

MEETING: 26 APRIL 2010

SUBJECT: REGIONAL FIRE CONTROL - UPDATE

JOINT REPORT OF THE CHIEF FIRE OFFICER, FINANCE OFFICER AND THE CLERK TO THE AUTHORITY

1. INTRODUCTION

1.1. This report provides Members with an update in respect of developments with the FiReControl project and the Regional Control Centre (RCC) in the North East.

2. RECENT PROJECT DEVELOPMENTS

2.1. Select Committee and National Audit Office Reviews

2.1.1. The Communities and Local Government (CLG) Parliamentary Select Committee Hearing and National Audit Office enquiry into the FiReControl project have now taken place. The National Audit Office enquiry preceded the Select Committee hearing which took place on Monday, 8th February 2010.

2.1.2. The Select Committee invited written evidence to be submitted by the 8th January 2010, and the North East Regional Management Board, in consultation with the Chief Fire Officers, tabled a submission.

2.1.3. The final report from the Select Committee was published on 1st April 2010 and is attached at Appendix A for the information of Members. The report is generally critical of the way in which CLG has dealt the project overall and highlights past shortcomings in project management and a lack of appropriate consultation with Fire and Rescue Authorities. The report also expresses concern at the apparent adversarial relationship that has developed between CLG and EADS, the prime contractor.

2.1.4. Nevertheless, the Select Committee report recommends that, given the levels of public funding invested so far and the benefits it will accrue plus the additional cost of cancelling it, the project continues and is not cancelled. Members are advised that this recommendation is based upon the costs available at the time, i.e. January 2010.

2.1.5. However, the above recommendation is conditional on a number of points:

- CLG addresses significant concerns and issues in the report relating to national project management;
- CLG addresses significant concerns and issues in the report relating to its relationship with its main contractor and stakeholders;

- CLG urgently reaches agreement with EADS on a viable project plan, in which the main stakeholders have confidence and ensures that the target go-live date of mid 2011 will be met.

2.1.6. A formal response to the report from CLG is not expected until after the general election on 6th May 2010.

2.1.7. The National Audit Office has also completed its review of the FiReControl project and published their findings in a formal report. A full copy of the report is attached at Appendix B. The key headlines from the report are set out below for the information of Members:

- CLG has yet to agree a revised delivery plan for the continued development of the mobilising system with its prime contractor, EADS;
- CLG believes its prime contractor is in breach of contract for failing to meet key contractual milestones, including failure to deliver an acceptable revised delivery plan. The extant contract requires delivery of the system by March 2010 against the current scheduled system delivery of October 2010. Negotiations have been taking place between CLG and EADS to revise the contract to reflect the current project plan;
- The full and final version of the Mobilising and Resource Management System (sub contracted to Intergraph) is due October 2010;
- The external review in November 2009 acknowledged the positive steps taken by the project management team but was concerned that stakeholder trust could be at a tipping point;
- The report outlines CLG's contingency planning exercise confirming that a number of fallback options were presented to Ministers in November 2009. The exercise has confirmed that discontinuing the project would cost £8 million more than the cost of continuing with the project (based upon January 2010). To date CLG has not determined the trigger point for fallback options.

2.2. HIGH LEVEL ACTIVITY SCHEDULE

2.2.1. Delivery of the FiReControl project is based upon key tasks that are set out in the High Level Activity Schedule (HLAS). This plan details how CLG expect to deliver the project and is the primary tool used by regional project teams to plan and deliver the work required to support cut-over to the Regional Control Centre.

2.2.2. During March 2010, regional teams, including representatives from the local authority controlled companies, were engaged with CLG as part of an impact assessment following the change of sub-contractor for the main system. This also forms part of the schedule update exercise previously carried out during the spring of 2009.

- 2.2.3. The North East, represented by DCO John Hindmarch, Helen Bashford and Kevin Robson, attended a session on 9th and 10th March 2010 and it is envisaged that, following the final deliberations by CLG, a revised HLAS will be issued. Until the full exercise is completed it is not possible to determine whether there is to be any further change to the 'go live' date for this Authority.
- 2.2.4. Taking this into consideration, coupled with the fact that this Authority is responsible for business continuity planning and maintaining operational continuity for the provision of a control room service to the public of Tyne and Wear, a draft business continuity plan has been developed to cover a further delay in the go-live date and even project termination. The Chief Fire Officer is considering the final details of the plan and is able to give Members some comfort that existing systems within this Authority are robust and able to continue until 2014 as a minimum.
- 2.2.5. The North East project team is continuing to work to the extant HLAS however confidence in achieving key activities has reduced as visibility of the main system by the user community has been limited. Recent information from CLG suggests that EADS the main contractor will have produced a working version of the main system by August 2010, some five months later than March 2010 as planned.

3. FORWARD PLANNING

- 3.1. At the recent Local Government Association Fire Conference held in March 2010, the National Project Director, Roger Hargraves, presented the current state of the project from CLG's perspective. It was a very forthright and honest overview although the underlying message was clear, namely that CLG are firmly of the view that the project should continue.

4. REGIONAL AUDIT REPORT – REVIEW OF PROJECT MANAGEMENT ARRANGEMENTS

- 4.1. This is the third in a planned series of reports and looks at project progress, particularly that relating to regional work undertaken to support and inform go-live decisions. The overall aim is to challenge and critically review the regional arrangements for project managing the Fire Control Project. The Audit commission has assessed project management arrangements and progress against accepted project management standards.
- 4.2. Delay and failure to deliver key products at a national level remain the most significant issues. At a local level the project is well managed and significant work has been progressed that will support RCC implementation and inform go live decisions.
- 4.3. The previous audit report identified issues relating to: implementing local quality assurance arrangements, developing detailed local stage plans and addressing the risk of failure to deliver the system at a national level. These issues have been addressed as follows:
- Local quality assurance arrangements were used to assess, and reject, the first part of RCC national process model (Ways of Working);

- Local plans are in place that supplements the national plan. Amendments to the national plan have also been made to identify critical decision points.
 - Existing systems in place at the four North East fire and rescue services have been assessed as fit for purpose until at least 2012 (note that this report pre-dates the options appraisal which assessed systems are secure until 2014). Authorities recognise that alternatives to the national system must be considered and work on a formal options appraisal has been undertaken during February 2010 with the assistance of external consultants.
- 4.4. At a national level there is limited evidence of progress on some of the key products such as the Data Capture and Migration Toolkit and process models (Ways of Working) necessary to support the new Regional Control Centre system.
- 4.5. Despite this, progress has been made at a regional level to define detailed process models that describe the North East fire services requirements for a regional control centre. This is important for a number of reasons:
- it captures essential information to enable effective system implementation;
 - it provides the basis for a 'fit for purpose' assessment of the national system prior to any agreement to commit to a go-live date; and
 - It provides the basis of a specification for an alternative system should the national system fail to deliver or not meet local requirements.
- 4.6. Other local work has been undertaken to map existing data and recording media to assure the quality of that data to enable its transfer to the new system. Work has also been done to assess local resource requirements for implementation.
- 4.7. There were no further issues highlighted by the audit.

5. EQUALITY AND FAIRNESS IMPLICATIONS

- 5.1. There are no Equality and Diversity implications associated with the specific content of this report.

6. HEALTH AND SAFETY IMPLICATIONS

- 6.1. There are no Health and Safety implications in respect of this report.

7. RISK MANAGEMENT IMPLICATIONS

- 7.1. A risk register is maintained in respect of the project and it is updated on a regular basis. As will be apparent from the content of this report there are risks associated with the project but at present they do not threaten actual local service delivery at this stage. At this stage, risks associated with this project are kept under regular review by the Chief Fire Officer.

8. FINANCIAL IMPLICATIONS

- 8.1. There are potential financial implications associated with the content of this report as outlined above and the Chief Fire Officer continues to monitor the financial impact of the FiReControl project and the impact on this Authority.

9. RECOMMENDATIONS

- 9.1. The Authority is requested to:
- a) Consider and comment upon the content of the report;
 - b) Receive further reports as appropriate.

BACKGROUND PAPERS

The under mentioned Background Papers refer to the subject matter of the above report:

- The Communities and Local Government (CLG) Parliamentary Select Committee FiReControl Fifth Report of Session 2009-10
- National Audit Office FiReControl Project Report February 2010
- Audit commission third Review of Project Management Arrangements in the North East

