

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held at Headquarters, Shrewsbury
on Tuesday, 30 November 2010 at 2.00 pm**

Members

Councillors Adams, Dixon, Eade, Dr Jones (Chair), Kiernan, Mason and Mellings (Vice-Chair)

Officers

Deputy Chief Fire Officer, Treasurer, Head of Operations and Risk (for items 8 and 9 only), Equality and Diversity Officer (for item 11 only) and Management Support Officer

External Bodies

Mr Patterson and Ms Mayne (Audit Commission)
Ms Pilawski and Mrs Hall (Internal Audit, Shropshire Council)

1 Apologies for Absence

There were no apologies for absence.

2 Introductions

Councillor Jones introduced Ceri Pilawski, the new Head of Internal Audit, and welcomed Kathy Hall, Group Auditor, both of which officers are from Shropshire Council.

Councillor Jones also welcomed Emily Mayne, from the Audit Commission, who is to replace Mr Wilson as the Audit Manager for the Fire Authority.

3 Declarations of Interest

There were no declarations of interest.

4 Minutes

Members received the minutes of the meeting of the Audit and Performance Management Committee, held on 9 September 2010.

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

Resolved that the minutes of the meeting of the Audit and Performance Management Committee, held on 9 September 2010, be approved and signed by the Chair as a correct record

5 Public Questions

No public questions, statements or petitions had been received.

6 Annual Audit Letter 2009/10 and Other Audit Commission Matters

Mr Patterson presented the Annual Audit Letter 2009/10 (the Letter) to the meeting and talked through the key messages contained in the Letter. As part of this, Mr Patterson presented the Your Business @ Risk: Information Security Awareness Audit 2009/10, as it was referred to directly in paragraphs 32 to 34 of the Letter.

Mr Patterson advised that the audit approach for 2011 onwards will be based on two broad areas: financial resilience, which will form the majority of the work; and prioritising resources, which will form the minority of the work.

Councillor Dixon questioned Mr Patterson's comment that the Authority is in a good position with regard to future budget cuts. Mr Patterson explained that this comment related to the fact that the Authority has identified what measures it needs to take to address this issue and is, therefore, in a 'relatively good' position in terms of planning.

Councillor Eade asked if it was likely that the budget cuts would now be frontloaded in a move to even out the reductions. The Treasurer responded that he had received a letter from the Fire Minister, immediately after the Comprehensive Spending Review, which stated that the cuts would be end loaded. So far nothing else has been received to contradict this. The budget planning for the Authority has, therefore, been based on percentage reductions of 5, 5, 7.5 and 7.5 across the four years with cuts at the back end and savings at the front end.

The Treasurer commented that he was concerned that there might be a delay to the budget announcement, which was expected in the first week of December. Mr Patterson said that the Government is believed to be looking at this but there is concern that, if the announcement is delayed, then organisations will not have enough time to set a legal budget.

Referring to the International Financial Reporting Standards (IFRS), as mentioned in paragraphs 16 to 17 of the Letter, Mr Patterson undertook to provide a short training session on this subject, immediately prior to the next meeting of the Audit and Performance Management Committee.

Resolved that the Committee note both the Annual Audit Letter 2009/10 and the Your Business @ Risk: Information Security Awareness Audit 2009/10

7 Service Response to Your Business @ Risk: Information Security Awareness Shropshire and Wrekin Fire and Rescue Authority Audit 2009/10

Officers have duly noted the findings of the Audit Commission's on-line survey of staff conducted in April/May 2010. The findings, overall, appear relatively consistent with the national results acquired through the Commission's survey.

Fully cognisant of the need to reduce the risk of breaches to information security, the Service co-ordinated the formation of a West Midlands regional fire and rescue service syndicate to address the mandatory requirements of Her Majesty's Security Policy Framework. The Region's five fire and rescue services are national leaders in this area and have secured regional funding to support the delivery of the Policy Framework's requirements. To this end, the Service has recently undergone a comprehensive security audit, the findings of which have been considered alongside the Commission's findings. A Security Improvement Plan is currently in development and will be implemented soon, albeit the scale of conformity to the Framework will take at least 12 to 18 months and will have funding implications.

Resolved that the Committee note this agenda item

The Head of Operations and Risk joined the meeting at this point.

8 Risk Management Group – Progress 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. The report also dealt with progress on other issues.

The Head of Operations and Risk informed the Committee that the three 'Significant' recommendations, which remain outstanding from 2009/10, have been addressed but as yet sufficient evidence is not available to prove that the changes to procedure have been embedded. He also advised that the 11 'Requires Attention' recommendations from 2010/11 can be broken down as follows: 1 relates to Creditors; 3 relate to Business Continuity and the change to electronic management; 1 relates to the risk assessment of equipment; 4 relate to fraud and corruption, in particular to Retained Duty System (RDS) payments; and 2 relate to Asset Management.

Councillor Mellings commented that he was pleased to see that excellent progress had been made in reducing the number of outstanding recommendations. Councillor Dixon queried the 4 recommendations relating to fraud and corruption and asked for further details. The Head of Operations and Risk responded that there may have been an opportunity for fraud to occur in relation to RDS claims but these areas have now been addressed.

Resolved that the Committee

- a) Note the progress that has been made against the outstanding Internal Audit recommendations from earlier years; and
- b) Agree the changes made to the Internal Audit programme

9 Annual Governance Statement Improvement Plan 2010/11

This report summarised the progress made to date against the improvements contained in the Annual Governance Statement (AGS) Improvement Plan 2010/11.

The Head of Operations and Risk informed the meeting that progress is being made on each of Improvements detailed in the appendix to the report and that they are all on target for completion.

Councillor Mellings referred to IRN 2, which is the Strategic Planning Process, and asked for a flavour of the 200 'suggestions', which had come out of the consultation process. The Assistant Chief Fire Officer (ACFO) responded that there had in fact been 314 suggestions, which had been reduced to 29 key thematic areas for Public Value consultation. The suggestions covered items as diverse as the removal of appliances through to the cleaning of computers. A full report on the outcomes of the Public Value process will be presented to the Fire Authority meeting on 15 December 2010.

Resolved that the Committee note the progress made against each of the improvements contained in the AGS Improvement Plan 2010/11

10 Performance Monitoring

10a Performance against Best Value Performance Indicators April 2010 to September 2010

The Service Performance Group has already received a report detailing performance. The summary given below acts as an Exception Report, bringing key strategic performance issues to the attention of Members. Areas of poor performance are being addressed through the Service Performance Group.

Corporate measures are experiencing high achievement against targets. Financial Indicators are all performing on target with the exception of BV8, with an achievement of 97.7 percent of undisputed invoices being paid within 30 days (the target is 99 percent). Sickness indicators are within agreed targets and performing well, as are those for Equality and Diversity, which are still measured. The environmental impact indicator has a current assessment value of 824 following a trend of reduction and is on track to achieve the year end target value of 820.

There have been 24 personal injury employee accidents in the year to date, an improvement from 35 at the same time last year. Of these, 7 have been during training.

Operational measures show that wholtime appliances are available for 100 percent of the time. There is a noticeable increase in the number of secondary fires, in particular deliberate, with an expected failure to meet target. However, the numbers of all primary fires (those which are accidental in dwellings and in commercial property) are reduced from previous years and on target. All three smoke alarm measures are failing (number fitted, number not fitted and number, which failed to activate), but by small percentages.

In supporting both constituent authorities' National Indicators, the Fire Authority is failing the numbers of primary and secondary arson incidents. Primary incidents are only just over target by 10, whilst those classed as secondary are failing after a poor period of performance in April; however a reducing trend is being realised as the year progresses. The Authority is on track to achieve target for the number of all primary fires and resulting casualties and fatalities.

The aforesaid commentary acts as a précis of performance for the previous reporting period. More detailed information is available upon request from the Service's Performance Analyst.

Councillor Dixon commented that he was pleased to see that the amount of information presented to the Committee had been reduced as requested by Members.

Resolved that the Committee note the agenda summary given

10b Summary of Progress within the Improvement Priorities

At its meeting on 11 February 2009 the Fire Authority agreed a suite of Improvement Priorities to ensure the successful delivery of its overarching aims and objectives. There are three priority areas, namely Capacity, Competence and Communication, each with supporting stages / work streams managed under the heading "Customer Focus". There is nothing of exception to report with these supporting stages / work streams up to the end of October 2010.

Resolved that the Committee note the agenda summary given

10c Retained Duty System Performance Monitoring April to September 2010

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

Councillor Jones drew Members' attention to the fact that both Oswestry and Much Wenlock have experienced a drop in RDS numbers

Resolved that the Committee note the contents of the report

11 Equality and Diversity

11a Progress on the Single Equality Scheme

There are 53 actions on the Single Equality Scheme (SES) to date: 1 has been completed since last review; 33 are in progress; 16 are not yet due; and 3 are overdue (to be reviewed by the Equality and Diversity Steering Group).

A summary of some of the actions is given below:

- The Discipline and Grievance training programme will be completed by the end of November.
- Equality Impact Assessments are being completed by all departments.
- The Lesbian Gay and Bisexual (LGB) planning project group has met on several occasions and many organisations have now confirmed involvement and/or funding.
- Gypsy and traveller training has been devised and will be undertaken at the end of 2010/ early 2011.
- Dyslexia and Monitoring Brigade Orders are in draft and going through consultation.
- Equality and Diversity (E&D) watch training has now commenced.
- A presentation was given to the Fire Authority on the new Equality Act at its meeting on 4 November 2010.
- The SES suggested E&D Champions for each of the Strands, the E&D Steering Group needs to look at this and more evidence is required of executive and Members' visits which link to E&D.

Further information can be found in the reports, which were presented to the Human Resources Committee on 12 October 2010, and which can all be accessed via the Service's website.

Councillor Dixon asked for clarification of what the funding for the LGB Planning project group was to be used for. Councillor Jones explained that this was funding for consultation as to how to deliver services to this section of the community. The E&D Officer joined the meeting at this point and further explained that the LGB planning project group involved a range of public services and was consulting on issues relating to service delivery. The feedback has proved to be useful and the consultation was deemed to fit with Public Value.

Councillor Eade asked for further clarification of which E&D activities were statutory and which were not. The E&D Officer explained that the Equality Act placed certain statutory obligations on the Authority, which included consultation. Many of the actions detailed in the SES are a response to this statutory consultation.

The ACFO added that whilst Members' comments regarding E&D activities were noted, the Fire Authority also has a statutory obligation to comply with the Fire and Rescue Services Act 2004, which, through the Fire and Rescue Service National Framework, places other statutory obligations upon the Authority.

These obligations may require a level of specialism / expertise, which historically has not been available through the E&D services provided by Shropshire Council.

Councillor Eade challenged whether the arrangements represented value for money and reiterated that he wanted to receive details of E&D activities, which were statutory and non-statutory, together with a full breakdown of their associated costs at the next meeting of the Committee. Officers undertook to provide this information.

Resolved that the Committee note the agenda summary given

11b Equality and Diversity Steering Group Summary Report

Since the last progress report, the Group has had one meeting, on 5 October 2010, when it reviewed and agreed to the gypsy and traveller training, which will commence towards the end of 2010 / early 2011. The consultation on the multi-faith and cultural year planner has been completed and will be sent out towards the end of 2010. The Group was made aware of a radio interview with Group Manager Dickens on positive action in Cleobury Mortimer, encouraging women to apply as retained firefighters. The new website now allows women to complete the Service's female questionnaire online. The Deputy Chief Fire Officer has attended the Telford Race Equality and Diversity Partnership's Annual General Meeting and gave feedback to the Group. The Group identified some work that needed to be completed further to The Equality Act's introduction on 1 October 2010. The Group thanked Jonathan Hyams, as it was his last meeting and welcomed back Natalie Hill, who has now returned from maternity leave.

Resolved that the Committee note the agenda summary given

12 Public Value Performance Measurement Framework 2011/12

This report set out proposals for the introduction of a new community focused Public Value Performance Measurement Framework. The Framework sets out a simplified performance regime focused upon capturing public satisfaction with performance.

The ACFO informed the meeting that there was a mistake in the recommendations on page 1 of the report where recommendation b) should read 'to be adopted from 1 April 2011' not 'to be adopted from 1 April 2010'.

Councillor Dixon commented that both the staff and public consultation sessions had been challenging and worthwhile.

The ACFO reported that the public consultation sessions had been attended by 34 invited members of the public, which gave a confidence level of 90 percent with a margin of plus or minus 14 percent. Of these attendees, 88 percent had found the proposed indicators 'simple to understand', 9 percent had 'proposed changes to them' and 3 percent 'did not comment'.

The ACFO explained that the targets for the new indicators will be set by the Strategy and Resources Committee. The seven 'Gold' level indicators will be supported by 'Silver' and 'Bronze' sub-indicators. These will be managed within the Service and will link together, which was not possible under the previous Best Value Performance Indicators (BVPIs). These sub-indicators will only be addressed by Members when they are failing.

The Committee agreed that the proposed 'Gold' indicators are more sensible and focussed and was pleased that they are measures rather than indicators. There were, however, some questions over the value of indicator 6, which is 'the average cost per household, per annum, for the fire and rescue service'. The ACFO explained that this annual indicator would be useful, when setting the precept. Councillor Dixon asked if any cost savings would be achieved by the changes to the performance management method. The ACFO responded that there was no indication at this point in time.

Mr Patterson commented that the previous Government led BVPI system had been a burden but the key to measuring value for money is how performance is being managed, so any measures would need to give the full picture of work undertaken by the Service, e.g. rescue work. The ACFO explained that the Service only receives statutory funding to save lives from fires. There is no central funding or performance indicators relating to road traffic incidents or flooding. Councillor Eade stated that he was happy with the proposed indicators but would like to see inclusion of road traffic incidents etc.

Councillor Adams commented that he did not wish to see the BVPIs 'slipped in' as 'Silver' and 'Bronze' indicators and that there needed to be clarity over the requirements of what was being measured. The ACFO confirmed that there was no intention to rebrand the BVPIs into the new system.

Councillor Mellings suggested that Members be involved in the development of the 'Silver' and 'Bronze' indicators, perhaps through a working group of officers and Members. The Committee agreed that this would be the best way to establish these indicators.

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

Resolved that the Committee:

- a) Recommend to the Fire Authority the proposed seven 'Gold' measures (page 2 of the report), to be adopted from 1 April 2011; and
- b) Authorise officers to develop the underpinning 'Silver' and 'Bronze' measures.

The meeting closed at 3.20 pm.

Chair.....

Date.....