

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held in the Oak Room, Headquarters, Shrewsbury
on Thursday, 23 April 2015 at 2.00 pm**

Present

Members

Councillors Adams, Hurst-Knight, Dr Jones (Chair), Kiernan, Mellings (Vice-Chair) and Roberts

Officers

Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Treasurer, Head of Finance, Head of Service Delivery Transformation, Planning and Performance Manager, Information and Communications Technology Manager, Service Intelligence Manager, Planning and Programme Officer, Technical Sales Manager, Corporate Support Manager and Executive Support Officer

External Bodies

Mr Stocks, Ms Edmonds and Mr Meek (Grant Thornton, External Audit)
Mr Chadderton (Audit Services, Shropshire Council)

1 Apologies for Absence

Apologies for absence had been received from Councillor Mrs Bould.

2 Disclosable Pecuniary Interests

The Chair reminded Members that they must not participate in the discussion of, or voting on, any matter, in which they had a Disclosable Pecuniary Interest, and that they should leave the room prior to the commencement of the debate on any such matter.

Councillors Kiernan and Mellings declared a Disclosable Pecuniary Interest in items 15, 17 and 18, as Directors of Shropshire Fire Risk Management Services Ltd.

Councillors Kiernan and Mellings had been granted a dispensation by the Standards Committee to take part in the discussion of, and voting on, certain matters, which related to Shropshire Fire Risk Management Services. As the dispensation had expired in March 2015 and had not yet been renewed, Councillors Kiernan and Mellings undertook to leave the meeting for items 15, 17 and 18 on the agenda.

3 Minutes

Members received the non-exempt minutes of the Audit and Performance Management Committee meeting, held on 29 January 2015.

It was proposed by Councillor Roberts, seconded by Councillor Mellings and, with Councillor Adams abstaining, as he had not been present at the meeting, it was

Resolved that the non-exempt minutes of the Audit and Performance Management Committee meeting, held on 29 January 2015, be agreed and signed by the Chair as a correct record

4 Public Questions

No questions, statements or petitions had been received from members of the public.

5 Review of Committee Terms of Reference

This report asked Members to review the current Terms of Reference of the Audit and Performance Management Committee and make recommendations regarding any amendments required to the Fire Authority.

It was proposed by Councillor Hurst-Knight, seconded by Councillor Kiernan, and

Resolved that the Committee, having reviewed its Terms of Reference, recommend the amendments proposed in the report to the Fire Authority

6 Review of Member Role Descriptions

This report asked the Audit and Performance Management Committee to review the current Role Descriptions for the Chair and Vice-Chair of the Committee and Member Champion for Risk Management and Audit.

It was proposed by Councillor Mellings, seconded by Councillor Kiernan, and

Resolved that the Committee, having reviewed the Role Descriptions for the Chair and Vice-Chair of the Committee and for the Member Champion for Risk Management and Audit, agree the changes proposed in the report

7 External Audit Plan

This paper set out Grant Thornton's audit approach, the risks identified, the Value for Money conclusion, results of interim work and key dates in the 2015 audit cycle.

Mr Stocks began by introducing himself as the Engagement Lead, Ms Edmonds as the Engagement Manager and Mr Meek as the In-Charge Auditor. Mr Stocks then talked through the paper and highlighted the audit approach set out in it.

He explained that the significant risks set identified were standard across all audits. With regard to Value for Money (VfM) there were no particular concerns. He advised that it was a standard audit plan with no particular areas for concern and asked Members to consider if there were any areas, which they felt the audit should target.

Councillor Roberts referred to the use of 'Council' throughout the document and asked is this should be 'Authority'. Mr Stocks confirmed that it should and Ms Edmonds undertook to provide an amended version of the report.

Councillor Adams referred to the clarity of the language used and asked what 'walkthrough testing' meant. Mr Stocks explained that this was where the auditor looked at system control in detail by following an item through the system. He said that he was happy to change the language used to make the document clearer.

Councillor Kiernan referred to the significant risks, set out in the document, and asked how revenue could be misstated. Mr Stocks explained that this could be simple input errors, such as data being entered in the wrong column on a spreadsheet or against the wrong date.

Councillor Dr Jones thanked officers and the audit team for their work.

It was proposed by Councillor Dr Jones, seconded by Councillor Mellings and

Resolved that the Committee note the External Audit Plan for the Year Ended 31 March 2015

8 Statement of Accounts 2014/15 Review of Accounting Policies

This report presented the accounting policies to be used in the production of the Fire Authority's Statement of Accounts 2014/15, for consideration and approval.

Councillor Adams referred to the Pensions Statements and asked for an explanation of assets and / or liabilities to aid transparency. The Head of Finance (HoF) explained that the Local Government Pension Scheme was funded but the Firefighters Pension Scheme was unfunded. The HoF undertook to provide an explanation of the Pensions Schemes with the Statement of Accounts.

It was proposed by Councillor Adams, seconded by Councillor Kiernan, and

Resolved that the Committee approve the accounting policies, prior to the presentation of the Statement of Accounts 2014/15 in September 2015

9 Review of Anti-Fraud, Bribery and Corruption Strategy

This report requested the Committee to recommend that the Fire Authority re-affirm the Anti-Fraud, Bribery and Corruption Strategy following the annual review conducted by officers.

Councillor Dr Jones referred to pages 3, 4 and 5 of the Strategy and suggested that some of the language used be amended to give the Strategy more impact, for example on page 3, it was felt that it should read ‘...temporary and casual staff are treated in the same manner..’, instead of ‘should be treated...’. The Head of Finance undertook to amend the areas identified.

It was proposed by Councillor Mellings, seconded by Councillor Dr Jones, and

Resolved that the Committee, having considered the Anti-Fraud, Bribery and Corruption Strategy, recommend that the Fire Authority re-affirm the document with the amendments outlined above

10 Service Transformation Programme

The Planning and Performance Manager (PPM), the Information and Communications Technology Manager (ICTM), Assistant Chief Fire Officer (ACFO), Service Intelligence Manager and the Planning and Programme Officer gave a presentation on the benefits, which had emanated from the Service Transformation Programme. A copy of the presentation is attached to the signed minutes.

The Deputy Chief Fire Officer (DCFO) advised that the Retained Availability System would have benefits for the payroll system.

Councillor Dr Jones referred to the amount of pressure on the ICT department and asked if short-term additional support had been provided to help with this. The PPM replied that short-term contracts had been used to deliver specific projects. The ACFO added that the Service Transformation budget had been used to fund temporary posts and / or secondments to enable projects to be delivered.

Councillor Adams commented that, since he had joined the Fire Authority six years previously, he had witnessed a strengthening of the back-office services, which in turn had crystallised strengthening and reform across the Brigade. For the future, this gave Members confidence in the Brigade’s ability to deliver a high-quality service. He further commented that the public’s silence, i.e. a lack of complaints, was a vote of confidence in Shropshire Fire and Rescue Service. The Service was hard working and delivering results. He offered a vote of congratulations to the Service and its employees. The Chief Fire Officer (CFO) thanked officers and committees for their contribution and Councillor Adams for his comments.

It was proposed by Councillor Adams, seconded by Councillor Kiernan, and

Resolved that the Committee note the report

11 Risk Management Group Internal Audit Progress Monitoring Report

This report provided an update on the monitoring of recommendations made by Internal Audit, which was undertaken by the Risk Management Group. It specifically covered details about the progress made against outstanding recommendations.

Councillor Mellings commented that the report showed that the Service was going in the right direction and provided assurance to Members. Referring to page two of the report, he asked about the timescales for the recommendations and also for further details on the two significant ICT recommendations, which remained outstanding. The PPM replied that some of the recommendations dated back to 2011/12. He did not have the information to hand regarding the two significant ICT recommendations but undertook to provide this to Councillor Mellings after the meeting.

It was proposed by Councillor Dr Jones, seconded by Councillor Mellings, and

Resolved that the Committee note:

- a) The progress made against the outstanding recommendations; and
- b) That the Risk Management Group would continue to monitor progress against all recommendations, reporting to this Committee on a regular basis

12 Annual Governance Statement 2014/15 Improvement Plan

This report summarised the progress made to date against the improvements contained in the Annual Governance Statement (AGS) Improvement Plan 2014/15.

The PPM talked through each of the improvements outlined in the appendix. Completion of IRN 6, which related to the Outcomes of the Operational Assurance Assessment, had been deferred from April to July 2015 for the reasons outlined in the report.

Councillor Dr Jones referred to IRN 6 and asked for further information with regard to the Incident Command Vehicle (ICV). The DCFO explained that the ICV replacement project involved the design, development and crewing of three vehicles across this Service and Hereford and Worcester Fire and Rescue Service. This was seen to be a 'low risk' collaborative arrangement, which would test the Operational Assurance outcomes.

The DCFO added that Operational Assurance process was currently under national review and further information would be brought before the Fire Authority, once the outcomes of the review were published.

It was proposed by Councillor Dr Jones, seconded by Councillor Mellings, and

Resolved that the Committee note the progress made against each of the improvements contained in the AGS Improvement Plan 2014/15

13 Performance Monitoring

13a Public Value Performance Measures April 2014 to March 2015

This report presented a summary of the Service's year-end performance for the period April 2014 to March 2015.

The ACFO reported that Measure 1b – the first fire engine will arrive with a minimum competent crew on 100% of occasions – was failing again. Officers had reviewed this indicator and a way forward in relation to it was proposed in paper 13c on the agenda for this meeting.

Councillor Adams referred to Measure 2b – fire crimes will be reduced to not more than 943 fires during 2014/15 – and asked what influence the Service had on this. The DCFO explained that the Service employed a fire crime liaison officer, who worked with the Police to tackle fire crime. The Police recognised the influence of accidental fires on deliberate fires and environmental management and Police liaison was being used to reduce fire crimes.

It was proposed by Councillor Dr Jones, seconded by Councillor Mellings, and

Resolved that the Committee note the report

13b Wholetime and Retained Duty System Performance Monitoring October to December 2014

This report provided information regarding the ongoing performance and management in terms of the availability of wholetime and Retained Duty System (RDS) appliances in Shropshire.

The DCFO reported that the reduction in wholetime availability was as a result of industrial action that had taken place during the reporting period. RDS availability during the reporting period was 97%. With regard to recruitment, the DCFO reported that work was being done to challenge the public's traditional view of RDS employees.

It was proposed by Councillor Hurst-Knight, seconded by Councillor Roberts, and

Resolved that the Committee note the report

13c Public Value Measures and Targets 2015/16

This report presented the agreed Public Value measures and targets for 2015/16.

The ACFO reported that indicator 1b – the first fire engine will arrive with a minimum competent crew on 100% of occasions – was to be removed from the Performance Measures and would instead be monitored by the Service Management Team. The DCFO explained that the measure had been deemed not fit for purpose, as appliances always arrived with competent crew.

The CFO referred to page 4 of the appendix to the report and, in particular, the new indicator – accidental dwelling fires to be reduced to not more than 236 during 2015/16 – which had been introduced, because the Service needed to drive down occurrences in this area.

The CFO also explained that the Value for Money indicator replaced Benefits Reviews, as this gave a more rounded feel to the set of performance measures.

Councillor Mellings commented that the paper was helpful and that the changes outlined in it helped to strengthen the measures, especially the rationale given for them. He asked if each measure could be looked at over the course of the reporting year with presentations being given to the Committee covering any issues that affected performance. Officers undertook to carry this out during the year.

It was proposed by Councillor Dr Jones, seconded by Councillor Mellings and

Resolved that the Committee note the contents of the report.

Councillor Adams left the meeting at this point (3.25 pm).

14 Health and Safety Executive Consolidation Report

This report informed the Committee of a proposed request to the Service Management Team (SMT) to agree the closedown of the findings from the Health and Safety Executive Consolidation Report (HSECR) and subsequent Service Action Plan.

The DCFO explained that 95% of the proposals identified in the report had been closed down, as they had been adopted by the Service. This was why it was proposed that the HSECR be closed down and any outstanding recommendations be taken into the Service Transformation Programme.

Councillor Adams returned to the meeting at this point (3.28 pm).

It was proposed by Councillor Roberts, seconded by Councillor Adams, and

Resolved that the Committee:

- a) Note the contents of the report; and
- b) Note the contents of the SMT report requesting closedown of the HSECR Action Plan

Councillor Dr Jones introduced Mr Sam Jones, Technical Sales Manager for Shropshire Fire Risk Management Services Ltd. at this point.

Councillors Kiernan and Mellings left the meeting room at this point (3.40 pm).

15 Shropshire Fire Risk Management Services Ltd. Performance Reporting

This report provided information on the performance of the Fire Authority controlled company, Shropshire Fire Risk Management Services Ltd. (SFRMS). The appendix to this report contained exempt information and would, therefore, be considered in closed session at item 18.

The DCFO explained that an internal reorganisation of SFRMS had been carried out. The Head of Service Delivery Transformation had taken on management of the company with Mr Jones fulfilling the role of Technical Sales Manager.

Councillor Adams referred to the Fire Industry Association complaint and asked if it was likely that Fire Authority would receive a retrospective bill in relation to this. The CFO explained that the main focus of the complaint related to brand use. Officers believed there was no risk to this Fire Authority in this respect and the Authority was not, therefore, at risk of being fined.

Councillor Dr Jones asked if there were any other fire authorities in the same circumstances as this one. The Corporate Support Manager explained that there did not appear to be, as companies included in the complaint had used their fire service branding and had not been recharged appropriately. This Service and SFRS had maintained a complete separation, which placed the Authority in a more secure position.

It was proposed by Councillor Roberts, seconded by Councillor Hurst-Knight and

Resolved that the Committee:

- a) Note the report; and
- b) Agree and recommend to the Fire Authority the approach of officers to the complaint made by the Fire Industries Association

16 Local Government Act 1972

It was proposed by Councillor Hurst-Knight, seconded by Councillor Dr Jones, and

Resolved that, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involved the likely disclosure of exempt information, as defined by the provisions of Part I of Schedule 12(A) to the Act, by virtue of Paragraph 3

17 Exempt Minutes

Members received the exempt minutes of the Audit and Performance Management Committee meeting, held on 29 January 2015.

It was not possible for the Members remaining in the meeting, i.e. Councillors Adams, Hurst-Knight, Dr Jones and Roberts to agree the exempt minutes as a correct record, because only three of them had been present at that meeting. The quorum for decision making is four Members.

Committee Clerk's Note

The Committee Clerk has written to the four members, who were present at the meeting, held on 29 January 2015, and asked them to sign a copy of the exempt minutes to confirm that they are a correct record of the meeting. Once the signed copies have been received it will be possible to bring the minutes back to the Committee for agreement that they be signed as a correct record.

18 Shropshire Fire Risk Management Services

The Committee received the following appendices to report 15, which contained exempt information:

- 18a Financial Statements to 31 March 2015
- 18b Performance Information and Commentary

It was proposed by Councillor Adams, seconded by Councillor Hurst-Knight and

Resolved that the Committee note exempt papers:

- 18a Financial Statements to 31 March 2015
- 18b Performance Information and Commentary

The meeting closed at 3.45 pm.

These minutes were agreed by the Committee and signed as a correct record by the:

Chair.....

on

Date.....