

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held at Headquarters, Shrewsbury
on Thursday, 7 March 2013 at 2.00 pm**

Members

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

Officers

Chief Fire Officer, Treasurer, Planning and Performance Manager, Human Resources Manager, Assistant Group Commander and Executive Support Officer

External Bodies

Mr Patterson and Mrs Hill (External Audit)
Mrs Hall (Audit Services, Shropshire Council)

The Chair welcomed Mr Patterson and Mrs Hill, External Audit, and Mrs Hall, Audit Services, Shropshire Council, to the meeting.

1 Apologies for Absence

Apologies for absence had been received from Councillor Mrs Bould.

2 Disclosable Pecuniary Interests

There were no Disclosable Pecuniary Interests.

3 Minutes

Members received the minutes of the meeting of the Audit and Performance Management Committee, held on 22 November 2012.

The Human Resources Manager (HRM) clarified the issue relating to fitness testing, which was raised at item 8a of the minutes. The HRM explained that performance for this measure is based on a point in time for both wholetime and retained duty systems. The fitness advisor does see all firefighters and there will always be a small percentage that are out of ticket. There are records for three individuals that are currently being investigated but overall the Service has a good fitness record and is maintaining its established regime of testing, which began in 1999.

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

Resolved that the minutes of the meeting of the Audit and Performance Management Committee, held on 22 November 2012, be approved and signed by the Chair as a correct record

4 Public Questions

No public questions, statements or petitions had been received.

5 Audit and Performance Management Committee Proposed Work Plan 2013 / 2014

This report put forward a 2013 / 2014 Work Plan for the Audit and Performance Management Committee for consideration and approval by Members. The report also reviewed implementation of the activities listed in last year's Work Plan.

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

Resolved that the Committee approve the Audit and Performance Management Committee Work Plan, attached as an appendix to the report, without amendment

6 External Audit

6a Audit Fee Letter

Mr Patterson presented the Audit Fee Letter to the Committee, which advised of External Audit's fee for audit of the Fire Authority's 2012/13 financial statements and value for money conclusion.

Mr Patterson explained that the Letter sets out the work for the 2012/13 audit and the fee for the audit. Mr Patterson highlighted the 40% reduction in fee for this year and reassured the Committee that this reduction would not have any impact on the quality of the audit, as the savings were due to central overheads being reduced

Councillor Carter commented that it was pleasing to see that Mr Patterson would still be the Lead Auditor, due to his knowledge of the Fire Authority and its work. Mr Patterson acknowledged this comment and explained that Mrs Hill is also the Audit Manager for Hereford and Worcester Fire and Rescue Authority and, as such, she too has a good grasp of the issues affecting fire authorities.

Resolved that the Committee formally note the Audit Fee Letter for the audit of the Fire Authority's 2012/13 financial statements and value for money conclusion

6b Update for Year Ended 31 March 2013

Mrs Hill presented the Update for Year Ended 31 March 2013 to the Committee. The Update reported Grant Thornton's progress in delivering their responsibilities as external auditors. The paper also included a summary of emerging national issues and developments that may be relevant to the Fire Authority and a number of challenge questions in respect of these emerging issues, which the Committee may wish to consider.

The Chief Fire Officer (CFO) advised that, in addition to the issues set out in the report, the Authority is still awaiting confirmation of the pension charges relating to the part-time workers' case.

Mr Patterson referred to page 8 of the report and explained that there are subtle differences regarding redundancy costs. Councillor Carter commented that in local authorities elected Members are to be involved in decisions regarding the redundancy of senior officers and asked if this would be the same for fire authorities. Mr Patterson explained that there is no official legislation regarding this but Members should be aware and transparency and a full awareness of the costs related to any redundancy would be needed. The CFO further explained that an independent person is involved in the redundancy of local authority chief executives in order to prevent ousting on a political basis. This requirement is to be removed and is a point of contention for local authorities but does not have any effect on fire and rescue authorities.

Mr Patterson referred to the issue regarding reserves, as set out on page 10 of the report, and commented that this is not an area of concern for this Authority, as it is very good at identifying and establishing reserves. Mr Patterson further explained that the process for the Final Accounts is being set out and informed Members that a report, entitled 'Improving Council's Governance', is to be published by Grant Thornton. The report concerns a review of governance in local government and suggests ways that annual governance documents can be improved. Mr Patterson undertook to forward a copy of the document to Members.

The CFO advised the Committee that officers have considered the challenge questions set out in the report and are confident that there are no issues that need to be raised at present.

Councillor Kiernan referred to page 6 of the report and asked if the changes to business rates will work. Mr Patterson confirmed that the auditors are happy that current arrangements are satisfactory. The CFO explained that there is a risk related to the level of income and that this has been taken into account in the budget, with a reserve being established for this purpose.

Resolved that the Committee note the Update for Year Ended 31 March 2013

7 Risk Management Group Internal Audit Progress Monitoring Report

This report provided Members with an update on the monitoring of recommendations made by Internal Audit that is undertaken by the Risk Management Group (RMG). It specifically covered details about the progress made against outstanding recommendations.

The Planning and Performance Manager (PPM) informed the Committee that, since the report was written, Barry Hanson, Audit Services, Shropshire Council, who is conducting the Information and Communications Technology (ICT) audit, had advised that significant progress has been made against the outstanding recommendations and that the numbers should now start to reduce. The Committee asked that Mr Hanson and the ICT Manager attend future Committee meetings to provide further information on the audit issues. The PPM undertook to arrange this.

Councillor Mellings acknowledged the work that had been undertaken to develop the RMG and the controls that had been put in place to deal effectively with risks. He then asked if further information could be provided at the next meeting with regard to the split between IT and non-IT related risks and the age profile of the risks that are currently "live". The PPM undertook to provide this at the next Committee meeting.

The CFO advised the Committee that the IT related risks will be kept open until officers are satisfied with the progress that has been made against them. Mr Hanson is to assess the immediate risks and those relating to decision making issues first and should come back to the Service in five to six weeks' time to close the issues from the main ICT audit.

Resolved that the Committee note:

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

8 Annual Governance Statement

8a Timetable

This report informed Members of the process, which will be put in place to ensure that the Authority's Annual Governance Statement (AGS) is ready for inclusion in the Final Accounts for 2012/13.

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

Resolved that the Committee agree the Proposed Annual Governance Statement Timetable, as detailed in paragraph 5 of the report

8b Improvement Plan 2012/13

This report summarised the progress made to date against the improvements contained in the Annual Governance Statement Improvement Plan 2012/13.

The PPM drew the Committee's attention to item 4 on page 4 of the report, which relates to the embedding of the Command and Control system and advised that the completion date for this has been extended to May 2013. The Station End Equipment (SEE) pilot is scheduled to finish this week. This will then proceed to a full rollout, which is scheduled to finish at the end of May 2013, hence the extension to the completion date. The PPM also reported that Technical and Operations staff are happy with the outcomes of the SEE pilot so far.

Councillor Mellings referred to item 7 on page 5 of the report, which relates to the implementation of action plans, following the Health and Safety Executive consolidation report, and which has various dates for completion. Councillor Mellings asked that further detail on the span of completion dates for this item be brought to the next Committee meeting. The PPM undertook to provide this information.

The CFO referred to item 5 on page 5 of the report relating to the in-life support arrangement for the Command and Control system and advised that this is a two-handed discussion with Telent and Hereford and Worcester Fire and Rescue Service. There may, therefore, need to be some flexibility in the completion date.

Resolved that the Committee note

- a) The progress made against each of the improvements, contained in the AGS Improvement Plan 2012/13; and
- b) The amendment to one workstream, as detailed in section 5 and in the appendix to this report.

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 (attached as an appendix to the report), following the annual review conducted by officers.

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

Resolved that the Committee agree the Anti-Fraud, Bribery and Corruption Strategy, attached as an appendix to the report, and recommend that the Fire Authority re-affirm the document without amendment

10 Service Transformation Programme Progress Update

This report informed Members of the background surrounding the Service Transformation Programme (the Programme) and gave an update on progress of year 1 activities.

Councillor Adams referred to the appendix to the report and asked for an explanation of the terms 'resilience' and 'interoperability'. The CFO explained that resilience refers to equipment, such as the high volume pumping unit, which has been provided by the Government as part of the national response to terrorism threats to infrastructure. Interoperability refers to the use of radio channels to enable communication between the three blue light services.

Councillor Mellings thanked the PPM for the report, which had provided a good, high-level introduction to the Programme. He commented that it was pleasing to see the governance arrangements that had been put in place and asked if further detail could be provided on the cost of implementation and the expected high level benefits of the Programme. At the suggestion of the CFO that one area be chosen as an example, it was agreed that the Personal Protective Equipment workstream should be focused on. The PPM undertook to provide this information to the next Committee meeting.

Resolved that the Committee note the contents of the report.

11 Performance Monitoring

11a Public Value Performance Measures 2012/13 Quarter 3 April to December 2012

This report presented a summary of the Service's performance for the period April to December 2012.

Councillor Hurst-Knight commented that it was pleasing to see that the cuts in resources were not affecting performance and thanked staff for their work in maintaining performance levels.

Councillor Mellings commented that the format of the indicators has been better this year and asked what the impact would be on next year's performance targets. He also asked if there were any identifiable patterns to the performance on indicator 3a – fire related deaths and serious injuries in the community, and indicator 3b – injuries sustained to staff through firefighting; why 'don't know' responses did not seem to be included in the totals for indicator 4a – customer satisfaction, and indicator 4b – Value for Money; and whether the increase in chimney fires is having any affect on performance.

The CFO responded that the targets for next year will continue to have a broader view. The downward trend in numbers has continued and there has been no major reduction in performance as a result of budget reductions.

With regard to patterns, the CFO explained that the occurrence of fire-related deaths and serious injuries does not follow a seasonal or time pattern but it has been identified that there is an increase in injuries to staff, if there is a lot of training being undertaken.

The CFO explained that there has been a change to the questionnaires, which are used to gather data for indicators 4a and 4b. These now give comparative figures with regard to value for money etc and the number of 'don't know' responses has reduced.

Finally, the CFO confirmed that there has been an increase in the number of chimney fires, which could be attributed to an increase in fuel poverty, i.e. more people opening up chimneys and burning cheap wood. There has also been an increase in chimney fires spreading to the main structure of properties. An information campaign about this issue is being conducted via local media and with the co-operation of local chimney sweeps.

Resolved that the Committee note the report

11b Retained Duty System Performance Monitoring October to December 2012

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

The Assistant Group Commander (AGC) informed the Committee that recruits (19 in total) for the priority stations should be providing response by June and that the recruitment campaign, run on social media, such as Facebook, has been successful. Officers are also investigating the possibility of recruiting RDS staff to provide cover outside the full and three-quarter cover levels that operate at present. This would enable the Service to recruit people, who can provide day cover, because they work within the response time for a station but who live too far away to provide cover at other times, i.e. they cannot provide cover up to the three-quarter level. Officers are currently consulting with the representative bodies about this proposal.

The AGC then talked through the information provided in the appendix to the report, which highlights the priority stations and the action that is being taken in relation to them. In particular, the AGC highlighted Ludlow, which is due to come off the priority list, as its availability levels have improved.

The AGC also highlighted Much Wenlock, which continues to struggle with availability. A focused recruitment campaign began in January 2013 with a leaflet drop to local homes and businesses. It is also hoped that the station would benefit from being able to recruit people to provide half cover etc. Councillor Dr Jones asked if half-cover recruitment had been undertaken before. The AGC explained that it has been done in other fire and rescue services but not Shropshire, hence the need for negotiations with the representative bodies.

The AGC also reported that since the report had been written a wholetime firefighter had taken up an RDS contract at Oswestry. It is also anticipated that there will be five extra firefighters providing cover at Oswestry by June 2013, which should bring about an improvement in the availability of the second pump (62% in January 2013).

The CFO commented on the huge amount of work that had gone into the recent recruitment campaigns and thanked the AGC and his teams for their work.

Councillor Dr Jones asked if fire stations in those towns, where police stations are due to close, would be used by the Police. The CFO confirmed that the use of several stations, such as Ellesmere and Newport, had been offered to both the Chief Constable and the Police and Crime Commissioner but as yet there had been no uptake on the offer. The CFO confirmed that there is no operational difficulty with the Police using RDS stations, although there may be possible political issues with the Police and Crime Commissioner.

Resolved that the Committee note the contents of the report

The meeting closed at 3.20 pm.

Chair.....

Date.....