

**Non-Exempt Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held at Headquarters, Shrewsbury
on Thursday, 27 March 2014 at 2.00 pm**

Members

Councillors Adams (from 2.37 pm), Bennett, Mrs Bould, Hurst-Knight, Dr Jones (Chair), Kiernan and Mellings (Vice-Chair)

Officers

Chief Fire Officer, Assistant Chief Fire Officer - Corporate Services, Assistant Chief Fire Officer - Service Delivery, Treasurer, Company Manager Shropshire Fire Risk Management Services (for items 12, 14 and 15), Head of Finance, Planning and Performance Manager, Group Commander Prevention and Executive Support Officer

External Bodies

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

The Chair welcomed Mr Patterson and Mrs Hill from External Audit and Mrs Hall from Audit Services, who were attending the meeting to present reports. The Chair also advised that this would be Mrs Hall's last meeting, as she was leaving her post at Shropshire Council on 31 March 2014. The Chair thanked Mrs Hall for her work with the Service and wished her all the best for the future. Mrs Hall thanked Members and officers for being such a pleasure to work with.

1 Apologies for Absence

There were no apologies for absence. Councillor Adams had advised that he might arrive late and subsequently joined the meeting at 2.37 pm.

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.

Councillors Kiernan and Mellings declared a Disclosable Pecuniary Interest in items 8c and 10 as Directors of Shropshire Fire Risk Management Services.

Both Councillors Kiernan and Mellings had been granted a dispensation by the Standards Committee, which allowed them 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 Councillors Kiernan and Mellings to participate in the discussion of this item.

3 Minutes

Members received the minutes of the meeting of the Audit and Performance Management Committee, held on 14 November 2013.

It was proposed by Councillor Mellings, seconded by Councillor Mrs Bould, and

Resolved that the minutes of the meeting of the Audit and Performance Management Committee, held on 14 November 2013, be approved 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 Audit and Performance Management Committee Proposed Work Plan 2014 / 2015

This report put forward a 2014 / 2015 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 Bennett, seconded by Councillor Kiernan, and

Resolved that the Committee approve the Audit and Performance Management Committee Work Plan 2014 / 2015, attached as an appendix to the report, without amendment.

6 External Audit Plan for Year Ended 31 March 2014

Mr Patterson presented the Audit Plan 2014 / 2015. The following is a synopsis of the points raised.

Amended versions of pages 7 and 8 of the report were tabled to take account of minor changes that had occurred since the papers for the meeting had been published. A copy of the tabled document is attached to the signed minutes.

Mr Patterson highlighted page 5 of the report, which set out the developments relevant to the organisation and the audit.

In particular, he drew Members' attention to the change to the CIPFA Code of Practice in relation to Property, Plant and Equipment valuations and the change to the business rates retention system, the impact of which was still not clear. He also reported that the auditors would monitor disclosures from Shropshire Fire Risk Management Services Limited.

With regard to page 7 of the tabled document, Mr Patterson explained that there were two presumed significant risks, which were applicable to all audits. The first of these was that the revenue cycle included fraudulent transaction. The auditors had, however, concluded that this presumed risk could be rebutted for both Authority revenues and firefighter pension fund contributions. On page 8 of the report, Property, Plant and Equipment had been added as a possible risk. This had been determined as a material misstatement and, therefore, needed to be documented.

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

Resolved that the Committee note the External Audit Plan for Year Ended 31 March 2014

7 Internal Audit

7a Internal Audit Plan 2014/15

This report reviewed the programme of audit work for the period 2014/15 and recommended that the Fire Authority approve changes to the programme, as set out in the report.

The Head of Finance (HoF) explained that the appendix contained the original Strategic Audit Plan for Shropshire Fire and Rescue Service, which covered a four-year period, starting from 2012/13. The appendix showed that there were 51 days allocated to audits for 2014/15. The HoF advised that this figure would remain the same but that the table on page 2 of the report set out those audits, where there were proposed changes to the number of days required. She explained that top-up testing was no longer required and that an extra day had been allocated to recommendation follow up. Six extra days had also been allocated for audit of payroll, pensions and computer services.

Councillor Bennett referred to the table on page 2 of the report and asked why there were five days allocated to Computer Services and six days to Payroll, Pensions and Computer Services. The HoF explained that the six days were a provisional allocation due to potential additional work.

Councillor Mellings referred to the Value for Money conclusion and asked if this would be considered from Audit Services' perspective. The HoF explained that some elements of Audit Services' work would cover value for money and these would be used by External Audit as part of their value for money conclusion.

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

Resolved that the Committee recommend that the Fire Authority approve the programme of audits for 2014/15, as set out in the report

7b 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.

The Planning and Performance Manager (PPM) explained that there were currently 34 outstanding recommendations, of which 6 were “significant” and 28 “require attention”. There was a draft report on the IT audit, which contained recommendations but these had not yet been included in the figures.

Councillor Mellings commented that it was pleasing to see a move in the right direction with significant progress being made in reducing the number of outstanding recommendations. Councillor Mellings asked what the age profile of these were. The PPM explained that one of the recommendations dated from 2010/11 and related to a Brigade Order. This was now complete and should be signed off. 5 of the recommendations dated from 2011/12, with the majority being from 2012/13.

Councillor Dr Jones asked how many IT recommendations were included in the draft report. The PPM explained that there were 17 recommendations but that some of these would be challenged.

It was proposed by Councillor Bennett, 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

8 Annual Governance Statement

8a Timetable

This report informed Members of the process, which would be put in place to ensure that the Authority’s Annual Governance Statement (AGS) was ready for inclusion in the Final Accounts for 2013/14.

It was proposed by Councillor Bennett, seconded by Councillor Mrs Bould, and

Resolved that the Committee agree the proposed AGS timetable, as detailed in paragraph 5 of the report

8b Improvement Plan 2013/14

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

The PPM drew Members' attention to section 5 of the report and the progress made to date. He advised that a report on the benefits review of the Service Transformation Programme would be brought to the June 2014 meeting of the Committee.

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 Annual Governance Statement Improvement Plan 2013/14

9 Operational Performance Assessment Action Plan

This report informed Members of the progress made to date on the Operational Performance Assessment (OPA) Action Plan, which was put in place following the assessment undertaken in October 2012.

The Assistant Chief Fire Officer – Service Delivery (ACFO-SD) presented this report and explained that it was a two-year action plan with a focus on collaborative working with Hereford and Worcester Fire and Rescue Service. It was proposed that a similar approach be undertaken for future operational performance assessments. It should be noted that the Department for Communities and Local Government had indicated that the Peer Review Process for OPA might be amended to 'give more teeth', including that the results of the assessment might be made public.

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

Resolved that the Committee note the progress made against the seven OPA areas for improvement, as detailed in the appendix to the report

10 Review of Whistleblowing Policy

This report requested the Committee to recommend that the Fire Authority approve the Whistleblowing Policy (attached as an appendix to the report), following the annual review conducted by officers.

The Assistant Chief Fire Officer – Corporate Services (ACFO-CS) advised that officers had undertaken a comprehensive review of the Policy, which included the incorporation of advice from Internal Audit. Due to the extent of the changes made to the document, they had not been tracked. The ACFO-CS advised that one of the major changes had concerned the issue of protection for individuals as detailed on page 3 of the appendix to the report.

Councillor Adams joined the meeting at this point (2.37 pm).

Councillor Bennett referred to the bullet points on page 3 of the report, which set out areas of concern that should be disclosed and asked if any guidance on what constituted 'other unethical conduct' would be given. The ACFO-CS replied that no further guidance would be given on this but there was a suite of supporting documents for employees, including the Employee Code of Conduct, of which all employees should be aware.

Councillor Mellings asked how often the Policy was used and how it was promoted to employees. The ACFO-CS explained that the last time an issue was raised under the Policy was in 2009. With regard to its promotion to employees, an article would be placed on the weekly staff newsletter, advising of the update following its agreement by the Fire Authority in April. The introduction of SharePoint into the Service would also help with the promotion of policies, such as this, as it would allow staff to be directed to documents of use.

Councillor Bould asked if the Policy covered discrimination. The ACFO-CS advised that it did not and that any issues relating to discrimination etc should be reported via the Service's Anti-Bullying policy or Grievance Procedure.

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

Resolved that the Committee agree to recommend to the Fire Authority the Whistleblowing Policy, attached as an appendix to the report, without amendment

11 Performance Monitoring

11a Public Value Performance Measures 2013/14 Quarter 3 April to December 2013

This report presented a summary of the Service's performance for the period April to December 2013.

An amended version of the appendix to the report was tabled, a copy of which is attached to the signed minutes.

The PPM reported that the Service is on target to achieve 4 out of the 6 Public Value Performance Measures. Councillor Mellings commented that it was pleasing to see a continuation of performance trends and referred to the issue of target setting for measure 3b – injuries sustained to staff through firefighting – which had been problematic last year. Councillor Bennett commented that the lower the target the better, as the focus should be on minimising risk rather reducing it completely.

Councillor Bennett asked about the possible future merger of the blue light services. The Chief Fire Officer (CFO) explained that this issue was likely to be addressed after the General Election but it was not known, at present, what guise it was likely to take. Councillor Bennett asked if it was appropriate to put the Authority's thoughts out in relation to any possible merger.

The CFO responded that a merger of Fire Control provision was being explored. This might include possible Police involvement and was being monitored. Some national scoping work was also being done on the issue. Shropshire Fire and Rescue Service had close links with West Midlands Ambulance Service and negotiations were ongoing with them regarding the siting of ambulances in the County. The ACFO-SD added that there was a focus on collaborative working within the Memorandum of Understanding with Hereford and Worcester Fire and Rescue Service.

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

Resolved that the Committee note the report

11b Retained Duty System Performance Monitoring October to December 2013

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

The CFO informed Members that, as could be seen in the graph on page 2 of the report, there had been an improvement in performance between July and December 2013. The recent recruitment campaign, which targeted priority stations, had successfully recruited 28 new recruits over the past 12 months. The CFO also reported that a flexible cover option was being trialled at Baschurch and that station would also trial the SEED availability application.

With regard to the station analysis, detailed in the appendix to the report, the CFO reported that Ludlow would not be included in future reports as a result of improved performance. The CFO also reported that two taster sessions had been held for women at Oswestry Fire Station. These events had resulted in positive feedback and work was ongoing to improve the fitness levels of potential applicants.

Councillor Mrs Bould asked what percentage of the current workforce was female. The CFO responded that it was approximately 4%. Councillor Mrs Bould then asked if there was a target for the percentage of females. The ACFO-CS responded that the target was 15% by 2018/19.

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

Resolved that the Committee note the contents of the report

11c Public Value Measures and Targets 2014/15

This report presented the agreed Public Value measures and targets for 2014/15.

The PPM explained that Councillor Mellings had requested that the report be brought to the Committee to set out the rationale behind the targets that had been set for the 2014/15 Performance Measures.

The Chair commented that she had found the information regarding the origination of the targets to be very useful.

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

Resolved that the Committee note the contents of the report

12 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, and also on the 'soft launch', which took place during February.

The Company Manager reported that the launch of the company had commenced on 20 February 2014 at the Shropshire Chamber Business Expo at New College, Telford. Approximately 40 businesses were at the event and a lot of contacts were made.

Councillor Mellings reported that he had attended for part of the event, which had been a busy session, involving a wide variety of businesses and networking opportunities.

It was proposed by Councillor Bennett, seconded by Councillor Mrs Bould, and

Resolved that the Committee note the report

13 Local Government Act 1972

It was proposed by Councillor Mellings, 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 item on the grounds that it 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.

14 Shropshire Fire Risk Management Services Performance Reporting (Paragraph 3)

The Committee received the exempt appendix to report 12 – Shropshire Fire Risk Management Services Performance Reporting.

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

Resolved that the Committee note the exempt appendix to report 12 – Shropshire Fire Risk Management Services Performance Reporting

15 Positive Impacts of Community Fire Safety Work

As requested by the Committee at its meeting in November 2013, the Group Manager Prevention gave a presentation on the positive impacts of community fire safety.

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

Resolved that the Committee note the presentation given.

The meeting closed at 3.35 pm.

Chair.....

Date.....