

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Standards, Audit and Performance Committee
Held in the Oak Room, Headquarters
On Thursday, 23 May 2024 at 2.00 pm**

Present

Members

Councillors Blundell, Evans, Hignett, Lea and Pardy (Chair)

Officers

Guy Williams	Assistant Chief Fire Officer (Service Delivery)	ACFO (SD)
Andrew Kelcey	Hed of Resources	HoR
Joanne Coadey	Head of Finance	HoF
Richard Anderson	External Auditor	EA
Scott Hurford	Head of Transformation and Collaboration	HoTC
Mark Price	Head of Operations and Risk	HoOR
Lynn Ince	Executive Support Supervisor	ESS
Aleksandra Zydek	Executive Support Officer	ESO

Chair welcomed Mark Price and Richard Anderson to the meeting.

1 Apologies for Absence

Councillors Burchett, Carter and Overton, Simon Hardiman (CFO), Adam Matthews (AFCO Service Support), James Walton (Treasurer), Ged Edwards (PPM), Germaine Worker (HHRA)

2 Disclosable Pecuniary Interests

None

3 Public Questions

None

4 Non-Exempt Minutes

Resolved, unanimously that the minutes of the Standards, Audit and Performance Committee, held on 30 November 2023, be agreed and signed by the Chair as a correct record.

5 Committee Terms of Reference

This report, presented by the ESO, asked Members to consider the Terms of Reference of the Standards, Audit and Performance Committee, following the annual review conducted by officers.

One minor change was identified: “The Chair of the Committee shall *normally* be elected from...”

Resolved that the Committee having reviewed its Terms of Reference, as set out at the appendix to the report, recommend them to the Fire Authority for agreement with one minor amendment.

6 Review of Member Role Descriptions

This report, presented by the ESO, asked Members to review the Role Descriptions for the Chair and Vice-Chair of the Standards, Audit and Performance Committee, the Member Champion for Risk Management and Audit and the Fire Authority’s Independent Person.

Members questioned the role of the Member Champion for Risk Management and Audit and who this role sits with. ESS advised that roles will be up for review at the June CFA Annual General Meeting.

Resolved that the Committee approve the following Role Descriptions as set out in the report:

- Chair of Standards, Audit and Performance Committee
- Vice-Chair of Standards, Audit and Performance Committee
- Member Champion for Risk Management and Audit
- Fire Authority Independent Person

7 Code of Corporate Governance 2023/24

This report, presented by the HoF on behalf of PPM, gave the Committee an opportunity to make comment on the draft Code of Corporate Governance 2023/24 prior to it going forward to the full Fire Authority for consideration and formal adoption.

The HoF explained that this guidance was refreshed in 2016 following publication of a new governance framework. The HoF added that this paper is just a review and that there are no major changes to the guidance

Members questioned CFA involvement in consultation for Community Risk Management Planning (CRMP) on page 8 of the appendix. ACFO SD explained that CFA will be cited on draft proposals prior to the public consultation in autumn 2024. The CRMP updates are communicated regularly

at Chairs Briefing meetings. AFCO assured Members that the Service is on target with CRMP progress but there are some areas the need to be addressed.

Members questioned what the role of Members Champion for Risk Management and Audit is in the CRMP process. ACFO will confirm this and update the Committee.

Resolved that the Committee

- a) make comment on the draft Code of Corporate Governance 2023/24, attached as an appendix to this report; and
- b) forward the draft Code, with amendments (if any), to the Fire Authority for consideration and formal adoption.

8 Statement of Accounts 2023/24: Review of Accounting Policies

This report presented the accounting policies to be used in the production of the Fire Authority's Statement of Accounts 2023/24, for consideration and approval. The report also states the areas of estimation uncertainty to the Committee, and what is done to mitigate the risks around this uncertainty.

The HoF presented this report and stated that the Service is currently in the process of compiling 2023/24 and the accounting policies have been reviewed in readiness for their completion. The HoF advised that there are no additional accounting policies in 2023/24 and several accountings policies have been removed to aid the relevance of information continued within the financial statements. These are:

- Accruals of expenditure and income.
- Prior period adjustments, changes in accounting policies and estimates and errors.
- VAT.
- Overheads and support services.
- Exceptional items.

The HoF highlighted two major areas of estimation uncertainty for the Authority; valuation of property plant and equipment (PPE), and actuarial valuations of pensions liability.

Members questioned role of Pension Officer in calculations of pensions liability. The HoF explained that the calculations of pension liability are carried out by a team of actuaries, arranged by Shropshire Council and the Fire Authority.

Resolved that the Committee

- a) approve the accounting policies, prior to the presentation of the Statement of Accounts 2023/24; and

- b) note the risks associated with estimation uncertainty within the financial statements, and how they are mitigated.

9 External Audit Plan for 2024/25

This report, presented by External Auditor, informed the Committee of the proposed external audit plan for 2024/25.

The EA brought to members attention Introductions and headlines on page 6 of the report and highlighted three significant risks that require special audit consideration and procedures to address the likelihood of a material financial statement error. These areas are:

- Management over-ride of controls
- Valuation of land and buildings (PPE)
- Valuation of the pension fund net liability.

Findings on these areas are communicated in Audit Findings (ISA 260) Report.

The EA explained that planning materiality was determined to be £620k for the Authority, which equates to 2% of prior year gross operating costs and Clearly Trivial has been set at £31k. The EA highlighted that no risks of significant weakness were identified in arrangements to secure value for money.

The EA explained that planning visit will take place in February, the interim visit will take place in March and final visit will take place in October to December. Proposed fee for the audit will be £92,644 for the Authority and the EA confirmed that as a firm, Grant Thornton UK LLP, are independent and able to express an objective opinion on the financial statements.

Members commented that the audit fees have doubled since last year. The EA assured that this is the case across the sector and that the significant fee increase is due to amount of work required.

Resolved that the Committee approve the external audit plan proposed for 2023/24.

10 Internal Audit Plan for 2024/25

This report, presented by the HoF informed the Committee of the proposed internal audit plan for 2024/25.

The HoF explained that the provision of internal audit services for the FA was transferred to Worcester Internal Audit Shared Services (WIASS) on 1 April 2022 and the Authority has entered into one-year contract with WIASS, in order to assess the approach and outcomes of the shared service. The HoF added that both parties have continued to find the approach and experience positive. During 2023 due to the departure of key staff at WIASS, and introduction of a new Head of Audit, it was agreed that a further one-year

contract would be put in place. Discussions regarding the Authority's entry into the shared service are due to begin with the board in the coming months.

Members questioned if number of audit days will remain the same. The HoF explained that flexible approach and no restriction on number of days was agreed to enable work on all areas that audit needs to cover. The HoF commented that this approach has worked well.

Resolved that the Committee approve the internal audit plan proposed for 2023/24.

11 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.

The HoF presented this report and advised the Committee that there are only minor amendments have been necessary as shown in appendix to the report.

Following approval by the Fire Authority, the Strategy will be brought to the attention of all employees on the Service's weekly newsletter.

Resolved that the Committee agree to recommend that the Fire Authority re-affirm the Anti-Fraud, Bribery and Corruption Strategy without amendment.

12 Annual Governance Statement Improvement Plan 2023/24

This report, presented by the HoR on behalf of the PPM, summarised the progress made to date against the improvements contained in the Annual Governance Statement Improvement Plan 2023/24.

The HoR highlighted progress made through delivery of the On-call Sustainability Project and work on implementation of fitness support facilities via the refurbishment programme with Baschurch being the first of 6 stations to receive the improved fitness facilities. He explained that key roles are currently being evaluated with SFIA with a view of going out to advert.

The HoR explained that following the Cyber-attack business continuity exercise, there are plans to complement the in-hose provision with third party support for detecting and responding to cyber-attacks. He commented that continued support for Fire Service Rota (FSR) will be required to enhance the workflows.

The HoR informed Members that the Telford works are ongoing, with move expected in May and completion in June 2024. He explained that order have been placed for 8 appliances as direct replacement for those reaching the end of their lives.

For collaboration the HoF added that C&C replacement contract was awarded, and the Service is awaiting implementation plan from Motorola. He commented that the Resource Review remains on schedule for completion and its findings will be reported imminently.

Members question a possibility to visit and tour the new building in Telford. The HoR assured the members that they will have opportunity to visit the building and there are plans for the Authority and Committees meetings to take place there.

Members expressed concern on access to station and improvement security. The HoF assured members that the Service is working to improve both physical security like doors and windows and electronic security. He stressed the importance of not only keeping the unauthorised people out but also allowing the staff into the buildings.

Resolved that the Committee note the progress made on the 2023/24 Annual Governance Statement Improvement Plan.

13 Corporate Risk Management Summary

This report, presented by the HoR on behalf of the PPM, updated Members on the status of risks on the Corporate Risk Register.

The HoR highlighted the current Corporate Risk Register entries with highest risk. In particular, disruptions to supply chains and related cost increases, availability of on-call appliances due to issues with recruitment and retention and MDT failings.

Resolved that the Committee note the contents of the report.

14 Performance Monitoring

14a Corporate Performance Indicators including On Call Duty System Performance – April to December 2023 (Quarter 3)

This report presented a summary of the Service's performance from April to December 2023.

The HoTC presented this report and gave the following narratives for each CPI:

CPI 1 – All Fires

829 below the target of 932 and below +/- 5% tolerance. The Service saw a large increase in June due to unprecedented increase in heat temperatures. Out of incidents in Q3, 138 were primary fires, 57 were secondary fires and 17 were chimney fires. Overall, there was an increase in all fires of 14% from the same period last year.

CPI 2 – Accidental Dwelling Fires (ADFs)

149 above the target of 140 within the \pm 10% tolerance. The third quarter fires show a 3% increase in the number of Accidental Dwelling fires from the same quarter last year. The two top causes of these fires were faulty appliance/leads and misuse of equipment/appliances. Of positive note is that 93% of these fires were contained to the room of origin, 97.6% also had some alarms fitted in the property.

CPI 3 Deliberate Fires

223 below target of 232 and within \pm 7% tolerance. The cumulative total for the reporting period was 40, a 55 decrease on the same period last year. The Prevention Team continues to work with crews and partners to identify hot spots and the Service's Arson Crime Officer enables close links with Police colleagues to be created with shared intelligence driving activity.

CPI 4 - Fire Related Deaths and Serious Injuries

There have been 5 serious injuries and no deaths for the year to date. There is no tolerance set for this CPI as the Service aspires to zero fire deaths and serious injuries in each year.

CPI 5 – Fires Confined to Room of Origin

Cumulative 87.6%. Year to date 13% of fires have not been confined to room of origin. Of the three fires not confined to the room of origin this quarter, one was a fire involving a chip pan, one was bedroom fire caused by candle, and one was a log burner on external decking.

CPI 6 – Injuries sustained to Staff through Operational Activity

Total of 13 injuries to staff from operational activity during the reporting period, a reduction of 14 on the same period last year. Out of the four injuries recorded during Q3, two were RIDDOR reportable as over 7-day absence events.

CPI 7 – Response Standard monitored against Urban, Town & Fringe and Rural Categories

The response standard is split into 3 distinct areas, with the aspirations set out for first fire engine in:

- Urban- 10 minutes
- Town and fringe- 15 minutes
- Rural- 20 minutes

At the end of December 2023, the average Response Standard was 94% which is equal to one achieved for the same period last year. During Q3 there were 12 occasions where the response standard target was not achieved, up from 11 in the previous quarter. This number may be due to an ongoing issue with IRS.

CPI 8 – Fires in Regulated Buildings

Total fires have seen an increase from 79 in 2022/23 to 100 for the year to date. 2022/23 saw an unprecedented decrease on previous years performance. The performance for 2023/24 is more reflective of the mean, officers will continue to closely monitor performance against this CPI.

CPI 9 – Diversity, Establishment and Firefighter Competence

Competencies remain between 90-100%. It is worthy of note that one individual may be showing out of competence across a range of competence areas as the areas reported make up core and specialist aspects of the Firefighter role.

The HoTC added that on-call availability remains good, albeit with a reduction in overall availability on the same period last year. A recent recruitment campaign has been successful with several new staff awaiting competence sign off so they can join their stations.

Members questioned if high number of fire alarms fitted could be attributed to ongoing Prevention work and recent compliments received from members of the public post Safe and Well visits. ACFO explained that those results cannot be definitely attributed to Safe and Well visits, the Service had record number of visits and praised the work of Prevention team. He highlighted that this is area with very positive results, but the Service must not become complacent and continue the work in this area, a specially with increased risk due to challenging financial landscape.

Members asked for the definition of serious injury the Service uses. ACFO commented it may be clear from next report on the agenda but generally speaking it is any injury where person is admitted to hospital.

Resolved that the Committee note the report.

14b Review of Corporate Performance Indicators and Proposed Tolerances for 2024/25

This report presented the agreed Corporate Performance Indicators (CPIs) for 2024/25, as approved by the Strategy and Resources Committee at its meeting on 20 March 2024. The report also included the data provided to the Committee to inform its decision making.

The HoTC presented this report and stated that 2021 the Service introduced nine CPIs. These enabled the Service to move away from a set of numeric annual targets as this previous approach left no room for tolerance in performance. In response to the Fire Authority request to demonstrate measurement of sustainability and financial corporate performance indicators the Service proposes the following:

- Sustainability- the Service will continue to report ISO14001 outcomes alongside 6 monthly external audit reports from the British Standards institution (BSI) to Fire Authority and its Committees.
- Financial- The Service will continue to regularly report financial performance and internal and external audit findings and options, to Fire authority and its Committees.

The HoTC continued that to ensure Service performance receives appropriate level of scrutiny, a different reporting and governance structure has been established to allow scrutiny to be applied and give oversight of activity. This

has been achieved through Performance & Risk Group, who look at the CPI and associated performance against them. The Groups primary focus is on:

- Prevention
- Protection
- Response
- Availability
- People

The presented this report and gave the following proposals for each CPI:

CPI 1 – All Fires

The recommendation is to maintain a 5% tolerance, whilst also comparing 2024/45 against 2023/24 performance.

CPI 2 – Accidental Dwelling Fires (ADFs)

The recommendation is to maintain a 10% tolerance, whilst also comparing 2024/45 against 2023/24 performance.

CPI 3 Deliberate Fires

The recommendation is to maintain a 7% tolerance, whilst also comparing 2024/45 against 2023/24 performance.

CPI 4 - Fire Related Deaths and Serious Injuries

It is recommended that the Service continue to report on each occurrence in the form of a narrative report and that no tolerance is set for this CPI as the Service aspires to zero fire deaths and serious injuries in each year.

CPI 5 – Fires Confined to Room of Origin

The recommendation is to maintain a 7% tolerance, whilst also comparing 2024/45 against 2023/24 performance.

CPI 6 – Injuries sustained to Staff through Operational Activity

It is recommended that the Service continue to report on each occurrence in the form of a narrative report and that no tolerance is set for this CPI as the Service aspires to zero sustained injuries through operational activity.

CPI 7 – Response Standard monitored against Urban, Town & Fringe and Rural Categories

The proposal is for the Service to continue to monitor against urban, town & fringe and rural areas as separate measures and compare each one independently against the figure of 85%. To develop this CPI and to identify ways to improve performance the Service will trial 3 measurements of the current response standard:

- Measuring from the time the emergency call is first taken to the time the Service arrives at the incident.
- Measuring from the time emergency assets are deployed by fire control to the time the Service arrives at the incident.
- Measuring from the time the Service vehicle is mobile to the incident to the time the Service arrives at the incident.

This will also prepare the Service for potential introduction of national response standard.

CPI 8 – Fires in Regulated Buildings

The recommendation is to implement a 7% tolerance (previously 5%), whilst also comparing 2024/45 against 2023/24 performance.

CPI 9 – Diversity, Establishment and Firefighter Competence

It is proposed that a tolerance is not attached to this CPI but the Service continue to apply an attainment of 90% against each skill set.

In regard to CPI 7, Members questioned trailing the 3rd option to measure response standard and how this will be comparable. ACFO assured members that three different measures are reflective on national conversations and this option could be imposed on the Service.

Resolved that the Committee note:

- a) the report and acknowledge the work undertaken to determine the Corporate Performance Indicators for 2024/25; and
- b) the agreed Corporate Performance Indicators for 2024/25, as set out in the report.

Standards

15 Code of Conduct Complaints 2023/24

Resolved that the Committee note that, whilst not a legal requirement, it is good practice for Members to receive regular updates on Code of Conduct complaints, even if there have been none. The ESO reported that, during the period 2023/24, the Fire Authority had received no complaints that any of its Members had breached its Code of Conduct

Member Development

16 Member Development 2023/24 and 2024/25

This report, presented by the ESS, updated the Committee on Member development activity over the past year and proposed training and development activity for the year April 2024 to March 2025.

The ESS explained that additionally to training and development outlined in the report there is opportunity for Members to attend 'Councillors' Guide To Understanding Local Authority Accounts' training provided by Financial Advisory Network. Two separate open sessions have been set up for 2024, the event in August is a morning workshop (9.30am to 12.30pm) and the June event has been scheduled as an evening workshop (6pm to 9pm) to enable Councillors who work during the day to attend. Any expressions of interest for those sessions should be directed to the ESS.

Members suggested to arrange the session around access to SFRS SharePoint as many Members find access to expenses portal challenging. Members suggested that for new Authority Members it would be beneficial to

have introduction session to the systems like SFRS SharePoint. The ESS acknowledged this request.

Members expressed their apologies for not completing any training sessions in 2023/24. ACFO advised that this area may attract scrutiny from HMI going forward as it forms a part of quarterly data requests.

Resolved that the Committee:

- a) note the backward-looking report for 2023/24; and
- b) agree the proposed training and development activity for 2024/25.

Pension Board

17a 6 December 2023

Resolved that the Committee receive and note the minutes of the Pension Board meeting, held on 6 December 2023.

17b 6 March 2024

Resolved that the Committee receive and note the minutes of the Pension Board meeting, held on 6 March 2024.

18 Exclusion of Press and Public

Resolved that the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 4 of Part 1 of Schedule 12a to the Local Government Act 1972

19 Corporate Risk Management Summary (Paragraph 4)

Resolved that the Committee receive and note exempt Appendix C to report 13 – Corporate Risk Management Summary

The meeting closed at 3.20 pm

Chair _____

Date _____