

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
Meeting held at Headquarters, Shrewsbury
on Thursday, 14 November 2013 at 2.00 pm**

Members

Councillors Adams (from 2.25 pm), Mrs Bould, Hurst-Knight, Dr Jones (Chair) and Mellings (Vice-Chair)

Officers

Chief Fire Officer, Assistant Chief Fire Officer (Corporate Services), Treasurer, Company Manager (Shropshire Fire Risk Management Services), Planning and Performance Manager, Shropshire Rural Performance Group Commander (for item 8b) and Executive Support Officer

External Bodies

Mr Patterson (Grant Thornton, External Audit)

Mrs Pilawski and Mr Chadderton (Audit Services, Shropshire Council) for items 1 to 7

The Chair welcomed Mr Patterson from External Audit and Mrs Pilawski and Mr Chadderton from Audit Services, who were attending the meeting to present reports.

1 Apologies for Absence

Apologies for absence have been received from Councillors Bennett and Kiernan.

2 Disclosable Pecuniary Interests

The Chair reminded Members that they must not participate in the discussion 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.

Councillor Mellings declared a Disclosable Pecuniary Interest in items 8c and 10 as a Director of Shropshire Fire Risk Management Services. Councillor Mellings had been granted a dispensation by the Standards Committee, which allowed him to take part in the discussion 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 the item.

3 Minutes

Mr Patterson asked that the first paragraph at Item 7 on page 4 of the minutes be amended to read ‘...External Audit proposed to give an unqualified opinion on the Statement of Accounts and unqualified value for money conclusion’.

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

Resolved that Members agree the minutes of the Audit and Performance Management Committee meeting, held on 27 September 2013, subject to the amendment detailed above, and that they be 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 External Audit Matters

5a Annual Audit Letter

Members received the Annual Audit Letter 2013/14 of the External Auditor, which summarised the key findings of the audit for the year ended 31 March 2013.

Mr Patterson presented the Annual Audit Letter to the Committee and talked through each of the elements, set out in the letter.

Councillor Mellings referred to the Service Transformation Programme, which would run for five years, and asked when External Audit would look at it. Mr Patterson responded, and the Chief Fire Officer (CFO) and the Treasurer concurred, that it was not appropriate for External Audit to look at the Service Transformation Programme at present but this would be discussed and agreed at a later date.

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

Resolved that the Committee receive and note the Annual Audit Letter 2013/14

5b External Audit / Internal Audit Protocol

This protocol set out the key principles and procedures underpinning the working relationship between Audit Services and the Fire Authority’s external auditors, Grant Thornton. It established a framework for co-ordination, co-operation and exchange of information.

Mr Patterson presented the Protocol to the Committee and explained that it outlined the roles and responsibilities for both External and Internal Audit and that it had been based on the International Standards on Auditing (ISAs).

Councillor Dr Jones commented that it was useful for Members and asked if it would be reviewed annually. Mr Patterson confirmed that it would.

Councillor Mrs Bould referred to the section, detailing Internal Audit responsibilities, and asked what the procedure would be for fraud below £10,000, if fraud above £10,000 is reported to External Audit. Mrs Pilawski explained that any identified fraud below £10,000 would be reported to the Audit and Performance Management Committee.

It was proposed by Councillor Hurst-Knight, seconded by Councillor Mrs Bould, and

Resolved that the Committee receive and note the External Audit / Internal Audit Protocol.

5c External Audit Update Report

This paper provided a report on the progress of Grant Thornton in delivering their responsibilities as the Fire Authority's external auditors. The paper also included a summary of emerging national issues and developments that may be relevant to the Fire and Authority and a number of challenge questions in respect of these emerging issues, which the Committee might wish to consider.

Mr Patterson presented the report to the Committee and talked through the table on page 5 of the report. He explained that, as the audit programme for 2013/14 was just beginning, there was little progress to report, although this would develop further over coming months. Mr Patterson then referred to the challenge questions, which were included in the document and explained that these were designed to raise Members' awareness of the issues concerned.

With regard to the Local Government Pension Scheme consultation, detailed on page 7 of the report, the Treasurer confirmed that a consultation response had been sent from the Pensions Department of Shropshire Council.

Mr Patterson confirmed that he was happy that the Fire Authority was appropriately tackling the involvement of elected Members in financial planning, as detailed on page 8 of the report, and that the Fire Authority was ensuring training was provided for Members.

The Treasurer confirmed that he and the Head of Finance were aware of the proposed changes to the 2014/15 Code of Practice on Local Authority Accounting, as detailed on page 10 of the report, and would be undertaking an assessment of their potential impact on the Fire Authority.

Councillor Hurst-Knight asked if the challenge questions were included on the agenda of the regular meetings between External Audit and officers. Mr Patterson explained that they were not but they would be discussed, if there was anything of particular concern.

Mr Patterson further explained that the primary focus for the challenge questions was for the members of the Committee and that, if Members were not aware of the issues raised, then they should be asking officers why this was the case.

Councillor Mellings referred to page 8 of the report regarding financial planning and asked if any training needs had been identified for Members with regard to this. The CFO responded that the identification of training needs for Members should be led by the Members with the assistance of officers and the focus for financial planning training would be on the Strategy and Resources Committee.

Councillor Adams joined the meeting at this point (2.25 pm).

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

Resolved that the Committee receive and note the External Audit Update Report

6 Annual Governance Statement 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 Planning and Performance Manager (PPM) presented this report and explained that it detailed high-level progress against the AGS Improvement Plan.

The PPM explained that those improvements, which were owned by Assistant Chief Fire Officer (ACFO) Worrall had now been taken over by ACFO McKenzie and ACFO Johnson. ACFO Johnson was currently reviewing the outcomes of the Operational Assurance Assessment and the findings of the review would be reported to the Service Management Team.

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

Resolved that the Committee note the progress made against each of the improvements, contained in the Annual Governance Statement Improvement Plan 2013/14

7 Service Transformation Programme Update

This report updated Members on the high-level benefits of the Service Transformation Programme (STP).

The PPM presented this report and suggested that the annual report be brought to the June meeting of the Committee.

The PPM drew Members' attention to the appendix to the report, which showed the costs / benefits of each of the projects within the STP, and explained that work was currently being undertaken to identify the cashable and non-cashable savings related to the projects.

Councillor Adams referred to the Personal Protective Equipment project and asked if this had yielded benefits operationally. The CFO responded that as yet there had been no formal assessment of the project but feedback from users had been excellent.

It was proposed by Councillor Dr Jones, seconded by Councillor Mrs Bould, and

Resolved that the Committee:

- a) Note the contents of the report; and
- b) Agree to receive a report annually, charting past and current progress of the Service Transformation Programme, together with an outline of future planned activities

Councillor Mellings left the meeting at this point (2.35 pm).

8 Performance Monitoring

8a Public Value Performance Measures 2013/14 Quarter 2 Performance April to September 2013

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

The Assistant Chief Fire Officer (Corporate Services) (ACFO (CS)) presented this report and informed Members that currently one out of the six measures was failing. This was measure 1b – the first fire engine will arrive with a minimum competent crew on 100% of occasions. The ACFO (CS) reported that the issues with the medicals, which had been impacting on performance against this indicator, had been rectified but this had not yet fed through into the performance data. It was expected that this would lead to an improvement in performance but, at present, it was not clear how much of an impact there would be.

Councillor Mellings returned to the meeting at this point (2.37 pm).

Councillor Mellings referred to measures 2a and 2b, which concerned accidental fires and fire crimes respectively and asked if there was an identifiable trend in performance against these measures, i.e. was the performance achieved attributable to the work of the Prevention Department. The CFO responded that the trend had continued from last year and that there appeared to be several reasons for the continued downward performance. The Prevention Department continued to operate on an intelligence-led basis via focussed campaigns. The reduction in accidental fires and fire crime was attributable to this approach but also reflected a wider reduction in the general number of crimes.

The Head of Prevention commented that the Prevention Team had made no significant changes to their approaches from last year and were continuing to target the most vulnerable groups by working closely with local housing trusts etc.

The Group Manager Prevention was currently gathering information on the positive impacts made by the work of the Prevention Team, which would not be evident in the performance data reported, for example referrals made to partner agencies. Members requested that this information be presented to the next meeting of the Committee and noted that it would need to be heard in closed session, as the detail contained in it might make it possible to identify individuals.

It was proposed by Councillor Dr Jones, seconded by Councillor Hurst-Knight and

Resolved that the Committee note the report

8b Retained Duty System Performance Monitoring July to September 2013

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

The Shropshire Rural Performance Group Commander (SRPGC) reported that for this quarter there were 6 RDS stations that were falling below 98% availability: Baschurch, Cleobury Mortimer, Ludlow, Minsterley and Much Wenlock. He gave a summary of the work that was being undertaken to address the issues at each of the stations concerned.

Councillor Dr Jones referred to page 11 of the report and asked if the Women's Taster Sessions had been successful. The SRPGC responded that, as a result of the sessions, there were two confirmed recruits for Prees, who were currently going through the recruitment process. The sessions received good feedback and the possibility of holding further sessions, perhaps in the south of the County, was being explored.

Councillor Hurst-Knight suggested that it might be beneficial to arrange a meeting with Cleobury Mortimer Town Council in the hope of tapping into their communication networks. The SRPGC undertook to look at arranging this.

It was proposed by Councillor Dr Jones, seconded by Councillor Mrs Bould and

Resolved that the Committee note the contents of the report

8c 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.

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

Resolved that the Committee note the report

9 Local Government Act 1972

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

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

The Committee received the exempt appendix to report 8c – Shropshire Fire Risk Management Services Performance Reporting.

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

Resolved that the Committee note the exempt appendix to report 8c – Shropshire Fire Risk Management Services Performance Reporting.

The meeting closed at 3.20 pm.

Chair.....

Date.....