

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held at the Education and Conference Centre, Shrewsbury
on Thursday, 12 June 2014 at 2.00 pm**

Present

Members

Councillors Bennett, Hurst-Knight, Dr Jones (Chair) and Mellings (Vice-Chair)

Officers

Chief Fire Officer, Assistant Chief Fire Officer - Corporate Services, Treasurer, Head of Finance, Planning and Performance Manager, Group Commander and Corporate Support Manager

External Bodies

Mrs Hill (Grant Thornton, External Audit)

Mrs Pilawski and Mr Seddon (Audit Services, Shropshire Council)

1 Apologies for Absence

Apologies for absence had been received from Councillors Adams, Mrs Bould and Kiernan, from Mr Patterson of External Audit and the Company Manager of Shropshire Fire Risk Management Services.

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.

Councillor Mellings declared a Disclosable Pecuniary Interest in items 13 and 17, as a Director of Shropshire Fire Risk Management Services.

He had been granted a dispensation by the Standards Committee, which allowed him to take part in the discussion of, and vote on, matters, relating to Shropshire Fire Risk Management Services, providing that legal opinion considered the participation to be appropriate. On this occasion, the report to be considered detailed the performance of Shropshire Fire Risk Management Services and was for information purposes only. It was, therefore, deemed appropriate for Councillor Mellings to participate in the discussion of these items.

3 Minutes

Members received the non-exempt minutes of the Audit and Performance Management Committee meeting, held on 27 March 2014.

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

Resolved that the non-exempt minutes of the Audit and Performance Management Committee meeting, held on 27 March 2014, 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.

Councillor Mellings felt that the review was helpful and the proposed terms of reference reflected good practice.

It was proposed by Councillor Mellings, seconded by Councillor Bennett 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.

Members agreed that the requirement for the Chair of the Committee to present an annual report to the Fire Authority should be deleted from the Role Description. They felt, however, that there should be some mechanism for the Member Champion for Risk Management and Audit to report to the Fire Authority. The Planning and Performance Manager advised that he produced a report each year on risk management, which could include details of the Member Champion's work throughout the year. After some discussion it was agreed that the two should present a joint report to the Authority.

Members considered whether in fact the Chair of the Committee did work closely with the Chair of the Authority. Although the current Chair did, this was by virtue of her role as Leader of the Labour Group, not as Chair of the Committee. In light of this it was agreed that the words 'when necessary' be added to:

'To work closely with the Chief Fire Officer and the Chair of the Fire Authority'.

Subject to the above, it was proposed by Councillor Hurst-Knight, seconded by Councillor Mellings 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 Review of Anti-Fraud, Bribery and Corruption Policy

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 Bennett asked that officers consider whether the web links in the document could be shortened for ease of use for those with limited access to the web. The Head of Finance was not sure whether this was possible but undertook to look into it.

Subject to the above, it was proposed by Councillor Bennett, seconded by Councillor Mellings and

Resolved that the Committee, having considered and agreed the Anti-Fraud, Bribery and Corruption Strategy, recommend that the Fire Authority re-affirm the document without amendment

8 External Audit Fee Letter 2014/15

The External Audit Fee Letter 2014/15 set out details of the 2014/15 audit fee for the Authority, along with the scope and timing of External Audit's work and details of their team.

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

Resolved that the Committee note the External Audit Fee Letter 2014/15

9 Annual Governance Statement 2013/14 Improvement Plan

This report summarised the progress made to date against the improvements contained in the Annual Governance Statement Improvement Plan 2013/14.

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

Resolved that the Committee note the progress made against each of the improvements contained in the AGS Improvement Plan 2013/14

10 Service Transformation Programme Benefits Review

This report provided information on the benefits achieved to date following the upgrade to the Fire Safety database, Community Fire Risk Management Information System.

Members felt that the detail provided in the report was at the right level, as it showed the number of efficiencies, which had been achieved. Councillor Mellings asked that such reports provide information on costs, where appropriate, for instance, in this report it would be helpful to know the cost of the software upgrade. This would enable a cost / benefit analysis to be carried out. The Planning and Performance Manager undertook to provide this information in future.

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

Resolved that the Committee note the report

11 Summary of Compliments and Complaints 2011/12 to 2013/14

This report advised Members of summary details regarding the compliments and complaints received during 2013/14, with comparisons to 2011/12 and 2012/13.

It was noted that there was an error in the report, namely in Figure 1 the number of complaints received in 2013/14 should have read 14 not 13.

Members agreed that the small number of complaints upheld or partially upheld gave an assurance to the Fire Authority about the Service's performance. There was concern, however, that not all compliments were captured in the data provided, and that complaints withdrawn were included, which lead to a skew in the figures. Officers, therefore, undertook to consider how this could be resolved, when carrying out their review of the process. Councillor Bennett asked that they also look at how the public might be made more aware of the complaints procedure.

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

Resolved that the Committee note the report

The Group Commander arrived at this point (2.35 pm).

12 Performance

12a Public Value Performance Measures April 2013 to March 2014

This report presented a summary of the Service's year-end performance for the period April 2013 to March 2014.

Councillor Mellings asked whether there was any reason for the exceptional outturn for Measures 2b and 3a relating to fire crimes and fire-related deaths and serious injuries. The Chief Fire Officer replied that there had been a drop in crime generally throughout Europe, which was attributed to the increased use of social media: whilst people were engaged in this they were distracted from committing crime. In addition, the weather during school holiday periods had been wet, which discouraged young people from being out and about.

Referring to the failure to achieve Measure 3b relating to injuries sustained to staff through firefighting, Councillor Mellings pointed out that officers had advised the Strategy and Resources Committee that the target would not be achievable, unless it were increased. This was, therefore, more a matter of target setting than performance.

Members agreed that the recently-introduced Fire Safety Newsletter was an excellent document and asked that they continue to receive it.

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

Resolved that the Committee note the report

12b Retained Duty System Performance Monitoring January to March 2014

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

The Group Commander reported on the difficulties in recruiting and retaining RDS staff in certain areas and the steps, which were being taken to address them. He thanked Councillor Hurst-Knight for attending his Local Joint Committee to explain these difficulties to local people and the impact this could have on their fire stations.

Councillor Hurst-Knight felt that it would be a good idea for Fire Authority Members to have greater contact with their local stations to provide support. Councillor Mellings responded that some work had already been done on this but Members must be clear about their role, which was a strategic one; they should not become involved in day-to-day matters. The Chief Fire Officer agreed and pointed out that the Strategic Risk and Planning Group visited all stations during the 2020 Integrated Risk Management Planning process. He undertook, however, to consider the matter.

Referring to the SEED software mentioned in the report, Councillor Mellings asked if there would be an evaluation of this and, if so, he felt it would be useful for the Committee to receive some feedback. The Group Commander replied that he should be able to report on the outcomes during the next quarter.

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

Resolved that the Committee note the report

The Group Commander left at this point (3.00 pm).

13 Shropshire Fire Risk Management Services Performance Reporting

This report provided information on the performance of the Fire Authority controlled company, Shropshire Fire Risk Management Services.

The appendix to this report contained exempt information and would, therefore, be considered in closed session at item 17.

Councillor Mellings, as a Director of Shropshire Fire Risk Management Services and in the absence of the Company Manager, presented this report, which provided the introduction to the exempt papers to be considered at item 17.

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

Resolved that The Committee note the report

14 Internal Audit Annual Report 2013/14

This Annual Report provided Members with details of the work undertaken by Internal Audit for the year ended 31 March 2014. It reported on progress against the annual audit plan. It also provided the Head of Audit's (Audit Service Manager's) opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control, as required by the Public Sector Internal Audit Standards, which in turn contributed to the review of the effectiveness of the systems of internal control as required by the Accounts and Audit Regulations 2011 4(2).

The Audit Service Manager referred to the two 'Unsatisfactory' assurance opinions, given by Internal Audit in respect of the Payroll Overpayments and Command and Control audits. She reported that the payroll system as a whole had been given a 'Reasonable' assurance opinion and that overpayments were only one very small part of that system. Internal Audit had followed up the Command and Control audit with Service officers and seen the actions taken by managers and the direction of travel. That assurance opinion had, therefore, now been upgraded to 'Limited'.

She was satisfied that there was an action plan behind every recommendation and had been advised that resources would be devoted to ensure implementation. In response to a question from Councillor Mellings regarding timescales for the actions, she advised that the recommendations would be followed up in six months' time and then again in the annual audit. The Committee need not take any further action at this time, as Internal Audit would provide details of the direction of travel in future reports. Members did, however, need to assure themselves that officers had the resources to devote to implementing the recommendations.

The Assistant Chief Officer – Corporate Services outlined what steps were being taken to provide the necessary resources. She assured the Committee that officers were doing everything within their power to implement the recommendations but added that there were external circumstances beyond their control, which could have an impact. The Chief Fire Officer added that there was provision within the reserves, which officers would use in the short term to address the issues identified by Internal Audit.

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

Resolved that the Committee, having considered the report, endorse:

- a) Performance against the Audit Plan for the year ended 31 March 2014;
- b) That the system of internal control was operating effectively and could be relied upon when considering the Annual Governance Statement for 2013/14; and
- c) The Audit Service Manager's positive year end opinion on the Authority's internal control environment for 2013/14 on the basis of the work undertaken and management responses received

15 Local Government Act 1972

It was proposed by Councillor Hurst-Knight, seconded by Councillor Bennett 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

16 Exempt Minutes

Members received the exempt minutes of the Audit and Performance Management Committee meeting, held on 27 March 2014.

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

Resolved that the exempt minutes of the Audit and Performance Management Committee meeting, held on 27 March 2014, be agreed and signed by the Chair as a correct record

17 Shropshire Fire Risk Management Services

The Committee received the following appendices to report 13, which contained exempt information:

17a Financial Information to 31 March 2014

17b Performance Indicators to 20 May 2014

Councillor Mellings, as a Director of Shropshire Fire Risk Management Services and in the absence of the Company Manager, presented these papers. He gave a comprehensive update on the financial position of the company and the approach taken to growing the business.

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

Resolved that the Committee note exempt papers:

17a Financial Information to 31 March 2014; and

17b Performance Indicators to 20 May 2014

The meeting closed at 3.15 pm.

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

Chair.....

on

Date.....