

**HUMBERSIDE FIRE AUTHORITY**  
**GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE**

**17 SEPTEMBER 2018**

**PRESENT:** Independent Co-opted Members Mr M Allingham, Mrs P Jackson, Mr A Smith, Mrs M Thomlinson and Mr C Vertigans

Councillors Briggs and Green attended as observers.

Director of Operational Training, Director of Public Safety, Director of Service Support, S Edwards (Senior Finance Officer), N Baker (HR Service Partner), Senior Corporate Assurance Officer, Committee Manager, G Barker (External Audit - Mazars), R Woodley (External Audit - Mazars), K Lloyd (Internal Audit - MIAA) and G Baines (Internal Audit - MIAA) were also present. Mr C Drinkald (HMICFRS Service Liaison Lead) also attended as an observer.

Apologies for absence were submitted from Mr D Chapman (Chairperson) and Mr J Doyle.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull. Meeting commenced at 10.00 a.m.

*(The Committee Manager took the Chair for the following item (Minute 5920).*

**PROCEDURAL**

**5920 CHAIR** – In the absence of Mr D Chapman the Committee Manager invited the Committee to appoint a Chairperson for this meeting.

**Resolved** – That Mr C Vertigans be appointed Chairperson for this meeting.

*(Mr Vertigans took the Chair and welcomed Councillors Briggs and Green, Mr Drinkald and all other persons who were observing the meeting. The Chairperson also welcomed Mr Barker and Mr Woodley (Mazars) and Mr Baines (MIAA) who were attending the first meeting of the Committee. The Chairperson also congratulated Mr Lloyd (MIAA) on his appointment with Merseyside Police and expressed thanks for his work as Internal Auditor for the Fire Authority.*

**5921 MINUTES – Resolved** – That the minutes of the meeting of the Committee held on 16 July 2018 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

**MATTERS ARISING FROM THE MINUTES, OTHER THAN ON THE AGENDA**

**5922 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services – Update** – The Chairperson referred to Minute 5898 and reported that the Authority had now received notification of the inspection dates from HMICFRS and that there had been a good discussion regarding the inspection at the Member Day on 7 September 2018.

**5923 National Flood Resilience Centre – Ark** – The Director of Service Support referred to Minute 5887 of the meeting of the Committee held on 16 July 2018 and reported that it was intended to submit an update report to the next meeting of the Authority on 28 September 2018 and stated that it was envisaged that the business case for the project would be agreed at a meeting with the University of Hull to be held on 4 October 2018. The Director of Service Support stated that an update would be submitted to the next meeting of this Committee. A Member stated that the Project Register gave a different message to the

update now given, that the title of the project had changed which suggested that the scope had grown, and also indicated that the Committee might include the project as a scrutiny topic. Members acknowledged that this was an important project for which £1m had been allocated in the capital programme. A Member queried whether there was any benefit in submitting the Business Case to this Committee for consideration prior to it being submitted to the Authority. The Director of Service Support stated that the Business Case would be considered by the Authority in the first instance.

**Resolved** – That the report be received.

**5924 DECLARATIONS OF INTEREST** – No declarations were made in connection with any of the items to be considered at the meeting.

### **GOVERNANCE**

**5925 UPDATE: MATTERS ARISING/FEEDBACK FROM FIRE AUTHORITY** – The Committee Manager presented a report by the Monitoring Officer/Secretary summarising the consideration given by the Authority at its meeting on 27 July 2018 to the draft minutes of the meeting of the Committee held on 16 July 2018 and also providing feedback on other items considered by the Fire Authority at its meeting on 27 July 2018.

The Chairperson sought clarification of aspects of the report (HFA Minute 5919) on behalf of the Committee and suggested that future recruitment at senior level may be extended to include those without a Fire and Rescue background. The Committee also felt that should the Service be considering whether similar arrangements could be applied that these cases should be submitted as soon as possible, in the interests of workforce planning.

**Resolved** – That the report be noted.

### **AUDIT**

#### **EXTERNAL AUDIT (KPMG)**

**5926 Annual Audit Letter 2017/18** – Further to Minute 5892 the Senior Finance Officer, in the absence of a representative from the External Auditors (KPMG), presented the final Annual Audit Letter in respect to the Authority's accounts for 2017/18 indicating that KPMG had issued an unqualified opinion on the Authority's 2017/18 financial statements on 27 July 2018; had concluded that the Authority's Annual Governance Statement was consistent with their understanding and did not identify any issues; and that KPMG had also issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2017-18 on 27 July 2018 which meant that they were satisfied that during the year the Authority had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources. The letter also indicated that KPMG's fee for 2017-18 was £31,897 excluding VAT which was in line with the planned fee.

**Resolved** – That the Annual Audit Letter be noted.

#### **EXTERNAL AUDIT (MAZARS)**

**5927 External Audit Progress Report** – Mr G Barker (Mazars) Mr R Woodley (Mazars) introduced themselves to the Committee and stated that their main objective was to achieve a smooth transition in the handover of the external audit function from KPMG and briefly outlined their understanding of the work required and the requirement to report to the Authority and to this Committee. Mr Barker stated that Mazars welcome feedback at any time regarding the services they are providing.

**Resolved** – That the report be received.

**5928 MANAGEMENT ACCOUNTS TO 30 JUNE 2018** - The Senior Finance Officer presented a report by the Head of Finance containing the Authority's Management Accounts for the period ending 30 June 2018. The summary estimated outturn position for the current financial year based on information to 30 June 2018 was as follows:

<u>Category</u>	<u>2018/19 Outturn Projection</u>	
HFA		
Revenue Budget	£50k	overspend
Capital Programme	£5.46m	expenditure against £5.66m allocation
Pensions Account	£13.675m	deficit

The remaining reporting cycle for the Management Accounts for 2018/19 is shown in the table below:

<u>Period Ending</u>	<u>Authority Meeting</u>
30 September 2018	26 October 2018
31 December 2018	11 February 2019
28 February 2019	26 April 2019

The accounts had been previously submitted to the Fire Authority on 27 July 2018 (Minute 5911 refers).

A Member referred to the revenue statement on page 30 of the report which showed a variance of £230,000 in respect of wholetime employees and queried whether that sum accounts for all employment during the year; whether Agency Service costs under the budget heading 'Other Employee expenses' would go down, and also sought clarification of Service training on staff development and the virement of £64,402 shown on page 37 of the report. The Senior Finance Officer confirmed that the variance accounted for all employment during the year and explained that the Agency Service costs related to staff in support roles. The Senior Finance Officer undertook to supply budget details with regard to training on staff development to the next meeting and stated that the virement was a realignment of the training budget which was budgeted in different areas in departmental budgets. A Member stated that the Committee had previously received a report from Public Safety on training and queried whether there had been any update. The Director of Public Safety drew Members' attention to the Standard Delivery Guidance folder which he had a copy of available at the meeting. Mr K Lloyd (MIAA) reminded Members that the Audit Plan for 2018/19 included looking at operational training and that would pick up recent developments. A Member also sought clarification as to progress on the Clough Road scheme in the capital programme. The Director of Service Support explained that there had been delays in obtaining the necessary planning consents for the works but it was hoped to go out to tender for the works in the near future. The Chairperson referred to Treasury Management on page 35 of the report and queried whether the Authority was now receiving increased interest following changes in the Bank Rate, and stated that the Committee had previously asked that the 'traffic light' system used in the report be reviewed for purposes of clarity. The Senior Finance Officer confirmed that interest rates had increased and undertook to remind the Head of Finance to have a look at the 'traffic light' system used in the report.

**Resolved** – (a) That Members take assurance from the report and the Authority's financial position for the period ending 30 June 2018;

(b) that information regarding budget costs for training on staff development be submitted to the next meeting of this Committee, and

(c) that Officers review the 'traffic light' system included in the report.

**5929 INTERNAL AUDIT UPDATE** – Mr K Lloyd (Internal Audit - MIAA) introduced Mr G Baines who will be taking over from him when he leaves MIAA and submitted a report providing a progress update in respect of the assurances, key issues and progress against the

Internal Audit Plan for 2018/19, as approved by the Fire Authority in March 2018. The report indicated that comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request. In addition a consolidated follow up position is reported on a periodic basis to the Committee. Section 3 of the report provided details of the work in progress, Appendix A to the report provided the categorisation of assurance levels and risk ratings, and Appendix B confirmed 2018/19 Internal Audit activity including a strategic overview, profiled timeline and performance against plan. The report also included a table providing some general performance indicator information to support the Committee in assessing the performance of Internal Audit. There were no Critical/High Risk Recommendations raised since the previous meeting of the GAS Committee. Mr Lloyd stated that he had previously circulated draft terms of reference for audit reviews to Members of the GAS Committee and reported that they had since been agreed by the Senior Leadership Team with no changes made.

**Resolved** – That the Committee notes Internal Audit progress against the 2018/19 plan as set out in Appendix 1 to the report.

**5930 REVIEW OF ANTI-FRAUD RELATED POLICIES** – The Committee Manager presented a joint report by the Head of Finance presented and the Monitoring Officer/Secretary reminding the Committee that at its meeting on 12 September 2016 Members received reports concerning Whistleblowing, Anti-Fraud and Corruption, Anti-Bribery and Anti-Money Laundering policies. Those policies form a key part of the governance framework and the Annual Governance Statement and are therefore reviewed on an annual basis. As reported to the Committee on 18 September 2017 the policies were reviewed during August 2017 and some minor amendments were made to the policies which related mainly to job titles and section names. A further ‘light touch’ review had been undertaken and it was considered that the policies were still appropriate subject to some further minor amendments to the policies which relate mainly to job titles and section names. A copy of the following updated documents were attached to the report for Members’ information and assurance:

- Appendix A – Anti-Fraud and Corruption Policy (Part A) / Fraud Response Plan)(Part B);
- Appendix B – Whistleblowing Policy (Part A) / Whistleblowing Procedure (Part B);
- Appendix C – Anti-Bribery Policy;
- Appendix D – Anti-Money Laundering Policy.

The report stated that effective Whistleblowing and Anti-Fraud and Corruption policies formed part of the governance arrangements of the Authority, made the Authority’s position clear on a number of key areas, and were part of the system of internal control. Importantly, clear steps were set out should a process need to be initiated. The policies were promoted internally, through the induction of new employees (and forming recruitment packs) and through ongoing training and development. The policies are readily accessible both on the internet and intranet and as part of an annual reminder to Members and in employee payslips.

A Member stated that there was no mention in the report to the scrutiny review of Counter Fraud which was reported to the GAS Committee held on 9 April 2018 (Minute 5779 refers).

**Resolved** – That, subject to a typographical correction to the flow chart on page 65 of the report, Members take assurance from this annual review of the Authority’s Anti-Fraud related policies as set out in the appendices to the report.

**5931 INTERNAL AUDIT CONTRACT 1 APRIL 2019 ONWARDS** – The Senior Corporate Assurance Officer presented a joint report by the Head of Finance, Monitoring Officer/Secretary and himself recommending the commencement of a tender process to secure Internal Audit Services for a three-year period (with the option of a two-year extension) from

1 April 2019. Members were reminded that the current internal audit service has been delivered by Mersey Internal Audit Agency (MIAA) since 1 April 2014. The appointment of MIAA was approved following a nationally advertised competitive tendering exercise, undertaken in late 2013 and early 2014. MIAA were appointed for an initial three-year period from 1 April 2014 to 31 March 2017. An option to extend for a further two years (to 31 March 2019) was included as part of the tendering process and was implemented following Authority approval in September 2016. With regard to the Tender process the report indicated that internal audit services had previously been procured as a three-year fixed price contract, with an optional two-year extension clause. It was proposed to continue with that approach and commence the tender process in readiness for 1 April 2019. It was recommended that an open competitive tendering process be undertaken, advertised nationally to ensure transparency and value for money, and also proposed that the Evaluation Panel be constituted as set out in the report. The report also set out a broad timetable for the tender process, subject to Authority approval.

The Chairperson referred to paragraph 15 of the report and sought further information as to the 'alternative collaborative arrangements' that had been considered. The Senior Corporate Assurance Officer undertook to report back to the Committee. A Member welcomed the involvement of the Chairperson of the GAS Committee on the Evaluation Panel.

**Resolved** – That this Committee recommends that the Fire Authority commences a tender process to secure Internal Audit Services for a three year period (with the option of a two year extension) from 1 April 2019 as outlined in the report now submitted.

*(Note – The alternative collaborative arrangements referred to in Minute 5931 above related to discussions with the PCC for Humberside/Humberside Police and it was considered that this was not the right option for Humberside Fire and Rescue Service at this stage.)*

## PERFORMANCE, RISK AND PROGRAMME MANAGEMENT

**5932 Annual Performance Report 2017/18 - National Benchmarking Data** - The Senior Corporate Assurance Officer presented a report by the Head of Corporate Assurance, further to Minute 5897, reminding Members that the Authority publishes Annual Performance Reports which include the full performance information for the previous year. The draft report for 2017/18 was reported to the GAS Committee on 16 July 2018 omitting national benchmarking data, due to it being unavailable at the time of reporting. That data had now been received and incorporated into the Annual Performance Report 2017/18. The relevant page from the report was included at Appendix A to the report now submitted for consideration.

The Chairperson stated that there seemed to be some anomalies as between the data now submitted and the data submitted in the report on Agenda Item No. 12 and suggested that this was due to the use of the 3 year average in the later report. The Senior Corporate Assurance Officer stated that the data now submitted was in respect of 2017/18 only and informed Members that officers were doing some extended work to produce a more dynamic report. A Member referred to the benchmarking data set out in Appendix A relating to total non-fatal fire casualties which showed an increase of 31% compared to 2016/17 and queried what work was being done to reverse the trend. The Director of Public Safety briefly outlined the incidents included in the data.

**Resolved** – That Members note the update to the Annual Performance Report 2017/18.

**5933 Service Performance and Risk Report - 1st Quarter Period April – June 2018** - The Senior Corporate Assurance Officer presented a report by the Head of Corporate Assurance providing information relating to the Service's Performance and Risk Framework for the 1st quarter period April – June 2018 which was highlighted in the following summary table:

<b>Prevention Performance</b>				
Accidental Dwelling Fires	13% above 3 year average.			
Other Accidental Fires (exc. Vehicles)	73.1% above 3 year average.			
Deliberate Primary Fires	5.6% below 3 year average.			
Deliberate Secondary Fires	2.7% above 3 year average.			
Automatic Fire Alarms	3.3% above 3 year average.			
Fatalities	1 fatality (aspirational target 0)			
Injuries	16 injuries (aspirational target 0)			
<b>Response Performance</b>				
First engine response	7.01% better than target			
Second engine response	12.17% better than target			
<b>Projects Update</b>				
<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• ICT</li> <li>• Collaboration</li> </ul>	A summary of progress for Strategic Projects is provided at Paragraph 8 within the body of this Report.			
<b>Strategic Risks</b>		<b>Score</b>		
Reduction in external financial support	No change in risk	<b>72</b>		
East Coast and Hertfordshire Control Room Project (ECHCR).	No change in risk	<b>36</b>		
Incident Command System.	No change in risk. System is stable.	<b>40</b>		
National and local operational learning from incidents and arising issues is integrated into operational development and learning.	No change in risk	<b>9</b>		
<b>Complaints</b>				
<b>Quarter 1 Detail</b>				
Driving related	0 Upheld	1 Not Upheld		
Conduct of employees	0 Upheld	1 Not Upheld		
Performance of employees	0 Upheld	1 Not Upheld		
Damage to property whilst responding to incidents	0 Upheld	0 Not Upheld		
Other	0 Upheld	0 Not Upheld		
<b>Current and Previous Quarter for comparison</b>				
	Current Quarter		Previous Quarter	
Totals	0 Upheld	3 Not Upheld	4 Upheld	2 Not Upheld
<b>Compliments and Messages of Thanks</b>				
22 compliments and messages of thanks were received and posted on our Website:				
<u>Compliments and Messages of Thanks</u>				

Further detailed information was contained within Appendix 1 to the report which identified a number of performance issues of note that had arisen during the reporting period. Details with regard to accidental dwelling fires was set out in Appendix 2 to the report. The report also outlined some notable developments in Strategic Projects.

A Member referred to paragraph 8(a) of the report regarding the East Coast and Hertfordshire Control Room Project and stated that Members had previously been informed that Humberside Fire and Rescue Service was due to join the project from 20 November 2018 and queried whether that timetable was still accurate. The Director of Service Support stated that it was unlikely that 20 November 2018 will be the case as there is a 20 week period when all issues will be resolved, and that the expectation was that the commencement date will be during the current financial year. A Member referred to the statement in paragraph 8(a) that 'concerns remain over key aspects of the system' and

suggested that at this stage he would have expected a reference to 'some refinements' rather than 'key aspects'. The Director of Service Support outlined that the concerns related to issues around telephony and also more recent national developments that had emerged since the project was first designed i.e. Emergency Services Mobile Network (EMSN) and Airwave. The Director of Service Support stated that whilst Capita was aiming to resolve all issues within 20 weeks there remained a lot of work for HFRS to do before it would be in a position to join the system and that it remains for the Service to decide if and when it joins the service.

**Resolved** – That the Committee takes assurance as to the Service's proactive approach to performance and risk management.

**5934 Health, Safety and Environmental Report for the 1st Quarter Period April – June 2018** - The Director of Service Support submitted a report providing information with regard to Health, Safety and Environmental outcomes for the 1st quarter period April – June 2018. Details of the Service's Health, Safety and Environmental outcomes for this quarter was contained in Appendix 1 to the report. During the reporting period there were 23 incidents recorded that resulted in some form of personal injury compared to 29 for the same period last year. This was a significant decrease of almost 21% and even more reassuringly, was the lowest number of reported injuries or ill-health for quarter one in the last five years, and way below the five-year rolling average of 30 for quarter one. Interestingly, there were no ill-health episodes recorded, only physical injuries. Due to the makeup of the workforce, most of the injuries, 78%, were incurred by full-time firefighters. This was representative of the workforce and the more hazardous nature of the activities carried out by operational staff. As can be seen from the five-year rolling average the long-term accident trend continues to fall. Training activities make up the highest number of the total injuries reported which was the same as for quarter one for the previous year. However, the notable difference was that for quarter 1 last year training activity accidents made up 38% of the total (11 out of 29), whereas for quarter 1 this year, the proportion of the total had risen to 57%, (13 out of 23). No other activity areas show an increase in reported injuries. Physical Training and RTC remain the same whereas Routine Activities, Fire and Special Service show a reduction. Pleasingly the Service had also seen a rise in near miss reporting in comparison to last year's first quarter of over 25%.

A Member stated that it was very positive report and the Executive Summary was really useful and welcome and queried what action was being taken to communicate the good news contained in the report. The Director of Service Support stated that items are included on notice boards but that consideration could be given to looking at other ways of disseminating the information. The Chairperson stated that Members endorsed the content of the Executive Summary as a possible template for future reports to this Committee.

**Resolved** – That the Committee notes the report and takes assurance as to the Service's proactive approach to Health, Safety and Environmental outcomes.

**5935 Operational Assurance Report for the 1st Quarter Period April – June 2018** - The Director of Service Support submitted a report providing for the first time to this Committee information with regard to Operational Assurance outcomes for the 1st quarter period April – June 2018. The report indicated that over the last twelve months there had been work towards highlighting the importance of Operational Assurance. An Operational Assurance Plan had been developed to show how the Service will progress in the future. The majority of exceptional practices, safety critical concerns and areas of concern had been highlighted through Service Control. The main factor for this was due to current themed fireground review of messages and the self-reflection of Control personnel during incidents. Safety critical events that were highlighted during operational activities came from three areas. Five of those were from Service Control, an example being the inability to contact personnel to gather further information at an incident. Three firefighting areas reported an issue around the mains electric supplies being bypassed during a building fire. Areas of Concern were highlighted in 5 areas; 30 for Service Control, 29 incident management issues, 17 firefighting events, 9 road traffic collisions and 1 for working at height. The main

trends centered on communication to Service Control, appropriate PPE and safety jets. On a positive note, exceptional practices had risen dramatically in this quarter compared to figures in last year's quarter. Service Control had had 115 exceptional practices submitted, 29 in incident management, four submissions in firefighting, 17 road traffic collisions events and one for animal rescue. The Operational Assurance Team will continue to undertake further developments in several areas reflecting the Services positive approach as set out in paragraph 7 of the report. Details of the Service's Operational Assurance outcomes for this quarter were contained in Appendix 1 to the report. As this was the first report from Operational Assurance there was no comparative data to form the five-year rolling average.

A Member sought clarification regarding the reference in the report to 'appropriate PPE'. The Director of Service Support explained what was meant and stated that the CCTV of the incident on Beverley Road, Hull had revealed that not all firefighters were wearing PPE. The Chairperson queried whether CCTV was available for the incident on Hessle Road, Hull and if so whether it could be shown to Members of this Committee as Members had found the CCTV of the Beverley Road incident very informative. The Director of Service Support confirmed that this could be arranged.

**Resolved** – (a) That the Committee notes the report and takes assurance as to the Service's proactive approach to Operational Assurance outcomes, and

(b) that the CCTV of the fire incident on Hessle Road, Hull be shown to Members of the GAS Committee.

**5936 Absence Management Report for the 1st Quarter Period April – June 2018** - The HR Service Partner presented a report by the Director of Human Resources providing information with regard to Absence Management outcomes for the 1st quarter period April – June 2018. Appendix 1 to the report showed a detailed comparison of absence in the same quarter last year with this year which showed a significant improvement in the majority of areas with an overall decrease in absence of 20%. High levels of activity and focus had been placed on the management of absence over the last 12 months, with a detailed Absence Management Action Plan being developed and implemented which had led directly to improved performance in all areas.

A Member asked whether Control was fully staffed and what progress had been made in implementing the proposal to train up other staff to provide resilience. The HR Service Partner stated that there were currently 3 vacancies in Control which the Service was recruiting to at present.

**Resolved** – (a) That the Committee notes the report and takes assurance as to the Service's proactive approach to Absence Management outcomes, and

(b) that because of the vacancy situation and volatility in Control that a report be submitted to the next meeting of this Committee on progress in training up other staff to provide resilience.

**5937 Equality and Inclusion Annual Report 2018** – The Director of Public Safety presented a report by the Director of Human Resources detailing a wide range of activities and outcomes focused on mainstreaming equality and inclusion and achieving HFRS Public Sector Equality Duty (PSED) priorities. Publication of the report fulfils a requirement of the Equality Act 2010: PSED to collect and publish information on progress annually to communities, staff and stakeholders.

The Chairperson asked if there were statistics regarding the levels of grades of female staff. The Director of Public Safety stated that he could reproduce for Members the information that was published nationally.

**Resolved** – That it be a recommendation to the Fire Authority that the report be approved.



**5938 HER MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE & RESCUE SERVICES – UPDATE** – The Senior Corporate Assurance Officer reported orally that HMICFRS had confirmed they will be attending HFRS during the following periods:

24 September 2018 - Discovery Week over five days  
5 November 2018 - Inspection Week over five days

The Senior Corporate Assurance Officer stated that the Service was working towards the Discovery Week and had met all requests from HMICFRS for relevant data and other information.

**Resolved** – That the report be received.

**5939 INSPECTION OF MEMBER REGISTERS** – The Member Registers of Interests and Declarations of Gifts and Hospitality were made available for inspection by any Member of the Committee as part of their monitoring role.

**5940 INSPECTION OF OFFICER REGISTERS** – The Officer Registers of Interests and Declarations of Gifts and Hospitality were made available for inspection by any Member of the Committee as part of their monitoring role.

**5941 ANY OTHER BUSINESS** – The following matters were briefly discussed:

- Member Day 7 September 2018 – The Chairperson stated that the Member Day was very good and informative and asked if the Director of Public Safety could bring to this Committee the presentation he gave on Emergency Preparedness.

*Meeting closed at 11.41 a.m.*

