

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

13 APRIL 2015

PRESENT: Independent Co-opted Members Mr D Chapman (Chairperson), Mr M Allingham, Mr J Doyle, Mrs G Hardy, Mrs P Jackson, Mr A Smith, Mrs M Thomlinson and Mr C Vertigans

Councillor Briggs attended as an observer.

Deputy Chief Fire Officer/Executive Director Service Delivery, Executive Director Service Support/Section 151 Officer, Monitoring Officer/Secretary, Director of Organisational Development, Director of Public Safety, Corporate Planning and Performance Manager, Committee Manager, Ms J Rae (External Audit – KPMG) and Ms B Jones (Internal Audit - MIAA) were also present.

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

PROCEDURAL

4803 DECLARATIONS OF INTEREST - No declarations were made in connection with any of the items to be considered at the meeting.

4804 MINUTES – Resolved – That the minutes of the meeting of the Committee held on 2 March 2015 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

4805 MATTERS ARISING FROM THE MINUTES, OTHER THAN ON THE AGENDA – There were no items.

GOVERNANCE

4806 UPDATE: MATTERS ARISING/FEEDBACK FROM FIRE AUTHORITY – The Monitoring Officer/Secretary submitted a report summarising the consideration given by the Authority at its meeting on 16 March 2015 to the draft minutes of the meeting of the Committee held on 2 March 2015 and also providing feedback on other items considered by the Fire Authority.

Members referred to the Terms of Reference for the new Pension Board attached at Appendix 1 to the report and sought clarification regarding the voting arrangements (paragraph 10A.13 (a)) and the quorum (paragraph 10A.7). The Monitoring Officer/Secretary explained that the Terms of Reference were to be read in the context of the Authority's Constitution insofar as it related to meetings of Committees and other bodies but that the sections would be looked at in the light of the comments now made and that if any amendments were considered necessary a report would be submitted to the Authority.

Resolved – That the report be noted.

4807 GAS MEMBER – SERVICE DELIVERY FAMILIARISATION – The Deputy Chief Fire Officer/Executive Director Service Delivery stated that it was intended that Members would be contacted regarding possible dates for a visit to Service facilities in order to give an insight into the work of the Service. Similar events had been held in the past and Members had generally found the visits useful and informative.

Resolved – That the report be noted.

4808 USE OF DELEGATED POWERS UNDER FIRE AUTHORITY CONSTITUTION BY CHIEF FIRE OFFICER & CHIEF EXECUTIVE – The Monitoring Officer/Secretary submitted a report providing details of the decisions taken by the Chief Fire Officer & Chief Executive

during 2014/15 to vary the establishment, under his delegated powers within the Fire Authority Constitution.

Resolved – That the report be noted and that the Committee takes assurance that the Scheme of Delegations has been properly exercised.

AUDIT

4809 MANAGEMENT ACCOUNTS TO 28 FEBRUARY 2015 - The Executive Director Service Support/Section 151 Officer submitted a report containing the Authority's Management Accounts and Prudential Indicators for the period ending 28 February 2015. The end of year projections were set out for the revenue budget, the capital programme and the pensions account. The summary estimated outturn position from the Management Accounts and Prudential Indicators was as follows:

- Revenue Budget - £1.306m underspend;
- Capital Programme - £5.154m total expenditure against an allocation of £12.056m;
- Pensions Account - £8.379m deficit.

Members referred to Minute 4775 and thanked the Executive Director Service Support/Section 151 Officer for the information he had circulated to Members since the last meeting clarifying what Prudential Indicator 4 meant. Questions by Members regarding the way slippage on capital schemes was accounted for in the accounts prior to the annual outturn; support staff overspend, and also whether the net savings shown were in line with the projected savings arising from the restructuring programme were answered by the Executive Director Service Support/Section 151 Officer.

Resolved – That Members take assurance from the report and the Authority's financial position for the period ending 28 February 2015.

INTERNAL AUDIT (MIAA)

4810 Internal Audit Update – Ms B Jones (Internal Audit - MIAA) submitted a report outlining internal audit activity since the last meeting as follows:

Internal Audit Plan 2014/15 – Summary Progress Update - The Internal Audit Control Schedule was attached at Appendix 1 to the report. The Schedule reflected the finalisation of the following reviews:

- Combined Financial Systems (Phase 2) (covering financial reporting, accounts receivable and asset management);
- Business and Community Safety, and
- Mobile Computing.

The final reports were attached at Appendix 2 to the report and the assurance level provided on all reports was significant. In respect of Combined Financial Systems, there were no major issues arising from the review with recommendations being around frequency of asset records maintenance and financial reporting timescales and format. The audit of Business and Community Safety raised issues around the planning and achievement of operational targets, data quality, IT optimisation and data collation and ensuring lessons are learned internally and with partners. The audit of Mobile Computing had identified areas for improvement in reviewing, formalising and monitoring allocation of equipment and security of devices. The audit of (Executive) Governance Arrangements was at draft report stage and the review of the Wide Area Network Implementation was scoped and due to commence. With regard to the Technical Fire Safety/Community Safety Assignment Report 2014/15 the Director of Public Safety presented orally some benchmarking data comparing the performance of the Humberside Fire and Rescue service in respect to fire inspections with other Services. Members' questions with regard to the 3 final audit review reports now

submitted were answered by Ms B Jones (MIAA). The Chairperson remarked that the assurance level for all 3 audit review reports was 'significant' whilst noting a number of issues and stated that those issues could have a significant effect on performance and therefore those issues do need addressing.

Director of Audit Opinion 2014/15 - The Director of Audit Opinion 2014/15 was attached at Appendix 3 to the report and presented overall conclusions based upon internal audit activity during the year. The overall opinion was significant which reflected the positive outcomes arising from MIAA's reviews. The report provided a summary of the work MIAA had performed along with wider observations, both of which will inform the Authority's Annual Governance Statement (AGS). An assessment had also been conducted on Internal Audit performance and for which details were provided. The Executive Director Service Support/Section 151 Officer reported that the Corporate Management Team had developed a closer working relationship with the current Internal Audit than previous auditors and also stated that for 2016/17 it might be preferable to have fewer more in-depth reviews rather than the rather wide spread of reviews programmed in the preceding 2 years. The Chairperson endorsed the view that the relationship with both internal and external auditors was of benefit to the organisation.

Members thanked Ms B Jones for a very full report and all the time and effort she puts in to her work for the Authority.

Resolved – (a) That the Committee notes the progress with the 2014/15 Internal Audit Plan, and

(b) that the Committee receives the Director of Audit Opinion for 2014/15 in advance of this progressing to the Authority and informing the AGS.

4811 DRAFT ANNUAL GOVERNANCE STATEMENT 2014/15 – The Executive Director Service Support/Section 151 Officer, the Monitoring Officer/Secretary and the Deputy Chief Fire Officer/Executive Director Service Delivery submitted a report setting out a draft Annual Governance Statement (AGS) in respect to 2014/15 as set out in Appendix 1 to the report. Given the content of the Statement, it was considered desirable that Members should continue to specifically review it separate from the Annual Accounts, although the AGS would form part of the Annual Accounts once approved in September 2015. It was also desirable that Members receive the report in advance of the draft Annual Accounts at the June 2015 Governance, Audit and Scrutiny Committee meeting. There was no model AGS, but rather the Guidance sets out best practice in developing an AGS. A number of hyperlinks had been added to the document, enabling access to more detailed information when the approved AGS was published on the HFRS Website.

Resolved – That the draft Annual Governance Statement for 2014/15 be noted and Members confirm that they have sufficient assurance on the Authority's governance arrangements.

PERFORMANCE, RISK AND PROGRAMME MANAGEMENT

4812 PERFORMANCE REPORTING AND SERVICE PERFORMANCE INDICATORS 2015-16 – The Corporate Planning and Performance Manager submitted a report indicating that during 2014/15 he had reviewed the way the three quarterly performance reports had been produced and presented. The Corporate Planning and Performance Manager explained that whilst in previous years it had been the practice to submit Service Performance Indicators (SPIs) for the forthcoming year to this round of meetings the information would for this year, and in future years, be presented to the June cycle of meetings. The report indicated that simplified format had been met with a positive response by the Corporate Management Team, this Committee and the Authority and it was proposed that the format is adopted for all future quarterly reports. Further to this the numbering of

Service Performance Indicators (SPIs) had been realigned to tie-in with the Service's Strategic Objectives as set out in Appendix 1 to the report.

Resolved – That Members' welcome the new format performance report cards for all future quarterly reports and note the change in numbering for Service SPIs to align with Strategic Objectives as set out in Appendix 1 to the report now submitted.

4813 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.

4814 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.

ANY OTHER BUSINESS

4815 HFR Solutions Business Plan – A Member queried when this Committee might receive a copy of the Business Plan for HFR Solutions. The Deputy Chief Fire Officer/Executive Director Service Delivery stated that that would be dependent on the report to the next meeting of the Authority regarding the legal relationship between the company and the Authority.

Resolved – That the report be noted.

4816 Mrs G Hardy – The Chairperson reported that this would be Mrs G Hardy's last meeting of the Committee and on behalf of Members thanked Mrs Hardy for her contributions over many years work for this Committee and the former Audit, Performance and Scrutiny Committee. The Deputy Chief Fire Officer/Executive Director Service Delivery expressed thanks on behalf of Officers. The Chairperson of the Fire Authority was present and on behalf of the members of the Authority expressed thanks to Mrs Hardy and made a presentation to Mrs Hardy to mark the occasion.

4817 Date of Next Meeting – The Monitoring Officer/Secretary reported that a report was submitted to the Authority on 16 March 2015 suggesting that the Annual General Meeting of the Authority is held on 26 June 2015 instead of 22 May 2015. That report also included a draft timetable for 2015/16. It was proposed that the next meeting of this Committee be held on Monday, 15 June 2015 at 10.00am.

Resolved – That the next meeting of this Committee be held on 15 June 2015.

Meeting closed at 11.28 a.m.