system. Their updated platform will provide better management recording as well as ease of use. We understand the cost will be approximately £8,000 and are considering if any underspends from existing directorate budgets could be used.

IMPACT ASSESSMENTS

16. There will be no negative environmental impacts associated with the adoption of this paper. The Organisational Risk Register ensures that we consider emerging issues through changes in climate, and these are accounted for in our prevention and response controls.
17. The implementation of the Organisational Risk Register will have no negative people impacts. However, through a more effective approach to identifying, assessing, and mitigating risks to our communities, a positive impact will be achieved through better understanding of protected characteristics within our communities and support our workforce.

LEGAL IMPLICATIONS

18. The requirement for each Fire and Rescue Authority to have an Integrated Risk Management Plan is set out within the National Framework for Fire and Rescue Services, made under the Fire and Rescue Services Act 2004.
19. The Organisational Risk Register, as part of our Risk Management Framework, will ensure our integrated risk management process is driving our priorities.

OPTIONS

20. The Standards and Governance Committee is asked to note the update and consider whether any other risks ought to be added and that existing risks are being well managed.

RISK ANALYSIS

21. The risk management framework provides a consistent and robust approach to the identification, analysis, and treatment of internal and external risks. This, in turn, ensures that major threats and opportunities are considered and managed appropriately, with adequate control measures implemented.

EVALUATION

22. The Organisational Risk Register will provide the appropriate prioritisation of risk management, and ensure risks are professionally managed and governance of plans and activities undertaken. The day-to-day management of those risks through the Executive Group, and accountability through Directorate Plans, ensures a risk management culture that will be overseen and scrutinised by Directors. Overall scrutiny will be provided by the Standards and Governance Committee under delegated authority from the Fire Authority.

CONCLUSION

23. Our risk management framework supports the identification of external risks and internal risks through the Hampshire and Isle of Wight Fire and Rescue Service Safety Plan, therefore ensuring a pro-active risk management culture. This report supports that continual monitoring and application of that framework.

RECOMMENDATION

24. That the risks identified and captured in the Service's Organisational Risk Register be **noted** by the Standards and Governance Committee .

APPENDICES ATTACHED

25. Appendix A: Organisational Risks
26. Appendix B: Organisational Risk Heat Map

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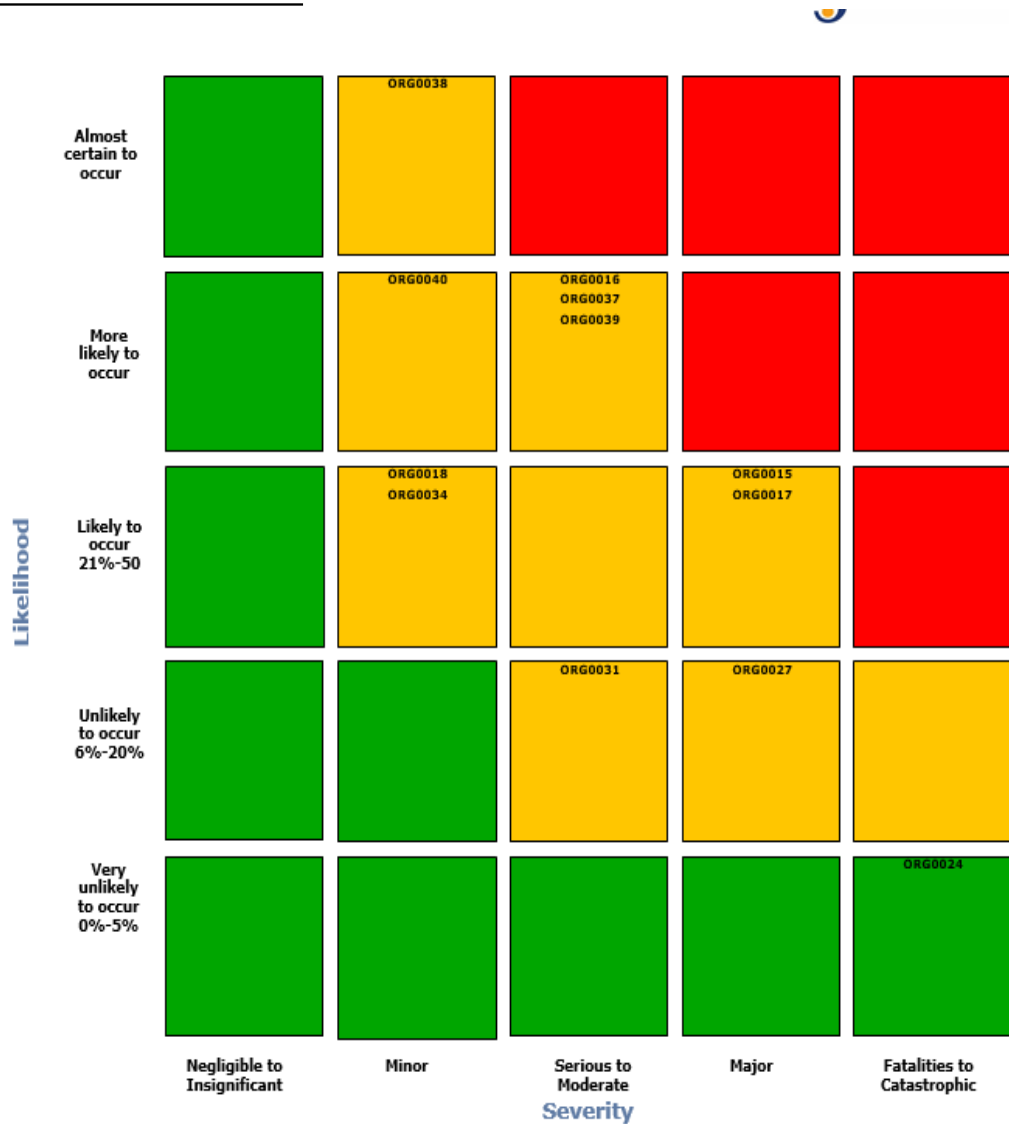
APPENDIX A: ORGANISATIONAL RISKS

Reference	Risk	Inherent Score (Current risk score)	Residual Score (Risk score after mitigations)	Commentary
ORG0015	Successful attack on our ICT infrastructure	16	12	The risk of a cyber-attack still remains high despite the Service taking a number of steps to protect systems and networks.
ORG0016	Reduced central government funding	16	12	Risk remains despite Service taking prudent steps to carefully financially plan. Current Safety Plan fully funded including Year 4 deliverables. Risk to be re-considered following budget setting at February's Fire Authority.
ORG0017	Fire Ground Contaminants leading to ill health in workforce	16	12	Considerable work has been done with further planned to better equip the Service to deal with contaminants. New procedure published in November is starting to change staff behaviour. Expectation that likelihood can be reduced over coming months but nature of risk requires it to remain on the ORR for the foreseeable.
ORG0018	Sub-optimal data quality	8	6	The risk remains, although work is in hand to improve how the Service captures, records and uses data. Expectation risk can be de-escalated off ORR over coming months subject to successful remedial measures.
ORG0024	The impact to the organisation of death or serious injury to an employee at work in the course of their duties	10	5	It was agreed that the very nature of this risk necessitates maintaining this risk on the ORR. Considerable work underway to keep our firefighters as safe as possible including alignment to current approved code of practice (National Operational Guidance).

ORG0027	Insufficient staff available to provide critical services (flu/pandemic)	20	8	This risk originally covered COVID-19. Risk has now been more clearly defined to cover "flu/pandemic" and be de-escalated off the ORR in lieu of lower staff absences and a new risk about staff loss due to industrial action being added.
ORG0031	Reduced wellbeing and resilience within workforce	16	6	Mitigations are in place but risk shouldn't be de-escalated at this point due to current climate and the ongoing need to support and look after staff.
ORG0034	Failure to respond to the impacts of the McCloud pension remedy	12	6	Risk has evolved to reflect the mechanics of fulfilling the remedy rather than the consequences of the remedy itself.
ORG0037	Rise of the cost of living increasing the costs of goods and services	15	12	New risk added in Summer 2022. Still relevant and needs to remain. The mitigations remain appropriate. The Service will continue to monitor incident data on what effect the cost of living is having.
ORG0038	Pay and price inflation lead to overspends on the capital and revenue budgets that cannot be managed within the available resources of the Service	15	10	Service continues to prudently financially plan and informed of changing interest and financial rates, as well as inflation. Risk to be reviewed following February's Fire Authority.
ORG0039	Forthcoming possible industrial action may lead to significant withdrawal of labour across the Service, impacting Service's ability to fulfil core duties	16	12	A new risk following the increasing likelihood of some industrial action during 2023. The very nature of industrial action is that it will be disruptive and so likely to impact our service delivery. Mitigations are in place to limit disruption.

ORG0040	HMICFRS report identifies some shortcomings in Service's performance, thereby creating reputational and handling pressures	12	8	A new risk to reflect possible handling and reputational challenges created by the HMCFRSI Report. Report was published on 20 January but received limited media/public interest; however, we will continue to monitor response from public, media and others. This risk may be de-escalated at next Quarterly Review should limited coverage continue.
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APPENDIX B: HEAT MAP



Detailed Risk Information

Current Risk Rating	Risk Ref	Description of Risk	Owner	Review Date
12	ORG0015	Successful attack on our ICT infrastructure, impacting the access and functionality of our ICT network.	Matt Robertson	17/04/2023
12	ORG0016	Reduced central government funding	Catherine Edgecombe	22/12/2022
12	ORG0017	Fire Ground Contaminants leading to ill health in work force	Stew Adamson	01/10/2022
12	ORG0037	Rise of the cost of living increasing the costs of goods and services	Shantha Dickinson	03/04/2023
12	ORG0039	Forthcoming possible industrial action may lead to significant withdrawal of labour across the Service, impacting Service's ability to fulfil core duties	Shantha Dickinson	03/04/2023
10	ORG0038	Pay and price inflation lead to overspends on the capital and revenue budgets that cannot be managed within the available resources of the service	Catherine Edgecombe	22/12/2022

Detailed Risk Information

Current Risk Rating	Risk Ref	Description of Risk	Owner	Review Date
8	ORG0027	Insufficient staff available for delivery of critical services	Shantha Dickinson	28/02/2023
8	ORG0040	HMICFRS report identifies some shortcomings in Service's performance, thereby creating reputational and handling pressures	Shantha Dickinson	03/04/2023
6	ORG0018	Sub-optimal data quality in some areas owing to systems and processes impacting on decision making.	Shantha Dickinson	03/04/2023
6	ORG0031	Reduced wellbeing and resilience within workforce	Molly Rowland	20/03/2023
6	ORG0034	Failure to respond to the impacts of the McCloud pension remedy	Catherine Edgecombe	22/12/2022
5	ORG0024	Death of an Employee at work in the course of their duties	Shantha Dickinson	03/04/2023



**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA Standards and Governance Committee

Purpose: Noted

Date: **22 MARCH 2022**

Title: **FIRE STANDARDS PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this paper is to provide awareness of the national Fire Standards and to give members the latest update on the alignment of our service against the current approved standards.
2. This is the second Fire Standards Progress Report into the Committee, following an update on 28 September 2022 ([available here](#)). We will continue to provide subsequent updates into the Committee every six months

BACKGROUND

3. As part of the reforms for fire and rescue services in England and the 2018 Fire and Rescue National Framework for England, a duty was placed on all fire authorities to implement professional standards and for the inspectorate to have regards to those standards as part of their inspections. The Fire Standards Board was created in 2019 to develop and introduce new standards to the fire sector, thus improving professionalism and driving sector improvement, with the first four standards publishing in February 2021.
4. The role of the Fire Standards Board is to oversee the identification, organisation, development and maintenance of Fire Standards for fire and rescue services in England. The intention being to help identify what good looks like and drive continual improvement across the services for the benefit of the profession, the services and the communities served by them.
5. Following consultation, Standards are then published on the Fire Standards Board website accompanied by an implementation tool and supporting guidance, for fire and rescue services to assess their respective compliance. His Majesty's Inspectorate of Constabulary and Fire and

Rescue Services (HMICFRS) Inspection programme will also increasingly give due regard to our compliance with the standards.

FIRE & RESCUE SERVICE GOVERNANCE

6. The Fire Standards are a critical part of setting out how fire and rescue services operate. They are designed to bring consistency to the sector to support the delivery of our legislative requirements. The fire standard include statements of what is required within each standard ('desirable outcomes'), which are then further supported by more detailed guidance from sector related bodies and the National Fire Chiefs Council.
7. Therefore, significant work is underway to ensure our policies and plans are underpinned by the relevant guidance in alignment with the national Fire Standards.

FIRE STANDARDS – OUR CURRENT POSITION

8. The Service's Fire Standards assurance approach was outlined in the September 2022 Fire Standards progress report and following that report the Service has also now published a new internal Fire Standards procedure (Appendix A) to make clear to staff what their responsibilities are regarding Fire Standards, and to outline how the Service undertakes assurance in this area.
9. As of January 2023, there were a total of 14 approved Fire Standards, of which we had completed our own initial gap analysis on 12, with the latest standards, 'Leading the Service' and 'Leading and Developing People', having only recently been published (in late December).
10. The table below shows our overall assurance rating for each Fire Standard based on the cumulative ratings for each requirement:

Standard	Date Published	Assurance Rating
Emergency Response Driving	16/02/2021	Substantial
Operational Competence	16/02/2021	Substantial
Operational Learning	16/02/2021	Reasonable
Operational Preparedness	16/02/2021	Substantial
Code of Ethics	18/05/2021	Substantial
Community Risk Management Planning	18/05/2021	Substantial
Prevention	30/07/2021	Substantial
Protection	03/09/2021	Substantial
Safeguarding	31/01/2022	Substantial
Fire Investigation	31/03/2022	Reasonable
Emergency Preparedness & Resilience	31/05/2022	Reasonable
Data Management	02/08/2022	Reasonable

Leading the Service	21/12/2022	Gap analysis assessment ongoing
Leading and Developing People	21/12/2022	Gap analysis assessment ongoing

11. There are a total of 155 individual requirements ('desirable outcomes') for the 12 HIWFRS assessed Standards. We have reasonable or substantial assurance on the vast majority the requirements. This position is very similar to that as at September 2022, however, there has been movements in some assurance ratings. For example, in September 2022 we had 9 requirements with limited assurance; and this how now improved to 7.
12. For the 7 requirements with limited assurance, various activity has been prioritised to develop our compliance. These activities, which are being delivered within existing budgets, relate primarily to:
 - (a) Ongoing enhancements in our approach to Service Learning, including revising the resources required in this area to deliver the fire standard, and embedding revised processes that have assurance and improvement for our people and communities at their core.
 - (b) Ongoing work and investment towards ISO accreditation for Fire Investigation, which is required to ensure we can continue to deliver fire investigation effectively, including for partners, in the future.
13. It is important to note that the two leadership standards that published in late December (Leading the Service and Leading and Developing People) are two of the largest, with around 40 requirements ('desirable outcomes') between them. They are also more cross-cutting (impacting, and relevant to, a wider range of teams across the Service's directorates) than previous standards. Owing to their breadth and the standards only publishing in late December our rigorous gap analysis against them is yet to be completed.

FIRE STANDARD FORWARD LOOK

14. The Fire Standards Board's aim is to release a total of approximately 22 standards by September 2023. Once these have been published, there is unlikely to be any additional standards introduced to the sector. Instead, their strategy is to enter a continuous improvement cycle, gathering learning from across the sector and using this to reflect and review the detail of the standards.
15. The following standards are currently being developed and have the following proposed publication dates:
 - (a) Fire Control – March 2023.
 - (b) Communications, Engagement and Consultation – March 2023.

- (c) Commercial and Procurement – September 2023.
- (d) Finance and Assurance – September 2023.
- (e) Asset Management – September 2023.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

- 16. This activity is a Year 3 Safety Plan deliverable under the Learning and Improving Safety Plan priority.
 - (a) “Providing ongoing integration and assurance of (approved and new) Fire Standards. Providing ongoing integration and assurance of (approved and new) Fire Standards.”
 - (b) “To ensure HIWFRS delivers against national best practice and identifies any risks that need to be resourced to; and to support the Service in embedding this activity into the core activity of all our Directorates.”
- 17. Compliance against, and focus on, Fire Standards also supports Our Communities by, for example, ensuring we have effective Community Risk Management Planning, prepared and competent operational personnel, and deliver robust and effective prevention, protection and safeguarding activity for the benefit of the communities of Hampshire and the Isle of Wight. Furthermore, adopting the Fire Standards also ensures we are effectively supporting our people – their health, safety, wellbeing, and operational competence – with a focus, for example, also on the national Code of Ethics that is aligned with HIWFRS Values and Behaviours.
- 18. Adhering to the Fire Standards will also ensure that we are delivering high performance by ensuring our diverse teams are skilled and feel equipped to deliver a leading fire and rescue service.

COLLABORATION

- 19. Collaboration takes place with the Fire Standards Board, the National Fire Chiefs Council, the Local Government Association and various other fire and rescue services, including HIWFRS, in the development and implementation of new Standards across the Fire Sector.
- 20. Internally, various teams collaborate to ensure we have accurately assessed our assurance against each Fire Standard, and to monitor this on an ongoing basis, including with the Service’s Integrated Performance and Assurance Group, Chief Officer’s Group and Executive Group.

RESOURCE IMPLICATIONS

- 21. The volume of Fire Standards approved and planned and incorporation into HMICFRS inspection means the assurance activity has ongoing resource requirements. Fire Standard assurance is overseen by the Organisational

Assurance Team but completed by input from the relevant teams and specialists across HIWFRS. Each Fire Standard also has an Executive Group sponsor.

IMPACT ASSESSMENTS

22. Impact assessments have not been required for this report as the production of the report will not result in the implementation a new change activity, and/or introducing, or amending, a Service Policy or Procedure.
23. However, individual actions required to meet the requirements of each Standard will be subject to conformity with the Service's Change Management and Impact Assessment procedures, and therefore may require unique impact assessments for those changes.

LEGAL IMPLICATIONS

24. Fire Standard implementation is a requirement of the National Framework for Fire and Rescue Services in England.
25. Fire Standards are subject to scrutiny from the HMICFRS inspection, who in the latest inspection, provided an overview of our approach to Fire Standards assurance. They were particularly interested in actions and enhancements we had taken in response to this assurance activity, which at the time of the inspection totalled around 60 actions.

RISK ANALYSIS

26. Failure to comply with Fire Standards, in some areas, would mean that we are not meeting our statutory and legal responsibilities, including, but not limited to, community risk management, emergency response driving and complying with health and safety legislation when delivering operational response. The latter, as an example, could also have potential financial impacts were we found to be breaching health and safety legislation.
27. Failure to comply with the Fire Standards may also lead to reputational damage and missed opportunities to identify and embed learning and improvement, a priority of the Safety Plan. This will be subject to review by the HMICFRS who publish their findings nationally following an inspection.

EVALUATION

28. The Service's Organisational Assurance Team has developed a programme of quality assurance that will look to review each standard by their 'Requirements', 'Desired Outcomes' and their 'Benefits' as prescribed on the Fire Standard Boards website.

CONCLUSION

29. Fire Standards are of crucial importance to the sector and HIWFRA and HMICFRS will hold us to account against them. Therefore, we recognise the importance of HIWFRS influencing and shaping the Standards through our early and ongoing involvement, including in drafting them.
30. We have robust mechanisms for reporting on Fire Standard compliance to provide internal and external assurance, and this includes Executive Group reporting. To date, there are 14 Fire Standards published, with various others being produced. We are in a strong position currently with the vast majority reasonable or substantial assurance and have actions in train on the more limited areas. However, we must keep the organisational focus on Fire Standards, and will continue to provide members with assurance via regular updates.

RECOMMENDATION

31. That the Standards and Governance Committee notes the progress made towards compliance of HIWFRS with the Fire Standards.

APPENDIX ATTACHED:

32. Appendix A: HIWFRS Fire Standards Procedure.

BACKGROUND INFORMATION

33. <https://www.firestandards.org/>
34. <https://www.firestandards.org/approved-standards/>

Contact:

Alex Quick, Head of Performance, alex.quick@hantsfire.gov.uk, 07918 888146



Description

The Fire Standards Board oversees the identification, organisation, development, and maintenance of professional Standards for fire and rescue services in England. Each approved fire standard is underpinned by various requirements ('desirable outcomes').

This procedure describes the Fire Standards framework that Hampshire and Isle of Wight Fire and Rescue Service use to identify, prioritise, manage, and maintain professional standards.

It outlines roles and responsibilities for certain individuals, staff groups and governance mechanisms emphasising the principles of engagement and assurance. It also signposts our staff to the Fire Standards Coms site, which will keep them informed – including when new Fire Standards are published by the Fire Standards Board.

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Adoption of the standard

Consultation

When a new standard is being developed, HIWFRS take a proactive approach by engaging with the consultation process and pre-consultation engagement sessions. This gives us an early opportunity to influence and review the proposed standards, as well as begin to assess our own

organisation to identify any gaps. Once the standard has been approved, we are then able to take appropriate actions to ensure that we have assurance that we are compliant against the standard.

The following elements play a critical part in the consultation and adoption of the standard:

The consultation process: Invitations to take part in consultations are posted on the Fire Standards Board website [Fire Standards Board](#), our Governance team regularly review the site for the purpose of identifying upcoming consultations, once a consultation has been acknowledged the team will notify colleagues within the organisation requesting a service lead be agreed. Other pre-engagement sessions are also communicated for the Fire Standards Board and NFCC channels.

Consultation lead: The Governance team, working with Organisational Assurance and the Chief Officer's Group will identify colleagues to contribute with respect to the consultation (or pre-consultation engagement) and coordinate responses across the service, including sending a copy of final responses to our Governance team or notifying them that the response has been sent to the Fire Standards Board. To allow time to bring together responses across the service internal deadlines will be agreed by the consultation lead.

Consultation pack: is a collection of support material created by the fire standards board designed to aid the consultation process, typically this will include details of the proposed standard, survey questions, supporting information including guidance on engaging job roles within the service. It is the role of the consultation lead to ensure all colleagues engaged in the consultation process take every opportunity to input, and are sighted on, the consultation pack.

Introduction of the standard

Each approved fire standard is introduced into the Service in a systematic and consistent way by the Organisational Assurance team promoting a culture of learning and improving.

The process consists of 3 phases detailed below: set-up, review, and assess.

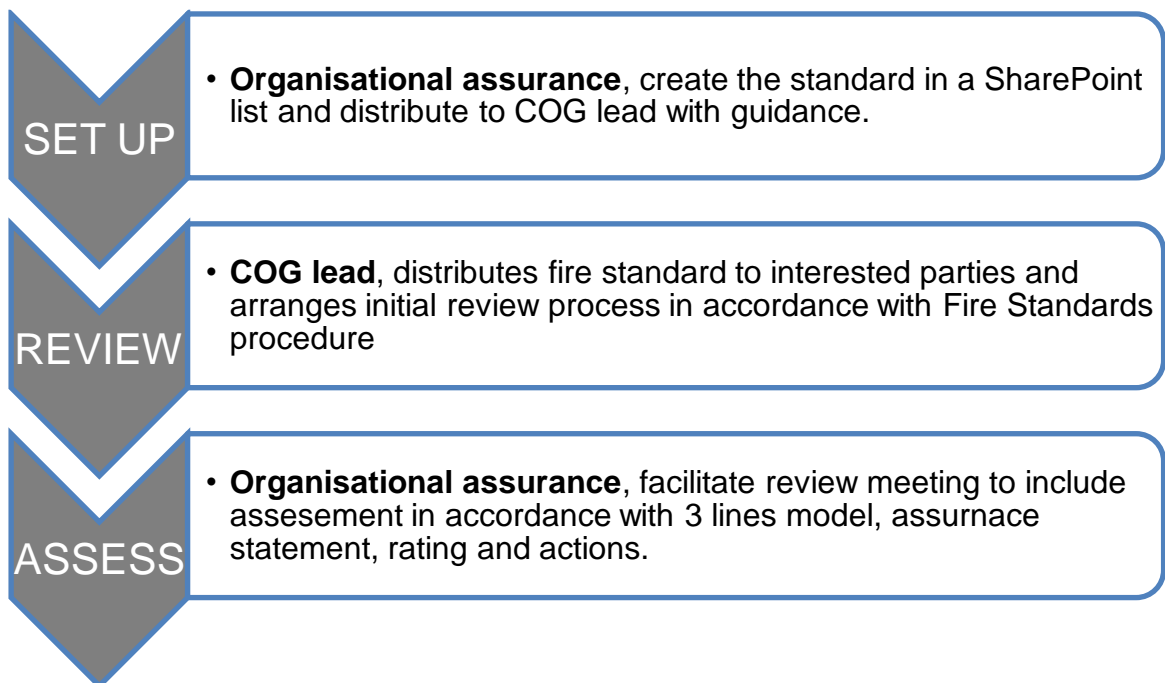
Set up: so that we can report and monitor the compliance of all fire standards, Organisational Assurance run and maintain a fire standards SharePoint list. The list contains details of the standard, owners, 3 lines of

defence (please see the Assurance Procedure, Pro 11/06) [Assurance Procedure](#) for recording evidence as well as, assurance rating and assurance statement. It is the responsibility of Organisational Assurance to set up all new fire standards on the SharePoint list as well as making changes to statements and ratings.

Review: once a Fire Standard has been set up on SharePoint a link will be sent out to the COG lead and department leads to complete a gap analysis and initial assessment of assurance ratings in line with our 3 lines model.

Assess: after the initial assessment has been completed by the functional area, Organisational Assurance will facilitate a review meeting which will include an assessment of the standard against our 3 lines model, help support with any action planning and conclude with a statement of assurance and assurance rating. After the initial assessment, ongoing assessment is the responsibility of the relevant COG lead/s and department/s.

- Organisational Assurance will provide assurance reporting into the Integrated Performance and Assurance Group, Executive Group and HIWFRA. Part of the internal reporting will involve identifying when there has not been recent or regular review of standards and our ongoing assurance against them.



Roles and responsibilities

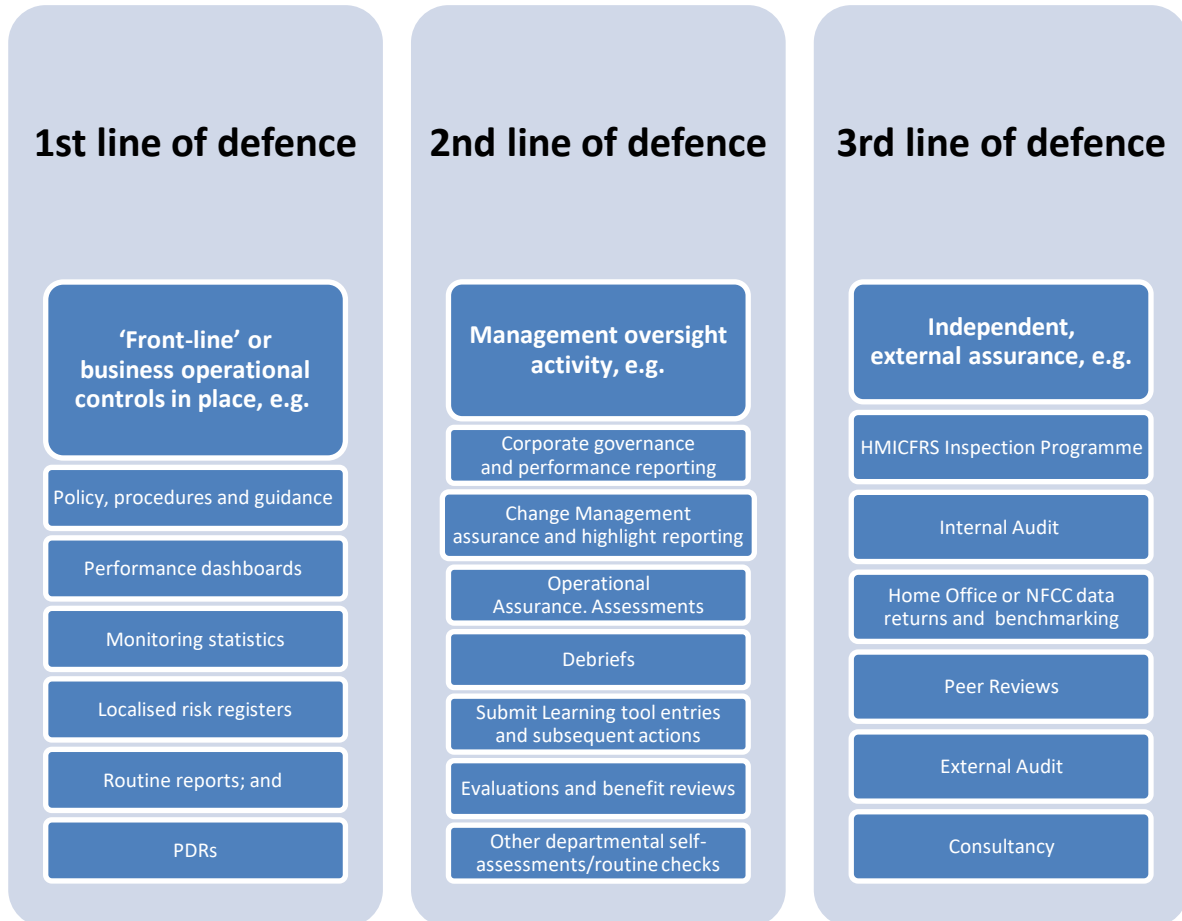
The below table outlines the various responsibilities of different groups and responsibilities across the Service

Group	Responsibility
Fire Standards Board	Oversees the identification, organisation, development, and maintenance of professional standards for fire and rescue services in England
HMIC	Will be aware of, and inspect us against compliance with the fire standards as part of a much wider inspection framework and methodology
HIWFRA	6 monthly scrutiny of our position via reporting into the Authority's Standards & Governance Committee.
Executive Group	Regular oversight, and strategic accountability through EG sponsors, of our assurance against the fire standards.
Chief Officer's Group	<p>Regular oversight, and strategic accountability through COG leads. COG leads will regularly review assurance assessments, working with their teams, to ensure the assessments (and any required actions) are still accurate.</p> <p>Engage, where relevant, in Fire Standards Board workshop, pre-consultation engagement and consultation exercises.</p>
Integrated Performance and Assurance Group (IPAG)	IPAG will oversee, report upon, and review the performance and assurance of Fire Standards supporting the organisation to develop effective improvement planning and benefit realisation. IPAG will also provide visibility of Fire Standards to Executive Group including any performance issues.
Directorate Boards	Will provide regular directorate level assurance and scrutiny to the fire standards relevant to their areas.
Department managers for areas relevant to fire standards	Routine monitoring of the standards. Inform Organisational Assurance of any improvements and regression of fire standard compliance.

<p>Organisational Assurance Team</p>	<p>Progress fire standard actions.</p> <p>Create the standard in a SharePoint list and distribute to COG lead with guidance.</p> <p>Facilitate the initial review meeting to include assessment in accordance with 3 lines model, assurance statement, rating, and actions.</p> <p>Periodically and systematically ensure that the evidence supplied to meet the fire standard is appropriate.</p> <p>Provide ongoing assurance reporting, including on the levels of ongoing engagement and assurance activity on each standard – to the Chief Officer’s Group, Executive Group, Integrated Performance and Assurance Group, and HIWFRA Standards & Governance Committee.</p> <p>Own and maintain a Fire Standards coms site Fire Standards for approved professional standards and standards in development.</p>
<p>All staff</p>	<p>Awareness of Fire Standards, and how they contribute to the continual improvement of professional standards within the service.</p> <p>Where relevant, supporting their teams and/or managers in the ongoing assurance and improvement activity associated with standards,</p>

Assuring the standard

The growing use of Fire Standards emphasises the importance of assurance and compliance with the standard. The methodology for assurance assessment is a 3 lines approach, examples detailed below: [Assurance Procedure](#)



*Not all outcomes will be able to meet 3 lines, in these instances there will be no impact the assurance rating applied

Assurance description

The assurance description is a statement of confidence produced after reviewing the evidence submitted for each of the 3 lines of defence, if applicable. The description will outline areas of strengths, gaps in our measures and work in progress.

Typically, the assurance description will be drafted in conjunction with Organisational Assurance and reviewed as part of the fire standard review meeting

Assurance rating

All Fire Standards will receive an assurance opinion, this is created once the standard has been fully reviewed with Organisational Assurance. Typically, one of 3 ratings can be applied; substantial, reasonable, or limited and indicate the overall level of evidence and confidence in meeting the standard. It is possible to change the assurance rating during the year, this can be done by submitting new evidence to the Organisational Assurance Manager

Assurance Opinion	Description of assurance
Substantial	A sound system of assurance evidenced across all 3 lines of defence (if applicable), good front line procedures and quality assurance. Regular management scrutiny with evidence of completed improvement actions. Evidence of independent scrutiny at the equivalent of at least a reasonable rating or above.
Reasonable	There is a generally sound system of assurance, across all lines of defence (if applicable) Some issues, non-compliance or scope for improvement have been identified.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required.
Not applicable	In exceptional cases certain requirements of a Fire Standard may not be applicable to HIWFRS and the way we operate. The only current example of this is within the Protection Standard where Petroleum or Explosives regulation is not the responsibility of HIWFRS

Fire standards assurance programme

Fire standard reviews will be carried out by Organisational Assurance as part of our annual assurance programme to periodically and systematically ensure that the evidence supplied to meet the fire standard is appropriate.

The assurance programme will be risk based, with consideration given to the likelihood of non-compliance and alternative lines of assurance for example external audits and assurance reviews which will in turn determine the amount of assurance required.

A schedule for carrying out the reviews will be drawn up by Organisational Assurance as part of the assurance programme planning, and in consultation with other teams, where required.

The review will:

- Ensure that the system and process of documenting fire standards is achieving the required results
- Reveal and defects or irregularities in fire standard evidence
- Indicate any necessary improvements and/or corrective actions
- Identify any high-risk areas
- Verify improvements or corrective actions
- Recommend a change to assurance ratings and opinion

Fire standards assurance programme - scoring matrix

Results of the assurance assessment will be reported internally and externally. The following principals apply:

- Selected fire standard or outcomes will be assessed using a matrix. A percentage rating with a corresponding descriptor will help the Organisational Assurance team gauge the quality of the evidence, for example a score of 25% you might expect some evidence of soundly based processes across a quarter of relevant activities.
- The score is then translated into an assurance opinion to avoid any confusion with differing assurance definitions.
- Assurance commentary will be given in the reporting along with any improvements, sighting any known best practice across the service where appropriate.

For the first, second and third line of defence the assessor may choose one of the four levels 0%,25%,50%,75%+ timeliness factor in aging of evidence, peer review process partnership.

Approach	Score	Assurance Opinion	First, second and third line of defence
Anecdotal or no evidence	0%	No assurance	Little effective evidence
Some evidence of soundly based processes or systems	25%	Limited	Implemented in about a quarter of all relevant areas and activities

Evidence of soundly based systematic approaches, processes, or systems	50%	Reasonable	Implemented in about half of the relevant areas and activities
Clear evidence of integration of approach into normal operations and planning, can be used as a role model for other areas	75%+	Substantial	Applied to at least three quarters of all activities with clear evidence of integration and improved business effectiveness through review cycles

For all assurance reporting, the Organisational Assurance Team and Head of Performance are the arbiters of assurance opinions, with any requests to change assurance opinions having to be approved by them. Any issues flagged through the assurance reporting, or disagreements on compliance ratings will, if necessary, be escalated into the Integrated Performance and Assurance Group and/or Executive Group.

Updates

Section	What's been updated and why	Date updated	Who updated
New procedure	New procedure required to outline the ongoing and growing significance of Fire Standards, and roles and responsibilities around them	20/10/2022	Organisational Assurance Team Leader Full review by Organisational Assurance Manager and Head of Performance

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**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

HIWFRA Standards and Governance Committee

Purpose: Noted

Date: **22 MARCH 2022**

Title: **HMICFRS INSPECTION ROUND 2 REPORT**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this report is to provide awareness of His Majesty's Inspectorate of Constabulary and Fire & Rescue Services Round 2 Inspection report findings for Hampshire and Isle of Wight Fire and Rescue Service (HIWFRS). This report sets out the Service's approach to address the areas for improvements and notes the Service's next steps in terms of liaison with HMICFRS. The report also outlines some key changes made to the Round 3 Inspection (anticipated to commence in Autumn 2024).
2. The report adds detail to the Member's briefing and awareness session that took place earlier this year.

BACKGROUND

3. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspection, much like internal audit, is a crucial part of our wide-ranging assurance programme and we are committed to using inspection as an opportunity to learn. The report also provides our communities with a view of how we are performing across the Service, for example in terms of how we understand, prevent and respond to fires and other incidents and risks.
4. The inspection reviews the Service as a whole. From how senior leaders set the strategy to how well our teams perform in their day-to-day tasks. They do this in many ways, from reviewing our documents, analysing our data, carrying out staff and public perception surveys, staff focus groups, visits to stations and more. Much of the activity throughout the year takes place remotely. Some field work visits were completed where they visited our teams right across the organisation.

5. Our first inspections in Round 1 took place in 2018 and therefore we were inspected as two separate services, HFRS and IWFRS. However, both Hampshire and the Isle of Wight Fire and Rescue Services received the same ratings for each area ('pillar') of assessment:
 - Effectiveness – Good
 - Efficiency – Good
 - People – Requires Improvement
6. In addition to the overall ratings in 2018, Hampshire and Isle of Wight Fire and Rescue Services both received the same "cause for concern" under the People pillar:
 - *"The service does not do enough to be an inclusive employer."*
7. In response to the Round 1 Inspections, we put together a joint action plan to address all areas that the inspection found to be requiring improvement. We subsequently delivered a range of improvement activity, with progress reported into the [Fire Authority Standards and Governance Committee](#) and the and [Isle of Wight Council Corporate Scrutiny Committee](#). All actions contained within these plans were closed in the summer of 2020 (Appendix B and C).
8. After the 2018 inspection, a positive joint report on the [Services' response to the COVID-19 pandemic](#) was also published in January 2021. The Inspectorate reflected on many to significant improvements within the Services, such as the work to develop and embed Values and Behaviours and the creation of the People and Organisational Development directorate within its supporting strategy.

ROUND 2 INSPECTION

9. The HMICFRS Round 2 inspection took place from April to June 2022 and was the first full inspection of HIWFRS since the Service became a Combined Authority. We received a draft report in early November and then engaged in a period of thorough internal review for as well as discussions with the Inspectorate which according to their procedure is the Pre-Publication Check (PPC) Our report was then published on 20 January 2023 – with the following ratings:
 - Effectiveness – Good
 - Efficiency – Requires Improvement
 - People – Requires Improvement

10. The report includes many positive findings. Where HIWFRS has been graded as 'requires improvement', our work already underway to remedy issues has been recognised.
11. Our 'cause for concern' from the previous inspection, for not doing enough to be an inclusive employer, has also been removed because of the significant progress we have made in this area.
12. The only area that saw a decline from the 2018 inspection was our rating for how the Service uses its resources, which has gone from 'good' to 'requires improvement'. This has changed the overall efficiency rating. This is largely focused on how we allocate resources between prevention, protection and response activities, and suggests the Service is not using our fleet as efficiently as we could and that we are not always meeting our targets in Protection (risk based inspection fire safety audits delivered), Prevention (Safe & Well visits delivered) and Response (critical response times).
13. Some of the challenges that were raised were in relation to our On Call availability. We plan to invest time and money into improving our On Call model and how we recruit and retain people in the future. This is at the forefront of our Safety Plan priorities for 2023/24 which were agreed by the Fire Authority in February.
14. Despite these findings, we were praised for our response to incidents - including major incidents – so the public can be reassured that we are able to respond properly when called. We also made various representations to the inspectorate on this issue (as part of the report fact-checking process) as the overall size of our fleet meets the amount we need to maintain adequate fire cover across both Hampshire and the Isle of Wight according to our most recent assessment of risk. This also provides us with sufficient resilience to cope with peaks of incident demand and to meet our core purpose that "Together, We Make Life Safer".
15. It is also important to note that the inspectorate also concluded that the service is good at identifying risk, finding that HIWFRS has assessed an appropriate range of risks and threats after a thorough integrated risk management planning process to develop our Safety Plan – considering relevant information collected from a broad range of internal and external sources and datasets. This included social, financial and health data as well as information from external organisations.

AREAS FOR IMPROVEMENT

16. As noted above, following the Round 1 inspection, we undertook an extensive exercise to capture actions against each area for improvement and the cause for concern. This was reported regularly to the Executive Group and the two separate Fire Authorities (Hampshire Fire & Rescue Authority and the Isle of Wight Council).
17. As we no longer have a cause for concern, there is no longer a mandatory requirement for us to produce an action plan in this same way. Also, the vast majority of areas for improvements that were identified are already being progressed with actions underway or are planned in our Year 4 Safety Plan.
18. In total there were 23 areas for improvement identified and these are set out in **Appendix A** of this report. Of these 23 areas, 18 of them are being responded to in the Year 4 Safety Plan (presented to the full Authority in February 2023) and the supporting Directorate Plans. The below outlines the position on the remaining five areas:

- **The service should make sure it effectively addresses the burden of false alarms.**

This is an area that we made representations to the inspectorate on, as they fail to acknowledge that the majority of our false alarms (61% of all false alarms from April 2020 to December 2022) are at domestic premises, meaning non-attendance could potentially create a risk to life. Furthermore, attending these domestic false alarms also give us a valuable opportunity to offer community safety advice. The Service will continue to raise this issue within the NFCC, for a wider consideration of policy regarding false alarms.

- **The service should assure itself that its use of enforcement powers prioritises the highest risks and includes proportionate activity to reduce risk.**

Again, this is an area we made representations to the inspectorate on. This is because the data they used is dated (from 2020/21) and the report is drafted from a position that asserts more enforcement activity is good, and less activity is bad. In fact, less enforcement activity is a positive as we are influencing behaviour and practice upstream proactively negating escalation to formal enforcement action. This is in part, done by our proactive engagement with businesses – something that is identified as ‘promising practice’ elsewhere in the report.

- **The service should have effective measures in place to assure itself that its workforce is productive and that their time is used as efficiently and effectively as possible to meet the priorities in the integrated risk management plan.**

The forthcoming Community Risk Management Planning process will assess the use and deployment of resources. However, at this stage, we do not intend to come up with an overarching productivity measure for the Service or in particular teams. There will, however, be a continued and renewed focus on performance reporting and management across the Service, and, where appropriate we use data on time spent to deliver certain activities. We also continue to be a part of the National Fire Chiefs' Council (NFCC) productivity working group.

- **The service should ensure its expected values and behaviours are understood and demonstrated at all levels of the organisation and that managers actively promote these standards.**

This is an ongoing activity, for example in part of our assurance against our compliance with the Code of Ethics; and is explored through the Service's various engagement forums. Therefore, there is not a specific planned activity in this area.

- **The service should assure itself that senior managers are visible and demonstrate service values through their behaviours.**

As above, it is also important that in exploring this via existing routes and forums we more fully understand who our staff define as "senior management" and what effective "visibility" would look like in practice to ascertain what additional action needs to be undertaken.

SPOTLIGHT REVIEW ON BULLYING AND HARASSMENT

19. Following the publication of its annual national report, and in response to the London Fire Brigade (LFB) Independent Culture Review, the HMICFRS announced on 16 January that they are going to produce a 'Spotlight Review' on bullying and harassment across the fire sector.
20. This review will use existing data gathered from previous HMICFRS inspections, including ours, as well as evidence from a recent data request; and a report will be published with their key findings. At the time of writing this report, the approximate publication date for the Spotlight Review has not been announced.

21. The Service's Year 4 Safety Plan improvements, presented to the Fire Authority in February, also includes consideration of what the LFB Independent Culture Review findings mean for us, and any specific action that is required.

HMICFRS NATIONAL REPORT

22. In addition to the published report, HMICFRS published its annual assessment of the fire and rescue sector on 20 January 2023. The report makes no reference to HIWFRS other than our gradings, but provides overarching summary findings from its various inspections and concludes:

"The dedication, expertise and work of fire and rescue services provide invaluable sources of security to our communities... However, the sector urgently needs improvement and reform... In particular, the Government should make sure it implements the White Report proposals and (HMICFRS') recommendations as soon as reasonably practicable..."

"In the face of industrial action, services must keep their communities safe. Many services have told [HMICFRS] that the threat of industrial action can tangibly affect how well they can respond to incidents. This is a serious matter, which requires careful attention; the risk to the public is too great. Unions and employers should prioritise the safety of their communities above all else."

"One of (HMICFRS') outstanding recommendations stresses the need for a review of how effectively pay and conditions are determined. The current circumstances present just one reason for the need for urgent reform"

ROUND 3 INSPECTION CHANGES

23. Round 3 inspections commenced in January 2023, however, our next inspection will not likely be until Autumn 2024.
24. HMICFRS will no longer be grading services at the pillar level: effectiveness; efficiency; and people. Instead, they will only grade the diagnostics underneath the pillars, to try and focus services on the specific areas rather than chasing overall ratings.
25. Another significant change in Round 3, is the addition of a fifth graded judgement 'adequate'. This is to acknowledge that whilst some services may have some areas for improvement, they are still largely performing at the expected level. The hope is that this will separate ambiguity from those that were close to receiving a good rating but just fell slightly short from

those that need significant improvements to key areas, including any cause for concerns.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

26. The following activity was a Year 3 Safety Plan deliverable under the Learning and Improving Safety Plan priority:
 - *“Begin to implement the findings of the reviews we did in Y2 and our 2022 inspection by HMICFRS. To ensure HIWFRS delivers against national best practice and identifies any risks that need to be resourced to; and to support the Service in embedding this activity into the core activity of all our Directorates.”*
27. Furthermore, all of the latest areas for improvements are either covered in the Year 3 Safety Plan deliverables or have been aligned to proposed Year 4 deliverables.

COLLABORATION

28. Collaboration takes place with the Fire Standards Board, the National Fire Chiefs Council, the Local Government Association and various other fire and rescue services, including HIWFRS, in the development and continuous improvement of the HMICFRS framework.
29. We do this through attendance at Chief and Chair events, Service Liaison Officer events, representation on the HMICFRS External Reference Group and on the HMICFRS Technical Advisory Group.
30. Also, the work undertaken to support the development of the Fire Standards contributes directly to the inspection framework as they increasingly incorporate this into their programme.

RESOURCE IMPLICATIONS

31. Year 4 (2023/24) will be a significant year for the Service where we advance the next iteration of our Community Risk Management Plan, setting the foundation for the longer term, 2025-2030 and begin responding, where required, to the HMICFRS inspection report, as well as advancing various other improvements to support and complement Directorate Plans, all with the ultimate aim of further supporting Our People and Our Communities.
32. Our organisational planning, to establish both the Year 4 Safety Plan improvements and Year 4 Directorate Plans, has given early consideration

to the HMICFRS 2022 inspection findings and areas where we need to undertake improvement activity. Therefore, any additional resource requirements have already been identified and factored into our budget planning process.

IMPACT ASSESSMENTS

33. Impact assessments have not been required for this report as the production of the report will not result in the implementation a new change activity, and/or introducing, or amending, a Service Policy or Procedure.
34. However, individual actions required to meet the areas for improvements will be subject to conformity with the Service's Change Management and Impact Assessment procedures, and therefore may require unique impact assessments for those changes.

LEGAL IMPLICATIONS

35. The HMICFRS inspection is a requirement of the Fire Service Act (2004) and National Framework for Fire and Rescue Services in England (2018).

RISK ANALYSIS

36. Failure to deliver actions to the HMICFRS areas for improvement before the next Inspection in Autumn 2024, leaves the Service exposed to the risk of a poor outcome from inspection but also will show little organisational improvement.
37. Failure to adequately prepare for the next inspection, will leave the Service open to poor outcomes from the HMICFRS Inspection Round 3.

EVALUATION

38. Evaluation will play a key role in many of our HMICFRS improvement actions as they will be subject to the Change Management Framework procedure, which sets out the requirement to identify benefits at the start of the change and evaluate them after.
39. Feedback from staff involved in the Round 2 inspection has been captured through various mechanisms and will be discussed at the Integrated Performance and Assurance Group (IPAG) and Executive Group to inform our approach to the Round 3 Inspection.

CONCLUSION

40. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services inspection, much like internal audit, is a crucial part of our wide-ranging assurance programme and we are committed to using inspection as an opportunity to learn.
41. Whilst we have seen one rating reduce to 'requires improvement' we welcome the progress noted in the 2022 inspection report; and beyond the overall ratings the tone and content of the report is more positive than in the 2018 reports. Nevertheless, following the round 2 inspection, we are clear on what improvements need to be prioritised in order to build upon the positive progress we have made since the last inspection. We acknowledge that there is still work to do across some specific areas and this is helping to shape our Year 4 Safety Plan and Directorate priorities.

RECOMMENDATION

42. That the Standards and Governance Committee notes the outcome of the HMICFRS Round 2 inspection, and the Service's approach to embedding its improvements into the Safety Plan delivery.

APPENDICES ATTACHED

43. Appendix A – Areas for Improvement
44. Appendix B – HFRA Standards & Governance Committee HMICFRS action plan close report
45. Appendix C – Isle of Wight Council Corporate Scrutiny Committee HMICFRS action plan close report

BACKGROUND INFORMATION

46. [Hampshire & Isle of Wight - His Majesty's Inspectorate of Constabulary & Fire & Rescue Services \(HMICFRS\) – Home \(justiceinspectorates.gov.uk\)](https://www.justiceinspectorates.gov.uk/hmicfrs/)
47. [State of Fire and Rescue: The Annual Assessment of Fire and Rescue Services in England 2022 - His Majesty's Inspectorate of Constabulary and Fire & Rescue Services \(HMICFRS\) – Home \(justiceinspectorates.gov.uk\)](https://www.justiceinspectorates.gov.uk/hmicfrs/)

Contact:

Alex Quick, Head of Performance, alex.quick@hantsfire.gov.uk, 07918 888146

Round 2 Inspection – Areas for Improvement

Effectiveness

Question	Area for improvement
Understanding the risk of fire and other emergencies	The service should ensure it gathers and records relevant and up-to-date risk information. The service should ensure that all risk and safety-critical information has been read and understood by staff
Preventing fire and other risks	The service should make sure it quality assures and evaluates its prevention work so it understands the benefits better
Protecting the public through fire regulation	The service should make sure it meets the targets it sets for its risk-based inspection programme
Protecting the public through fire regulation	The service should make sure it has an effective quality assurance process, so staff carry out audits to an appropriate standard.
Protecting the public through fire regulation	The service should make sure it effectively addresses the burden of false alarms.
Protecting the public through fire regulation	The service should assure itself that its use of enforcement powers prioritises the highest risks and includes proportionate activity to reduce risk.
Responding to major and multi-agency incidents	The service should put in place a programme of multi-agency exercises so its procedures for responding are well tested and understood.
Responding to fires and other emergencies	The service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command.
Responding to fires and other emergencies	The service should make sure it puts in place and delivers its plan to adopt national operational guidance
Responding to fires and other emergencies	The service should make sure it participates in a programme of cross-border exercises, with learning from them obtained and shared

Efficiency

Question	Area for improvement
Making best use of resources	The service needs to show a clear rationale for the resources allocated between prevention, protection, and response activities. This should reflect, and be consistent with, the risks and priorities set out in its integrated risk management plan.
Making best use of resources	The service should make sure there is a testing programme for its business continuity plans, particularly in high-risk areas of service.
Making best use of resources	The service should have effective measures in place to assure itself that its workforce is productive and that their time is used as efficiently and effectively as possible to meet the priorities in the integrated risk management plan

People

Question	Area for improvement
Promoting the right values and culture	The service should ensure its expected values and behaviours are understood and demonstrated at all levels of the organisation and that managers actively promote these standards.
Promoting the right values and culture	The service should assure itself that senior managers are visible and demonstrate service values through their behaviours.
Promoting the right values and culture	The service should monitor secondary contracts to make sure working hours aren't exceeded.
Getting the right people with the right skills	The service should review its succession planning to make sure that it has effective arrangements in place to manage staff turnover while continuing to provide its core service to the public
Ensuring fairness and promoting diversity	The service should make sure staff understand the value of positive action and having a more diverse workforce.

Appendix A – Areas for Improvement

Question	Area for improvement
Ensuring fairness and promoting diversity	The service should make improvements to the way it collects equality data to better understand its workforce demographic and needs.
Ensuring fairness and promoting diversity	The service should make sure it has robust processes in place to undertake equality impact assessments and review any actions agreed as a result.
Ensuring fairness and promoting diversity	The service should make sure that all staff understand the benefits of equality, diversity and inclusion and their role in promoting it.
Managing performance of developing leaders	The service should ensure it has an effective system in place to manage staff development, performance and productivity.
Managing performance of developing leaders	The service should improve all staff understanding and application of the performance development review process

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**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Standards and Governance Committee

Purpose: Noted

Date: 23 July 2020

Title: **HMICFRS 2018/19 ACTION PLAN & 2020 INSPECTION UPDATE
PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. This report provides the Standards and Governance Committee with an overview of the progress that the Service has made in respect of the Action Plan resulting from the findings of Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) Inspection Report, which was published in December 2018.
2. The report provides members with an update on actions that have closed since the last report to Standards and Governance Committee, as well as any actions that remain open beyond their due date, due to the impact of the COVID-19 pandemic. We have now closed all of the 41 HFRS actions.
3. In April 2020, owing to the May Committee meeting's cancellation, we provided an HMICFRS action plan and inspection readiness report to the Committee chair (see Appendix A). There are no further updates on 2020 Inspection Readiness activities since the last report to Standards and Governance Committee Chair in May 2020. We continue to regularly engage with the Service Liaison Lead.

BACKGROUND

4. The HMICFRS Action Plan follow-up and monitoring process is an important part of our overall approach to continuous improvement within the Service, and evidences our performance in respect of efficiency, effectiveness and looking after our people. When an activity has been incorporated into the Action Plan to address an area for improvement identified by the Inspectorate, it is important that the activity is then implemented as planned.
5. HFRS has appointed Strategic Leads in respect of each of the diagnostic areas as accountable owners for progression of improvement work. These

Strategic Leads (all Directors) have assigned Action Owners, typically at a department head level, to progress specific actions. A comprehensive system has been created to enable the accurate tracking of progress of each diagnostic and their actions.

6. A dashboard was created to support reporting to the HFRS Integrated Performance and Assurance Board (IPAB), the Standards and Governance Committee, and the Isle of Wight Council's Corporate Scrutiny Committee. Progress is also routinely discussed at Executive Group meetings.

2018/2019 HMICFRS ACTION PLAN LATEST UPDATE

CLOSED DIAGNOSTICS

7. All of the 22 diagnostics have been completed and closed.
8. The following diagnostics were completed since the last update to Standards and Governance in May 2020:
9. ***"The Service does not do enough to be an inclusive employer."***
10. The only outstanding element of this diagnostic since the last update related to the roll-out of the Inclusion and Diversity initiative 'A Bit More' training to all staff and teams, which had been halted owing to COVID-19. Prior to the COVID-19 pandemic, this training was in the process of being trialled, with the intention to launch by the end of March 2020. However, under the current circumstances, this has been replaced by virtual training, which has been launched at the beginning of July.
11. A significant amount work has been delivered since the 'Cause for Concern' was identified and the Inclusion Network groups FireABLE, FireINSPIRE, FireREACH and FireOUT, continue to make a huge contribution to enabling the Service to adapt and improve in this area and to ensure that the actions we have taken are having the desired effect.
12. ***"The Service should assure itself that staff are confident using its feedback mechanisms, so these help the Service gather valuable information."***
13. In respect of POD Framework, there is now specific information available on the HFRS intranet and portal to provide clarity for staff.
14. The work to refine the PDR recording tool has now been completed, with, as at mid-June, 83 managers having used the tool (resulting in 265 forms completed) since its launch in May 2020.

15. **“The Service should ensure it has an effective system in place to manage staff development, performance, promotion and productivity.”**
16. To re-emphasise points raised in paragraph 29 of Appendix A, an evaluation of grey book promotion processes (supported by candidate and managers surveys, and a range of other evaluation methods) concluded that documented processes have been put in place with clear guidance and great effort has been taken to ensure that the processes were carried out fairly, consistently and communicated to all potential candidates at the earliest opportunity.
17. This has now been supplemented by additional analysis of survey data on how managers and staff ‘feel’ about the process:
 - The survey of managers who had recently received a promoted candidate from the promotions processes (9 respondents), found that 89% (8 out of 9) felt the process was effective at selecting the right individuals.
 - A survey of 43 candidates (21 unsuccessful and 22 successful) following the conclusion of these processes, rated the fairness of the process 3.1 out of 5 with those who were successful, rating the process 4.1 and those unsuccessful 2.1. Candidates, however, rated the transparency of the process slightly higher with 3.4 out of 5. Those who were successful rated the process 4.3 and those unsuccessful 2.5. Other feedback from candidates has been very positive during the most recent Crew and Watch Manager promotions processes. This feedback demonstrates that changes made to the processes has been recognised by staff as a positive improvement.
18. This report has been shared with key stakeholders internally and will be reported to the Integrated Performance and Assurance Board.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

19. The HMICFRS inspection report highlights areas of risk and supports the following Safety Plan priorities:
 - a) *Public Value* – to ensure our decisions and actions deliver efficient and effective public services against the HMICFRS Inspection Framework.
 - b) *Learning and Improving* – in that we use the findings of the inspection programme to ensure we make improvements where required and learning from other fire and rescues services that performed well in specific areas.

RESOURCE IMPLICATIONS

20. Delivery of the Action Plan is planned into existing organisational resources, however where the inspection identified required improvements, specifically around looking after people, organisational restructures are being developed to ensure that resources are being concentrated where they are most needed.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

21. There are no anticipated positive or negative impacts to the environment or sustainability arising from this report.

LEGAL IMPLICATIONS

22. There are no legal implications arising from this report.

PEOPLE IMPACT ASSESSMENT

23. The contents of this report are considered compatible with the provisions of equality and human rights legislation.

OPTIONS

24. To approve or not the closure of the Hampshire Fire and Rescue Service (HFRS) HMICFRS Action Plan.
25. Approving the closure of the action plan will ensure that Hampshire Fire and Rescue Authority (HFRA) receives assurance on the Service's performance and is able to scrutinise the Service on behalf of Hampshire's communities.

RISK ANALYSIS

26. Failure to deliver actions committed to within the HMICFRS Action Plan leaves the Authority exposed to the risk of a fire and rescue service with declining organisational performance.
27. The HMICFRS Action Plan is a key element of ensuring that the Service continues to improve and to deliver benefits to communities in Hampshire. The updates on progress of the Action Plan ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.
28. Failure to adequately prepare for and deliver the key aspects of the Inspection Readiness Plan will leave the Service at risk for this year's HMICFRS Inspection.

EVALUATION

29. The HMICFRS Action Plan process is continuously reviewed to ensure the most effective approach is taken to implement the HMICFRS recommendations for continuous improvement. Evidence against completed actions is reviewed and validated.

CONCLUSION

30. The Service has created a robust monitoring and assurance process to support progress of all activities within the HMICFRS Action Plan, with all 41 actions now completed.
31. Due to the COVID-19 pandemic, all inspection activity in service's has been suspended until further notice, but the inspectorate continues to review documents and data that they have been sent, for example from any data and document returns already completed. In addition to this, some remote engagement is now beginning to take place through telephone calls and video conferencing including a meeting between the Service Liaison Lead and Chief Fire Officer, Neil Odin. We continue to engage virtually with colleagues across the organisations, as much as possible, so that we are fully prepared for the inspection once HMICFRS activity resumes.

RECOMMENDATION

32. That the HFRA Standards and Governance Committee approve the closure of the HFRS HMICFRS Action Plan.

APPENDICES

33. **Appendix A** – HMICFRS 2018/19 ACTION PLAN & 2020 INSPECTION READINESS PROGRESS REPORT, 20 April

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Committee report

Committee	CORPORATE SCRUTINY COMMITTEE
Date	7 JULY 2020
Title	HER MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE AND RESCUE SERVICES ACTION PLAN PROGRESS REPORT FOR ISLE OF WIGHT FIRE AND RESCUE SERVICE
Report of	DCFO STEVE APTER, DIRECTOR OF POLICY AND PLANNING

1. SUMMARY

- 1.1. This report provides the Isle of Wight Council Corporate Scrutiny Committee (IWC CSC) with an overview of the closing position with regard to the Isle of Wight Fire and Rescue Service (IWFRS) Action Plan resulting from the findings of Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection report, which was published in December 2018.
- 1.2. The Action Plan submitted to HMICFRS has been progressed by accountable organisational leads through business as usual activities. The monitoring of progress has been managed through Hampshire Fire and Rescue Service's (HFRS) Performance and Assurance Directorate, in consultation with IWFRS colleagues, and assured via the Integrated Performance and Assurance Board (IPAB).

2. BACKGROUND

- 2.1. The HMICFRS Action Plan follow-up and monitoring process is an important part of our overall approach to continuous improvement within the Service, and evidences our performance in respect of efficiency, effectiveness and looking after our people. When an activity has been incorporated into the Action Plan to address an area for improvement identified by the Inspectorate, it is important that the activity is then implemented as planned.
- 2.2. The Action Plan, whilst submitted to HMICFRS, is not routinely tracked by the Inspectorate. However, they maintain an interest in, and oversight of, our progress, particularly in areas that were identified as a "Cause for Concern". Furthermore, the expectation is that, on future inspections, all activities that IWFRS has committed to by that point in time will have been completed. In total, there are 25 IWFRS HMICFRS actions, all of which have been completed and are now closed.

- 2.3. Strategic Leads were appointed in respect of each of the diagnostic areas as accountable owners for progression of improvement work. These Strategic Leads (all Directors) then assigned Action Owners, typically at a department head level, to progress specific actions. A comprehensive system was created to enable the accurate tracking of progress of each diagnostic and their associated actions. This also enabled early escalation where progress towards a specific activity was at risk and provided the opportunity for Action Owners to submit updates on their progress.
- 2.4. A dashboard was created to enable reporting of both HFRS and IWFRS progress towards completion of the actions to the IPAB, which includes representation from both HFRS and IWFRS management, as well as reporting into every Executive Group meeting.

3. OVERVIEW OF DIAGNOSTICS

- 3.1. Initially eight diagnostics (seven classified as 'Areas for Improvement' and one classified as a 'Cause for Concern') were assigned to the IWFRS. All these eight diagnostics have now been completed; two having been delivered by their original completion date (including the 'Cause for Concern'), with six delivered against agreed, revised completion dates.

4. 'CAUSE FOR CONCERN' UPDATE

- 4.1 *"The Service does not do enough to be an inclusive employer"*.
- 4.2 Much of the work required to address this action, focused around the development of a joint People and Organisational Development (POD) Framework, was shared with IWC CSC in the previous report. At that time, the only outstanding element related to the implementation of the Inclusion and Diversity Plan and refreshing the Diversity Champion's role, with each of the four network groups having an identified Executive Group 'champion'.
- 4.3 Since then, senior advocates have been assigned to all the network groups. However, following discussions with IWC HR, it was agreed that, in the short term, IWFRS would continue to work to the IWC Equality & Diversity Strategy (as opposed to implementing the new HFRS Inclusion and Diversity Plan as part of the POD Framework). However, work is underway (via an HFRS/IWC working group) to align the two strategies as part of our continued preparations and business readiness for the Combined Fire Authority (CFA) in April 2021.
- 4.4 As such, this diagnostic has been closed, with implementation of the transition to be delivered through the governance of the CFA Programme, with progress towards this overseen by the IPAB, Executive Group and IWC Management Team.

5. CLOSED DIAGNOSTICS

- 5.1 As previously stated, all eight diagnostics have now been completed and closed, the following three of which have already been reported to IWC CSC at the meeting on 7 January 2020:

- *“The Service should ensure it has the capacity to vary the level of its response to incidents based on risk”*
 - *“The Service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command”*
 - *“The Service should ensure staff have access to trauma support and counselling services” and “The Service should assure itself that staff are confident in raising welfare concerns”.*
- 5.2 In addition to the ‘Cause for Concern’ reported separately in section 4 above, the following four diagnostics have also been completed and closed since the last update to IWC CSC on 7 January 2020.
- 5.3 ***“The Service should ensure it gathers and records relevant and up-to-date risk information” and “The Service should ensure its firefighters have good access to relevant and up-to-date risk information”.***

Following the launch of the new dual-badged Operational Assurance Procedure, the ‘Submit Learning’ application is now being used by IWFRS for the purpose of capturing incident/exercise/operational feedback, thereby promoting improved operational learning opportunities. Since the launch in January 2020, there have been 45 ‘submit learning’ tool submissions from IWFRS personnel (most submissions have multiple comments). These submissions resulted in 17 actions being raised and having received responses from the relevant departments, 14 of these actions have been concluded. The three outstanding actions require a longer-term solution and will continue to be tracked and monitored to conclusion. Examples of how the feedback received from IWFRS personnel has been used to improve operational performance on the island, include the procurement of new handheld radios and improvements to the response plan for a more efficient mobilisation of the Command Unit.

- 5.4 In order to ensure that risk information is readily available to frontline crews and is up-to-date, all Site Specific Risk Information (SSRI) and Operational Plans have been reviewed and rationalised, with unnecessary SSRIs having been replaced with Mobile Data Terminal (MDT)/Vision (Control mobilisation system) alerts. Testing of these plans forms part of IWFRS’s Plan ‘Priorities’ led by the Risk, Response and Resilience (RRR) Team.
- 5.5 The replacement of MDTs with new Windows 10 devices, supported by refreshed and updated software/content, will ensure that crews on the fireground have access to the necessary risk information – with the fitting of new MDTs about to commence. In the meantime, all existing MDT devices have already been updated with the revised risk information documentation and this will be transferred to the new devices once installed.
- 5.6 IWFRS have now upgraded and aligned their risk information with HFRS’ by migrating to the newest ‘cloud’ version of CFRMIS (Community Fire Risk Management Information System).
- 5.7 Under the new structure, the RRR team now has the responsibility of quality assuring and, importantly, regularly inspecting the quality and availability of all risk information under the oversight and management of the GM Operations (HFRS).

- 5.8 Harmonisation of all policies, procedures and guidance (PPG) across both services is complete for operational PPG, with documents having now been reviewed and assured as being in date. However, these documents are a mixture of Delivering Differently in Partnership (DDIP), Networked Fire Services Partnership (NFSP) and dual-badged procedures/guidance. Work continues in order to harmonise these risk-critical PPG, ultimately creating one single HFRS and IWFRS document suite by April 2021. Responsibility for this longer-term work forms the heart of the Operational Alignment Group (OAG) responsibilities, and is being delivered by the Operations Workstream of the CFA Programme.
- 5.9 Whilst the non-operational policies that are currently owned by IWC, such as Human Resources, Finance and ICT, cannot be harmonised until the point of combination in April 2021 at the earliest, background work and discussions are being progressed as part of the 'Business Readiness' workstream of the CFA Programme, and overseen by the CFA Programme Board.
- 5.10 ***“The Service should ensure it targets its prevention work at people most at risk”.***
- 5.11 Under the new structure, an additional 1.5 Green Book (Community Safety Officer) posts are now in place in order to bolster and support the delivery of key prevention priorities moving forward including Safe and Well Visits, Driver Awareness Training and Ageing Island. It will also support the re-introduction of some potential income-generation activity and Health and Wellbeing initiatives.
- 5.12 The revised IWFRS structure has also seen the ownership of prevention and protection work transfer to a single team, albeit that TUPE arrangements (to be addressed through the People Workstream of the CFA Programme) cannot occur until full combination in April 2021.
- 5.13 ***“The Service should ensure it allocates enough resources to a prioritised and risk-based inspection programme”.***
- 5.14 Under the new IWFRS structure, the HFRS Group Manager for Protection has been leading on the delivery of a Risk Based Inspection Programme (RBIP) across the Island, designed to ensure that premises are accurately risk assessed, our inspection regime is matched to actual risk and that resources are available to meet the demand. This has been supported by the transfer of all relevant CFRMIS and Experian data onto the IWFRS system and will see all future inspection routines (including Local Based Inspection Programme requirements and business as usual) being amalgamated.
- 5.15 The IWFRS Strategic Plan 2019/21 has now been published and includes a full suite of measures (reported monthly to the Leadership Team, and quarterly through the IWC CSC) which facilitates review/scrutiny of continued performance improvements.
- 5.16 ***“The Service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders”.***

5.17 Identification of high potential staff and targeting them to the appropriate development programmes is now being achieved through:

- the implementation of a new Station Manager appointment process, that allows a wider pool of applicants, with flexibility to encourage the development and progress of high-performing individuals.
- the development of robust processes (gateways) to support the identification and selection of highly talented individuals through such initiatives as the IWC Talent Management Programme, the Firefly Programme and the Trans2 Leadership Development Programme, all of which are open to IWFRS employees.
- Expansion of the Leadership Framework to include IWFRS staff.
- All IWFRS promotion, development and leadership processes are now fully integrated with HFRS, with candidates who are successfully promoted to substantive and temporary positions entering into the new HIOW Leadership Development Programme. The Island Leadership Forums (quarterly) and Island Leadership Team (monthly) also now include all leaders from across the Island, including Crew and Watch Managers.

6. NEXT INSPECTION

6.1 Isle of Wight Fire and Rescue Service (IWFRS) and Hampshire Fire and Rescue Service (HFRS) are currently inspected independently, sharing the same Service Liaison Officer, Samuel Fairman (Organisational Assurance Manager) and the same Service Liaison Lead, Joy Smith (HMICFRS representative), with whom we have had discussions since January. Preliminary pre-inspection visits to both Services were planned to take place between 17-20 March. However, due to the unprecedented COVID-19 pandemic, HMICFRS (in liaison with the Home Office) decided to postpone all further inspection activity until further notice. HMICFRS's Service Liaison Lead does, however, continue to review the IWFRS documentary evidence and data returns that we provided them with earlier in the year. In addition to this, some remote engagement is now beginning to take place through telephone calls and video conferencing including a meeting between the Service Liaison Lead and Chief Fire Officer Neil Odin.

6.2 Previously planned dates for discovery visits (was due to be on the week commencing 30 March 2020) and inspection week (was due to be on the week commencing 27 April) for IWFRS have been postponed until further notice. We do not yet know the revised inspection dates, but will update the Committee when the inspectorate provides us with the revised schedules. The longer inspection activity is postponed, there is an increased likelihood that both IWFRS and HFRS will be inspected jointly; however, this has not been confirmed. HFRS's Head of Performance, the Organisational Assurance Manager, the Director of Performance & Assurance and the Chief Fire Officer are well linked into various HMICFRS governance groups and forums, which means we are well sighted on inspection timings and their inspection framework. The latter is high likely to be refined to encompass Service's response to the COVID-19 pandemic.

7. CONCLUSION

- 7.1 The robust monitoring and assurance process that was implemented to support progress of all activities within the HMICFRS Action Plan has resulted in the successful delivery of all 25 IWFRS actions, facilitating the completion of the 8 overarching diagnostics by their agreed delivery dates.
- 7.1 The observation ('Cause for Concern') that IWFRS does not do enough to be an inclusive employer has been the subject of significant activity designed to rectify this shortcoming, and IWFRS is now able to demonstrate that it can offer a truly inclusive workplace.
- 7.2 The Service is now much better placed to receive the next Inspection once this can be scheduled following relaxation of COVID-19 restrictions.

8. RECOMMENDATION

- 8.1 That the completion of all 25 actions and, thereby, 8 diagnostics within the IWFRS HMICFRS Action Plan is noted, and the closure of the action plan approved, by the Corporate Scrutiny Committee.
- 8.2 That the Corporate Scrutiny Committee acknowledges the extent of the work and improvements that have been undertaken to address the 'Cause for Concern'.

9. Appendices

- 9.1 [Appendix 1](#) – HMICFRS Dashboard

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