

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Audit and Performance Management Committee
held at Headquarters, Shrewsbury
on Thursday, 10 September 2009 at 2.00 pm**

Present

Members

Councillors Adams, Mrs Greenaway, Kiernan, Mason, Mellings, Price

Officers

Assistant Chief Fire Officer Worrall, Assistant Chief Officer (for items 18 onwards),
Integrated Risk Manager, District Officer South, Information Officer,
Corporate Services Manager, Management Support Officer
Mrs Hall – Internal Audit, Shropshire Council
Mr Corcoran and Mr Wilson – Audit Commission

1 Election of Chair

The Corporate Services Manager reminded the Committee that, according to its terms of reference, the Chair should be elected from a member of the largest opposition group. It was noted that Labour, Liberal Democrat and Independent Members had agreed at the Annual Meeting to share the responsibilities of the largest opposition group.

It was proposed by Councillor Mason and seconded by Councillor Mellings

That Councillor Dr Jones be elected Chair of the Audit and Performance Management Committee.

There being no other nominations, Councillor Dr Jones was duly elected Chair to hold office until the meeting of the Committee immediately following the Annual Meeting of the Fire Authority.

2 Appointment of Vice-Chair

It was proposed by Councillor Mellings and seconded by Councillor Mason

That Councillor Mrs Greenaway be appointed Vice-Chair of the Audit and Performance Management Committee.

There being no other nominations, Councillor Mrs Greenaway was duly appointed Vice-Chair to hold office until the meeting of the Committee immediately following the Annual Meeting of the Fire Authority.

Councillor Mrs Greenaway, as Vice-Chair of the Committee, then took the Chair, as Councillor Dr Jones, the Chair of the Committee, was not present.

3 Apologies for Absence

Apologies for absence had been received from Councillor Dr Jones.

4 Declarations of Interest

There were no declarations of interest.

5 Minutes

Members received the minutes of the meeting of the Audit and Performance Management Committee, held on 12 March 2009.

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

Resolved that the minutes of the meeting of the Audit and Performance Management Committee, held on 12 March 2009, be approved and signed by the Chair as a correct record

6 Public Questions

No public questions, statements or petitions had been received.

7 Constitution, Meeting Dates and Training

The purpose of this report was to bring the latest version of the Committee's constitution to the notice of its Members. The report also advised of the November 2009 meeting date and requested agreement for the 2010 meeting dates. Finally, the report brought Members up-to-date on training issues and requested them to consider what should be the topic of the next training session.

The Treasurer referred to the skills assessment questionnaire, which had been sent last year to Members of the Committee and which indicated that there were wide variations in their skills, strengths and weaknesses. He touched upon Treasury Management training and explained that the Fire Authority's Treasury Management policies needed to be reviewed in line with those of Shropshire Council, who were awaiting the Chartered Institute of Public Finance and Accountancy code of guidance. This would, therefore, be an important topic for Members. The Committee agreed that Treasury Management should be the first subject of the next training session and that the skills assessment questionnaire should be sent to all new Members of the Committee.

Councillor Mellings requested that a session on performance be included in the training programme.

Councillor Mason suggested that training could be delivered prior to Fire Authority and Committee meetings. The Committee concurred and felt it would save resources and travelling time.

Resolved that the Committee:

- a) Note the constitution of the Audit and Performance Management Committee;
- b) Agree the Committee's 2010 meeting dates, set out at section 4; and
- c) Note the latest position with regard to training and agree that Treasury Management be the topic of the next training session

8 Amendments to Final Accounts

Since the Fire Authority approved the Statement of Accounts 2008/09 on 3 July 2009 a number of amendments had been made:

- Amendments had been made to the Financial Statements to reflect further impairment costs (£14,000), on the Fire Authority's fixed assets.
- Disclosure notes regarding financial instruments and Financial Reporting Standard (FRS) 17 pension adjustments had been expanded.

The question of impairment of the value of land as a result of the economic downturn had not been resolved. On limited local evidence this could be significant, although showing impairment in the balance sheet would in itself have no consequences for the Authority. The Audit Commission's technical department had picked up an issue affecting the way all Police and Fire Authorities treat FRS 17 deficits in their general funds. The implications of this generally, and for the Fire Authority's accounts, were still being explained.

Resolved that the Committee note the agenda update on amendments to the Final Accounts

9 Annual Governance Report 2008/09

Mr Corcoran and Mr Wilson, External Auditors from the Audit Commission, introduced themselves to the Committee. Mr Corcoran congratulated the Fire Authority on the preparation of the accounts and the Use of Resources score, adding that the Service had achieved 3's across the board, which was a significant achievement and well above average.

Mr Wilson brought the Committee's attention to page 5 of the report. The valuation indicated a significant fall in the value of fixed assets, due to the current economic climate but this was merely a paper valuation. In closing, Mr Wilson commented on how good the working papers for the final accounts were and that the Fire Authority's Use of Resources scores were better than those of most other authorities.

The Chair thanked everyone for their work in achieving such good results.

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

Resolved that the Committee formally adopt the Annual Governance Report 2008/09

The Chair, Chief Fire Officer and Treasurer (in accordance with the authority delegated to them by the Fire Authority at its meeting on 19 July 2006) then signed the Letter of Representation for the year ended 31 March 2009, as required by the Audit Commission.

10 Internal Audit 2008/09 Summary Audit Report

Mrs Hall, Principal Auditor for Shropshire Council, introduced herself to the Committee. She summarised her report and pointed out the recommendations outstanding from 2007/08, which still needed to be addressed. These were, however, now being considered by the Risk Management Group and were likely, therefore, to be speedily resolved.

The Committee showed concern over the recommendations outstanding on page 4 of the report and agreed to monitor them in future meetings.

The Treasurer emphasised it was an important feature of governance for the Fire Authority to have an independent audit from its internal auditors.

Resolved that the Committee note the contents of the report

11 Risk Management Group Internal Audit Progress Monitoring Report

This report provided Members with a summary of the work, undertaken by the Risk Management Group, into the monitoring of the recommendations that had been made in the various audit reports produced by Internal Audit. It gave specific details about the progress made against the outstanding recommendations, referenced in the Internal Audit 2008/09 Summary Audit Report.

The Integrated Risk Manager informed the Committee that, in liaison with Internal Audit, the Risk Management Group had identified where improvement was needed, and they would be introducing a joint database. He referred to the appendix and confirmed that, out of 23 outstanding recommendations, 9 had been fully implemented and 14 had been partially implemented.

Councillor Mellings noted that there was now a process in place to address outstanding recommendations, but still had some concerns that they had been overlooked in the first place. He requested that further reports be brought to the Committee regarding the 14 recommendations still outstanding. The Integrated Risk Manager confirmed that this would be done.

The Chair also expressed concern regarding the outstanding recommendations from 2005/06 but was pleased that the Committee would now receive regular updates in order to monitor progress.

Resolved that the Committee note:

- a) The progress that had been made against the outstanding recommendations noted in the Internal Audit 2008/09 Summary Audit Report; and
- b) That the Risk Management Group would continue to monitor progress against all recommendations, reporting progress on them to the Committee on a regular basis.

12 Code of Corporate Governance 2009/10

This report gave the Committee an opportunity to make comment on the proposed new Code of Corporate Governance, prior to its going forward to the full Fire Authority for agreement and adoption.

The Corporate Services Manager confirmed that Shropshire Council had a code based on the same principles, in line with Chartered Institute of Public Finance and Accountancy guidance.

Councillor Adams stated that the report was well thought out. Councillor Mellings added that this was a comprehensive report, but asked whether role descriptions for the Chair and Vice-Chair of the Audit and Performance Management Committee had yet been developed. The Corporate Services Manager replied that this was an action, which appeared in the Committee's work plan for November 2009.

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

Resolved that the Committee forward the draft Code to the Fire Authority for approval and formal adoption

13 Annual Governance Statement Improvement Plan 2009/10

This report presented the new 'Annual Governance Statement' (AGS) Improvement Plan 2009/10, formally approved by the Fire Authority on 3 July 2009, and the progress made to date against the improvements contained in that Plan.

The Integrated Risk Manager informed the Committee that officers are on track with 6 of the 7 improvements and should meet the deadlines set. He brought the Committee's attention to the appendix and highlighted item 4. This issue had been reported to Policy Group in order to be resolved and a solution was anticipated at its next meeting. The outcome would be reported to the next meeting of the Committee.

Resolved that the Committee note:

- a) The contents of the Fire Authority's AGS Improvement Plan 2009/10; and
- b) The progress made against each of the improvements contained in this plan

14 Summary of Compliments and Complaints 2006/07 to 2008/09

This report advised Members of summary details regarding the compliments and complaints received during 2008/09, with comparisons to 2006/07 and 2007/08.

The Assistant Chief Fire Officer advised that the Service received a lot of compliments but it would be extremely labour intensive to provide a breakdown.

Members agreed that a further breakdown was not necessary, particularly as details of compliments can be viewed on the website and are made available at Fire Authority meetings.

Resolved that the Committee:

- a) Note the contents of the report; and
- b) Agree that no further analysis of compliments is required

15 Performance and Financial Benchmarking

This report set out potential benchmarking material, which was available to judge the performance of aspects of the Authority's work.

The Treasurer explained that the benchmarking service might assist in streamlining the Service's current performance indicators but was probably more relevant to larger authorities. He advised that it would be preferable for officers to work out which performance indicators (as detailed in the appendix to the report) would be of most use and relevance to the Fire Authority. This would then provide a clearer picture as to whether it would be cost-effective to join the benchmarking service.

A discussion took place about the relevance of the information provided. Members expressed concern over the amount of time, which would be taken to gather information for not much benefit to the Authority. The Treasurer felt that it would be useful for the Committee to receive a further report before making a decision, to which Members agreed.

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

Resolved that the Committee ask officers to examine the performance indicators, and to quantify and report back those they consider appropriate to use for benchmarking the Authority

16a Performance Assessment – Key Performance Indicators

This report informed Members of the score, which would be attributed to the Authority, for the Key Performance Indicator element of the performance assessment 2008/09, had it still been assessed.

Resolved that the Committee note the contents of the report

16b Performance against Best Value Performance Indicators April 2008 to March 2009

This report informed Members of the Service's performance against nationally prescribed Best Value Performance Indicators for the period 1 April 2008 to 31 March 2009.

Resolved that the Committee note the contents of the report

16c Summary of Progress within Improvement Priorities and Core Business for 2008/09

This report informed Members of the progress within the Improvement Priorities Programme for 2008/09.

Resolved that the Committee note the contents of the report

16d Retained Duty System Performance Monitoring 2008/09

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

Resolved that the Committee note the contents of the report

17a Performance Assessment – Key Performance Indicators 2009/10

This report informed Members of the score, which would be attributed to the Authority, for the Key Performance Indicator element of the performance assessment 2009/10 based on current performance, if assessed.

The Information Officer explained how key performance indicators were measured, resulting in benchmarking this Authority with others. It was explained that scores are attributed using upper, middle or lower quartiles, including previous scores, which are used to contribute to Operational Assessments. In order to maintain consistency of scores, reports would follow the same structure throughout the year.

The Information Officer brought the Committee's attention to the appendix and highlighted Indicator F8 as unavailable due to the change in the Incident Recording System.

The Information Officer informed the Committee that, based on current performance, the Authority was achieving level 4. Councillor Mellings confirmed this was an improvement on the scores achieved by the Authority the previous year.

Resolved that the Committee note the contents of the report

17b Performance against Best Value Performance Indicators April 2009 to June 2009

This report informed Members of the Service's performance against nationally prescribed Best Value Performance Indicators (BVPIs) for the period 1 April 2009 to 30 June 2009.

The Information Officer gave a brief overview of the appendices to the report, which were then discussed in detail, and the following significant issues were highlighted:

Appendix A

BV8

Members had previously requested that invoices be paid in a 10-day period. The new indicator's purpose was to support local businesses and a target would be introduced, once the data had been collected for 2009/10.

BV11a

The percentage was changing due to the recent staff movements.

BV12

Over half of the absence was long term.

BV16 and BV17

Councillor Mellings asked how data for the indicator was gathered. The Information Officer confirmed that employees did not have to declare ethnicity or disability unless it affected their day-to-day duties. The percentage for the indicator was going up due to data cleansing.

Councillor Adams left the room at this point (3.24 pm).

BV206

A new reporting system has been introduced which is providing better and more accurate information.

Councillor Adams re-entered the room at this point (3.26 pm).

BV208

This indicator is inaccurate due to Communities and Local Government (CLG) guidance. Other Authorities are also in dispute with the CLG regarding this indicator.

BV209

It was not possible to obtain a correct result for this indicator, as officers were unable to gather details on reasons for non-activation of fire alarms.

Appendix B

The Information Officer informed the Committee that the indicator for Retained Duty System fire appliance availability is failing the target set of 99.5%. Further details were provided in report 17b, provided by the District Officer South.

Appendix D

The Indicator for arriving at a life risk incident within the set target was failing. On a number of occasions this had been by a minimal time of around 3 to 5 seconds.

The targets set for water incidents were under constant review due to lack of historical data, which might be why the indicator was failing.

Appendix E

The number of injuries occurring in all primary fires (NI49) was high and failing. This was down to just 1 incident where there had been multiple casualties, 1 fatality and 3 injuries.

Appendix G

The numbers might go up because of increased awareness of accident reporting.

Resolved that the Committee note the contents of the report

17c Summary of Progress within Improvement Priorities for 2009/10

The purpose of this report was to demonstrate to Members progress on the Fire Authority's Improvement Priorities for 2009/10.

The Assistant Chief Fire Officer referred to the Corporate Plan and then brought the Committee's attention to the outstanding improvement priorities in the appendix.

Resolved that the Committee note the contents of the report

17d Retained Duty System Performance Monitoring April 2009 to June 2009

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

The District Officer South informed the Committee that the figures in the report were continually improving. The Authority was currently failing the performance indicator of 99.50% for appliance availability, which currently stood at 99.25%. He emphasised how important recruitment was to achieve the target.

He brought the Committee's attention to page 3 of the report, and explained that Albrighton Fire Station was operational during the day because of hours provided by Retained Support Officers. The situation was being monitored by management, but recruitment would be essential to increase numbers of Retained Firefighters on station. Alternative hours of retained cover were being investigated by officers as a local initiative to increase flexibility.

The District Officer South confirmed that the statistics for retained cover changed constantly due to the current economic climate. Retained Firefighters were lowering their cover from full to three-quarters depending on their main employment. By the end of the year he would like to increase the number of retained firefighters to 335 to 340 through recruitment.

Two errors were pointed out on page 6 of the report: 1 female had resigned to take outside employment in 2006/07; and 1 female had left due to personal / work commitments in 2007/08./ These figures were not reflected on the relevant table in the report.

The Chair asked how the Risk Reduction Officers were working. The District Officer confirmed that they were targeting large businesses and vulnerable areas, resulting in saving time for wholtime and retained staff. With regards to actual figures or reports, they would be monitored through the Community Fire Safety Department.

Resolved that the Committee note the contents of the report

The Assistant Chief Officer joined the meeting at this point (4.10 pm).

18 Performance Indicators

This report advised Members of the mandatory and historical requirements for the reporting of performance, and proposals to review current arrangements.

The Assistant Chief Fire Officer informed Members that the Service was collecting huge amounts of data, gathering information on 82 performance indicators, 14 key performance indicators and 182 indicators, thus tying up 2 members of staff.

He recommended that the key issues directly affecting the running of the Service should be reported on, along with the best value performance indicators, which were set by the Government. The data collected should be valuable and make a difference to the Service. He proposed that once

indicators had been agreed these would be recorded from 1 April 2010 onwards.

Councillor Mason complimented the Assistant Chief Fire Officer on his proposals.

The Committee agreed the proposals and the need to prioritise performance indicators. They felt that further discussions would be required whilst reviewing the process.

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

Resolved that the Committee instruct Officers to review the current performance reporting arrangements, as an integral element of this year's integrated strategic planning process, leading to proposals for a more refined and meaningful suite of performance measures.

19a Equality and Diversity Steering Group – Summary Report

This report provided the Committee with a summary on the work of the Equality and Diversity Steering Group

The Assistant Chief Officer highlighted the main areas of achievement including the achievement of Equality Standard for Local Government Levels 3 and 4.

Resolved that the Committee note the contents of the report

19b Progress on the Corporate Equality Action Plan

This report updated Members on the progress of the actions identified within the Corporate Equality Action Plan.

The Assistant Chief Officer brought the Committee's attention to the appendix and reported that action 24 had not been completed due to the merger of the Equality Schemes, and that items 77 and 113 had been completed.

It was confirmed that the current method of reporting would continue until the schemes had been merged to the Single Equality Scheme.

Resolved that the Committee note the contents of the report

The meeting closed at 4.35 pm.

Chair.....

Date.....