



# ROYAL BERKSHIRE FIRE AND RESCUE SERVICE

**Emergency Services Mobile  
Communications Project**

**FINAL**

**Internal Audit Report: 1.16/17**

**13 September 2016**



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<b>Debrief held</b>	19 August 2016	<b>Internal Audit team</b>	Dan Harris, Head of Internal Audit Meghan Paramour, Client Manager Tim Lo, Assistant Manager Chris Davies, Senior Auditor
<b>Draft report issued</b>	8 September 2016		
<b>Responses received</b>	12 September 2016		
<b>Final report issued</b>	13 September 2016	<b>Client sponsor</b>	Dave Myers, Area Manager - Head of Response Nikki Richards, Head of ICT
		<b>Distribution</b>	Dave Myers, Area Manager - Head of Response Nikki Richards, Head of ICT Audit and Governance Committee

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# 1 EXECUTIVE SUMMARY

## 1.1 Background

Royal Berkshire Fire and Rescue Service (RBFRS) are in the early stages of a national project to update their mobile communications. The new Emergency Services Mobile Communication Project (ESMCP) is due to start the transition period nationally in January 2018 (which is when RBFRS are also due to be ready to start the transition), and the aim is for RBFRS to complete the transition by January 2019.

The new system will be based on the mobile telephony networks and will replace the current Airwaves system, which has been in operation nationally since 2000. One of the key drivers for change is cost, and the current system which is subsidised by the Government was deemed by the Department for Communities and Local Government to not be cost effective, as a result an alternative method was looked into.

The project commenced at RBFRS in May 2016 where a paper was presented to the Corporate Management Team (CMT), however due to issues outside of the control of RBFRS progress has been slow and there have already been slippages at a national level, which have been communicated to the Audit and Governance Committee. However, in anticipation of the slippages, an agreement has been reached with Airwaves to extend the current agreement with them into 2019, should the current project not be up and running by the end of 2018.

It was noted that currently a budget has not been agreed for the project internally, as the expenditure in relation to the project has not yet been quantified due to a lack of information and costings. The Area Manager - Head of Response has been assured that funding will be made available for the project internally.

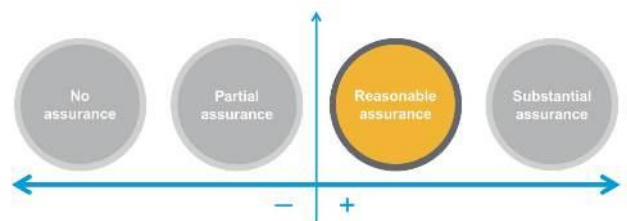
It should be noted that at the time of the audit, the project is still in its infancy, and based on guidance by the Department for Communities and Local Government and through national boards, RBFRS have put in place systems and processes to manage project risks to date. A further review of progress, to be conducted by RSM, is planned for Q4 2016/17.

## 1.2 Conclusion

### Internal Audit Opinion:

Taking account of the issues identified, the Authority can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing this area.



## 1.3 Key findings

The key findings from this review are as follows:

We have identified five 'Low' priority issues requiring management actions, which can be found in sections 2 and 3. We also identified the following examples of sound design and application of and compliance with the control framework in operation:

- Roles and responsibilities in relation to the project have been defined within the Project Initiation Document (PID), which includes group membership, reporting structures and time frames.

The project sponsor is ultimately the Chief Fire Officer, who confirmed RBFRS will be involved in the project to the Home Office. The Project Manager is the Area Manager - Head of Response.

- RBFRS have recognised that additional resources are required to ensure that the project continues to run to timetable, as a result the amount of time spent by the Project Co-ordinator has increased formally.
- A number of project committees have been set up internally and externally and work to an approved Terms of Reference. We reviewed the Terms of References, and confirmed they were in place and had been discharged for:
  - Integrated Risk Management Programme Board (IRMP),
  - South East Region Programme Board,
  - ESMCP South Central Control Lead Thames Valley and Hampshire; and
  - Internal Project Programme Group (Met once, ToR to be finalised).

Each region have been assigned a task, of which RBFRS have been assigned the lead for Thames Valley Control Services.

- A Project Management Tracker document has been developed which contains: Project Plan (developed from Home Office plans), Actions, Questions, Risks, Risk scoring matrix, Issues, Dependencies / Assumptions, Decisions and upcoming annual leave (key staff). We confirmed that the tracker document contained all key areas expected, and is subject to periodic review and update (except for the two weeks the co-ordinator was on leave, and an action has been raised in relation to this). The document is reviewed periodically by Senior Management.
- No financial payments in relation to the project have yet been paid, however we were advised that all payments will be made in line with the Service's Financial Regulations and Scheme of Delegation.
- A project risk register has been developed which mirrors the Corporate risk register, with action owners and review dates, which are subject to periodic review. It was noted that the new register has not yet been incorporated into the project tracker document, and a low priority management action has been agreed with regards to this.
- Periodic project related meetings take place, including the committees noted above and the Senior Management of RBFRS. We confirmed through review of agendas, reports and actions, that periodic updates of the project are provided accordingly and that the committees were discharging their responsibilities under the respective terms of reference. Where actions are developed, these are followed up at the following meeting, with a log of all actions maintained.
- Business Continuity arrangements for the current Airwaves system are in place and documented, however whilst it is implied that were there to be significant slippages the Airwaves agreement will be extended, this has not been formally documented.

## 1.4 Additional information to support our conclusion

Area	Control design*	Compliance with controls*	Agreed actions		
			Low	Medium	High
A Project Initiation Document (PID) has been developed highlighting the benefits of the ESMCP to the authority. This has been subject to review and approval and evidence of this has been retained.	0 (1)	1 (1)	1	0	0
Roles and responsibilities, including a project sponsor and project manager have been clearly defined to ensure sufficient resource, at the appropriate level, has been allocated to the project.	0 (2)	1 (2)	1	0	0
Clear project plans have been developed and have been subject to appropriate approval. All project plan deviations are subject to review and approval and are clearly communicated to the project team and Senior Management.	0 (2)	2 (2)	2	0	0
Business continuity arrangements have been developed and agreed, to be implemented in the event that the project does not go live in line with the agreed deadlines. These have been communicated to the project team.	1 (2)	0 (2)	1	0	0
<b>Total</b>			<b>5</b>	<b>0</b>	<b>0</b>

\* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

## 1.5 Additional feedback

We have also identified innovation or good practice that Royal Berkshire Fire and Rescue Service may wish to consider:

### Good practice for further consideration

- It was noted that the Risk Management Policy does not require the risk register to document the current mitigating controls and movement in risk scores over a period of time. This was raised in RSM's review of Risk Management, and RBFRS are in the process of implementing these actions.

## 2 ACTION PLAN

### Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
<b>Area: A Project Initiation Document (PID) has been developed highlighting the benefits of the ESMCP to the authority. This has been subject to review and approval and evidence of this has been retained.</b>					
1.1	The Project Initiation Document has not been formally approved by the Integrated Risk Management Programme Board.	Low	The PID will be presented to the IRMP Programme Board in September 2016 for their formal approval. The approval will be documented in the meeting minutes.	September 6 2016	Dave Myers
<b>Area: Roles and responsibilities, including a project sponsor and project manager have been clearly defined to ensure sufficient resource, at the appropriate level, has been allocated to the project.</b>					
2.1	The Terms of Reference for the Integrated Risk Management Programme Board are due for review.	Low	The ToR for the Integrated Risk Management Programme Board will be reviewed, updated and ratified appropriately.	September 6 2016	Simon Jefferies
<b>Area: Clear project plans have been developed and have been subject to appropriate approval. All project plan deviations are subject to review and approval and are clearly communicated to the project team and Senior Management.</b>					
3.1	At the time of the audit, due to annual leave, the project tracker document had not been maintained for a period of two weeks.	Low	A contingency process will be put in place, to ensure that where the Project Co-ordinator is absent for a period of time, another member of staff will be in a position to update the tracker document accordingly.	December 2016	Katie Mills

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
			In the short term, any absence will be covered by fellow project team members following a briefing handover.		
3.2	The tracker document does not contain the latest risk register which complies with the Risk Management Policy, and one risk did not have a review / action date documented.	Low	<p>Whilst it was noted that risks are managed solely through the Corporate risk register, and included in the tracker for presentation.</p> <p>The project tracker will be updated with the new risk register format, and a review of action / review dates will be completed for all risks.</p>	October 2016	Angela Smith
<p><b>Area: Business continuity arrangements have been developed and agreed, to be implemented in the event that the project does not go live in line with the agreed deadlines. These have been communicated to the project team.</b></p>					
4.1	No formal, documented Project Business Continuity Plan is in place.	Low	The Project Business Continuity Plan will be formally documented and included within the PID for approval in September.	September 6 2016	Angela Smith

### 3 DETAILED FINDINGS

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Actions for management
<p><b>Area: A Project Initiation Document (PID) has been developed highlighting the benefits of the ESMCP to the authority. This has been subject to review and approval and evidence of this has been retained.</b></p>						
1.1	<p>A Project Initiation Document has been established, based on the overall national project and the aspects of the project for which RBFRS are responsible.</p> <p>RBFRS are the lead for the Fire Control Service which covers the entire Thames Valley region as they currently host this facility.</p>	Yes	No	<p>We confirmed from review that the Chief Fire Officer has confirmed in writing to the Home Office his agreement to participate in the project.</p> <p>However, it was noted that the PID has not been approved by the Integrated Risk Management Programme Board.</p> <p>The PID is dated 29 July 2016, however, the project started four months prior to this date. The delay was due to the project process being new and RBFRS were trying to obtain information to produce the PID, however, they recognise that the PID should have been produced first.</p> <p>The PID will be presented to the Integrated Risk Management Programme Board in September 2016, as a meeting is not scheduled for August and the deadline for the July meeting was missed.</p> <p>A lack of approval, at the appropriate level increases the risk that all stakeholders are not aware of the project.</p>	Low	That the PID be presented to the IRMP Programme Board in September 2016 for their formal approval and for the approval to be minuted.



**Area: Roles and responsibilities, including a project sponsor and project manager have been clearly defined to ensure sufficient resource, at the appropriate level, has been allocated to the project. As part of the review we will talk to a sample of employees involved in the delivery of the project to confirm their understanding of their role.**

2.1	The Integrated Risk Management Programme Board has a Terms of Reference (ToR) in place, outlining their responsibility to lead, support and monitor the effective delivery for a range of cross-cutting projects.  The ToR are subject to annual review.	Yes	No	We noted that the ToR were last updated in July 2015 and have now passed their annual review date.  Out of date ToR increase the risk that key tasks required to be completed by committees are not completed.	Low	The ToR for the Integrated Risk Management Programme Board will be reviewed, updated and ratified appropriately.
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**Area: Clear project plans have been developed and have been subject to appropriate approval. All project plan deviations are subject to review and approval and are clearly communicated to the project team and Senior Management.**

3.1	A ESMCP tracker document is in operation which details:  - The Transition Plan (detailing key tasks, owners and dates for completion); - Actions arising from meeting minutes, these will remain on the list to ensure all are actioned; - Questions raised during meetings; - Project Risk Register / Scoring Matrix; - Issues arising; - Dependencies / Assurances; - Decisions made; - Annual leave, for key project individuals; and - Acronyms.  The Tracker document is a live document, which keeps all users up to date with the latest developments of the project.	Yes	No	It was noted at the time of the audit, that due to annual leave, the tracker has not been maintained for the past two weeks.  However, whilst the tracker was not updated, there had been minimal progress with the project as no meetings had been planned to take into consideration the annual leave.  As a key document to monitor progress and actions relating to the project, it is important that this is kept up to date to ensure that all interested parties are aware of the latest developments.	Low	A contingency process will be put in place, to ensure that where the Project Co-ordinator is absent for a period of time, another member of staff will be in a position to update the tracker document accordingly.  In the short term, any absence will be covered by fellow project team members following a briefing handover.
3.2	A project risk register has been produced and is included within the project tracker document.  The risk register has been updated to	Yes	No	We identified that the project risk register contained within the tracker document was not the most up to date version, as since the Project Co-ordinator has been on leave, additional work has been completed to align this to the Corporate	Low	The project tracker will be updated with the new risk register format, and a review of action / review dates will be completed for all risks.

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mirror the Corporate risk register, and is subject to regular review and change where appropriate.

The risk register contains:

- An inherent score;
- Residual score;
- Assurance level;
- Risk Owner; and
- Review date.

risk register, but this has not yet been incorporated within the tracker document.

It was also noted that the current risk 303, does not contain a review date.

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**Area: Business continuity arrangements have been developed and agreed, to be implemented in the event that the project does not live in line with the agreed deadlines. These have been communicated to the project team.**

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4.1	RBFRS has a Business Continuity arrangement in place in the event of a loss of the current Airwaves system.  However, there is no formal documented plan if the project incurs substantial slippage and does not meet its timeline.  It has been implied but not formalised that the plan will be for the Airwaves system to continue but there is no certainty in this.	No	N/A	Through discussions with the Head of ICT we confirmed that there is no formal document which covers Business Continuity for the actual project. However we were advised that it has been agreed nationally that if the project is not live by the timeframes, RBFRS and other Emergency services will continue with the Airwaves Communication devices.  The lack of a formally documented Business Continuity Plan increases the risk of loss of service to users in the event that the new ESMCP is not operational within agreed timeframes, however in practice RBFRS will continue as normal.	Low	The Project Business Continuity Plan will be formally documented and included within the PID for approval in September.
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# APPENDIX A: SCOPE

## Scope of the review

The internal audit assignment has been scoped to provide assurance on how Royal Berkshire Fire Authority manages the following area/risk(s). The scope was planned to provide assurance on the controls and mitigations in place relating to the following areas:

### Objective of the area under review

To review the adequacy of controls and processes in place to ensure delivery of the Emergency Services Mobile Communication Project (ESMCP) remains in line with agreed project plans and timescales.

When planning the audit, the following areas for consideration and limitations were agreed:

## Areas for consideration:

### The following areas will be considered as part of the review:

- A Project Initiation Document (PID) has been developed highlighting the benefits of the ESMCP to the authority. This has been subject to review and approval and evidence of this has been retained.
- Roles and responsibilities, including a project sponsor and project manager have been clearly defined to ensure sufficient resource, at the appropriate level, has been allocated to the project. As part of the review we will talk to a sample of employees involved in the delivery of the project to confirm their understanding of their role.
- Internal/local project committees have been established and meet on a frequent basis to ensure the project continues to progress against plan. A clear terms of reference has been developed for the committee(s).
- Clear project plans have been developed and have been subject to appropriate approval. All project plan deviations are subject to review and approval and are clearly communicated to the project team and Senior Management.
- Any financial payments are subject to approval in line with an agreed project approval matrix. A sample of transactions will be selected for testing.
- Processes have been developed to appoint third parties/partners, as required, to assist the authority with the project. We will also confirm frequent meetings and updates are conducted between the authority and their partners.
- A project risk register has been established and is subject to regular review and update. There is evidence that risks are being managed and actions are being allocated and followed up.
- Project progress is reported to Senior Management and relevant Committee(s) on a frequent basis and where required, action is taken from any comments or concerns raised during the updates.
- Business continuity arrangements have been developed and agreed, to be implemented in the event that the project does not go live in line with the agreed deadlines. These have been communicated to the project team.

## **Limitations to the scope of the audit assignment:**

The following limitations apply to the scope of our work:

- There were no third parties or partners to date that have been used to assist in this project that have been commissioned by RBFA and we have not therefore completed testing in this area.
- Where possible we may comment on the Authorities progress against other fire organisations, however, RBFA are one of the first organisations to have a review in this area and therefore data may be limited.
- We will not comment on the appropriateness of any third parties/partners appointed to support the Authority with the project.
- Any testing undertaken as part of this audit will be conducted on a sample basis only.
- Our work does not provide an absolute assurance that material errors, loss or fraud do not exist.

## APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Dave Myers, Area Manager – Head of Response
- Nikki Richards, Head of ICT
- Angela Smith, Project Co-Ordinator

Documentation reviewed during the audit:

- ESMCP Tracker
- ESMCP Risk Register 15 Aug 16
- IRMP Terms of Reference
- South Central ESMCP Project Plan
- CMT Briefing Paper on ESMCP, May 2016
- ESMCP Minutes and Agenda (July 2016)
- Home Office, Stakeholder Question and Answer pack

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