

HUMBERSIDE FIRE AUTHORITY**GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE****27 NOVEMBER 2017**

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

Councillors Briggs and Green attended as observers.

Director of Emergency Response, Director of Human Resources, Director of Public Safety (Acting), Head of Service Support, Monitoring Officer/Secretary, Corporate Planning & Performance Manager, Head of Finance, J Hunt (Civil Protection Manager), T Sellers (Civil Protection Manager), Committee Manager, Ms J Rae (External Audit – KPMG) and Mr K Lloyd ((Internal Audit - MIAA) were also present. The Chief Fire Officer & Chief Executive was also present for part of the proceedings.

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

(The Chairperson welcomed Councillors Briggs and Green and all others present.)

PROCEDURAL

5650 MINUTES – Resolved – That the minutes of the meeting of the Committee held on 18 September 2017 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

5651 DECLARATIONS OF INTEREST – No declarations were made in connection with any of the items to be considered at the meeting.

GOVERNANCE

5652 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 22 September 2017 to the draft minutes of the meeting of the Committee held on 18 September 2017 and also providing feedback on other items considered by the Fire Authority at its meetings on 22 September and 20 October 2017.

Resolved – That the report be noted.

SCRUTINY PROGRAMME

5653 Scrutiny Programme 2017/18 – Business Continuity Scoping Discussion – Further to Minute 5596 of the Committee held on 18 September 2017, the Chairperson welcomed J Hunt (Civil Protection Manager) and T Sellers (Civil Protection Manager) who were attending this meeting for the first initial discussion of the scrutiny of Business Continuity. The Chairperson informed the Officers that at the previous Committee meeting Members had approved a Scrutiny Initiation Document for the scrutiny review of the Authority's Business Continuity Management arrangements to be carried out by a Sub-Group comprising Mr Allingham, Mr Doyle (Lead Member), Mr Smith, Mr Vertigans and himself, in liaison with the Internal Auditor. That document had set out the Aims/Objectives and Outcomes of the review and also outlined the headline questions to be asked and the evidence to be sought. The Committee had also received a Terms of Reference (TOR) for Business Continuity Planning which further outlined the objective of the review and set out review criteria; a review evaluation process, and also the reporting criteria according to the level of priority of recommendations. Mr Sellers reminded Members that an Internal Audit

review of Organisational Learning and Engagement had only recently been carried out and stated that Officers were working on the outcomes of that review, and also drew Members' attention to work raised nationally regarding Peer audits. The Chairperson stated that following this initial discussion the Lead Member (Mr Doyle) will meet with Officers after this meeting of the Committee to discuss the way forward and timescales with a view to presenting an update to the next meeting of this Committee. The Chairperson reminded Members that the review was intended to be completed for report back in April 2018. The Director of Emergency Response stated that the Service was likely to be inspected by Her Majesty's Inspector and that the Service had a statutory duty to have a Business Continuity Plan in place; reminded Members that Business Continuity Planning had already been reviewed by Internal Audit, and stated that the outcome of the scrutiny review will help him give assurance when he meets the Inspector. The Chairperson thanked the Officers for their attendance and stated that the Sub-Group looked forward to working with them on the review.

Resolved – That the report be received.

5654 Scrutiny Work Programme 2017/18 – Scrutiny Programme – Implementation of Review Outcomes - Feedback – The Corporate Planning and Performance Manager referred to Minute 5613 of the Committee held on 18 September 2017 and sought clarification of the feedback required by Members.

Resolved – That a report be submitted to the meeting of this Committee in January 2018 giving feedback on all reviews to date and for subsequent reviews a feedback report should be provided to this Committee six months after the completion of a review

AUDIT

EXTERNAL AUDIT (KPMG)

5655 Technical Update and Progress Report – Ms J Rae (External Audit (KPMG)) submitted a report providing a high level overview on progress in delivering KPMG's responsibilities as external auditors. A summary of progress was set out in Appendix 1 to the report. The report also highlighted the main technical issues which were currently having an impact in local government and in particular the following:

- Ready for General Data Protection Regulations (GDPR)?
- Faster accounts close for Local Government
- Public Sector Internal Audit Standards (PSIAS)
- Publication of 2017/18 work programme and scale of fees
- Her Majesty's Inspectorate of Constabulary (HMIC) expands its role

Ms Rae informed Members that this would be last meeting she would be attending prior to her retirement at the end of November 2017 and also that Mr J Prentice would be retiring at the end of December 2017.

A Member referred to the General Data Protection Regulations and suggested that the Committee should receive a progress report on action taken to meet the requirements of the Regulations and in particular the requirement to publish a privacy statement.

Resolved – (a) That the report be received,

(b) that the ICT Manager be asked to attend the next meeting of this Committee to give an oral update with regard to the implementation of the requirements of the General Data Protection Regulations, and

(c) that the Committee record their thanks to Ms Rae and Mr Prentice for all the support they have given over the years they have audited the Authority's accounts and extend their best wishes to them both for the future.

5656 2017/18 MANAGEMENT ACCOUNTS TO 30 SEPTEMBER 2017 - The Head of Finance submitted a report containing the Authority's Management Accounts and Prudential Indicators for the period ending 30 September 2017. The summary estimated outturn position for the current financial year based on information to 30 September 2017 was as follows:

<u>Category</u>	<u>2017/18 Outturn Projection</u>
HFA	
Revenue Budget	£141k overspend
Capital Programme	£4.156m expenditure against £7.230m allocation
Pensions Account	£13.723m deficit

The remaining reporting cycle for the Management Accounts for 2017/18 is shown in the table below:

<u>Period Ending</u>	<u>Authority Meeting</u>
31 December 2017	12 February 2018
28 February 2018	23 April 2018

The accounts had been previously submitted to the Fire Authority on 20 October 2017 (Minute 5640 refers).

Members asked questions seeking clarification of the following aspects of the accounts:

- The reporting cycle on page 42 of the report shows reporting at the end of February rather than March 2018 - The Head of Finance explained that that was in accordance with the timetabling arrangements.
- Income from Business Rates – A Member queried that this income would cease shortly - The Head of Finance stated that nationally the Government was looking at the fire funding formulae and that whilst the Authority does receive £3m from local business rates that constituted only a small part of the external finance that the Authority receives.
- Variance on Wholetime Employees of £781k on pages 48 and 49 of the report – The Head of Finance answered the query.
- Post of Temporary Area Manager – Corporate Planning referred to on page 51 of the report – The Head of Finance stated that the preparation for HMIC inspections was an area of focus for the Authority and indicated that by comparison Humberside Police had a dedicated team to handle the inspection regime. Mr Lloyd (MIAA) stated that this was comparable to the arrangements made by Cheshire Fire Authority. The Director of Human Resources stated that if the Authority were to receive a poor assessment as a consequence of a lack of adequate preparation there would be a considerable management impact as a consequence and therefore the arrangement represented good value for money.
- Refund from Insurers (point 6 on page 51 of the report) – The Head of Finance stated that it was 4 years ago when the Authority last tendered for insurers and explained that the Authority had received a refund of £30k for 2015/16 and would receive a further refund in respect to 2016/17.
- Overtime (£220k) as a result of self-rostering trial referred to on page 50 of the report – A Member queried whether any pre-impact forecasting of the trial had been carried out – The Director of Emergency Services stated that the overtime was not due to the trial but that there had been changes in staff and it was the ratio at which the service is topped up

Resolved – That Members take assurance from the report and the Authority's financial position for the period ending 30 September 2017.

5657 TREASURY MANAGEMENT MID-YEAR UPDATE REPORT 2017/18 – The Head of Finance submitted a report providing an update on the Authority's treasury management activities for the first half of the financial year 2017/18. The Authority on 17 March 2017 had approved the annual Treasury Management Policy Statement and agreed a range of Prudential Indicators as set out in Appendix 1 to the report, aimed at ensuring effective treasury management and affordability of capital plans. The report ensured compliance with recommended practice as outlined in the Chartered Institute of Public Finance and Accountancy (CIFPA) Code of Practice on Treasury Management 2009 by providing Members with an update on treasury management undertaken since the beginning of the financial year and highlighting key Prudential Indicator information. During the period April to September 2017, the Authority had operated wholly within the limits approved.

A Member referred to Indicator 3 on page 62 of the report and queried why a Capital Financing Requirement of £15.534k was required. The Head of Finance explained that the requirement was for historical funding and not for in-year expenditure.

Resolved - That Members note the treasury management activities undertaken during the first half of 2017/18 and the Prudential Indicators as outlined in paragraphs 14 and 15 and detailed in Appendix 1 to the report now submitted.

5658 2017/18 ANNUAL ACCOUNTS CLOSEDOWN TIMETABLE – The Head of Finance submitted a report indicating that the Fire Authority was required by statute to produce accounts on an annual basis and including the timetable to ensure the Authority produces accounts for 2017/18 on an efficient and timely basis. The Authority must make available for audit its draft (signed by the Section 151 Officer) Annual Accounts by 31 May 2018 and the aim was to produce the Final (Audited) Annual Accounts that have been approved by the Fire Authority by 31 July 2018 (as for 2015/16 and 2016/17).

Resolved - That the Committee take assurance that the Fire Authority has robust plans in place to produce the Annual Accounts by the required deadlines.

5659 INTERNAL AUDIT UPDATE – Mr K Lloyd (Internal Audit - MIAA) submitted a report providing a progress update in the delivery of the Internal Audit Plan for 2017/18 as approved by the Fire Authority on 17 March 2017. 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 will be reported periodically to the Committee. The report indicated that since the previous meeting of the GAS Committee the following work had been completed:

- GAS Committee – Workshop Outcomes Review (Minute 5660 below refers).

For 2017/18 Internal Audit activity the Control Schedule attached at Appendix 1 to the report provided a strategic overview and profiled timeline for agreed reviews. Appendix 2 to the report provided the categorisation of assurance levels and risk ratings and Appendix 3 confirmed performance against plan.

Resolved – That the Committee notes Internal Audit progress against the 2017/18 plan as set out in Appendix 1 to the report.

5660 Governance and Scrutiny Committee (Workshop Outcomes Review) 2017/18 – Mr K Lloyd (Internal Audit - MIAA) submitted a report indicating that the effective operation of the Governance, Audit and Scrutiny (GAS) Committee is a significant component of the Authority's assurance arrangements in underpinning service delivery through a facilitative governance and scrutiny infrastructure and providing support as an independent and non-political partner to the Authority. An outcomes review was completed in April 2017 to consider key attributes of effective committees, the differences between assurance and reassurance and assessing the current status of agreed actions as part of the Committee's Development Plan following the previous review in 2014. Furthermore, the GAS Committee wanted to review its operating arrangements to ensure it continues to add value to the Fire

Authority. A report was issued and it was agreed that after the 18 September 2017 meeting of the GAS Committee Members would meet to discuss the review. That review session was supported by Mr K Lloyd (MIAA). The approach was for GAS Members, Corporate Management Team Directors and the Corporate Planning & Performance Manager to discuss the outcomes review in April 2017 and to agree the Development Plan and next steps.

At the facilitated session it was agreed that rather than focus the discussion solely on the Development Plan that Members and officers would also undertake a stock take of the Committees' role and its operations. This was used to determine whether any enhancements could be made to ensure it continues to add value to the Fire Authority. Summarised below are some of the discussions from the facilitated session:

- Expectations: Members considered it was important to meet periodically with the Chief Fire Officer and Chair of the Authority in order to discuss and agree the expectations of the committee.
- Scrutiny: This was agreed to be an important aspect for the GAS Committee. There was discussion whether this could be held at the end of a meeting a scrutiny topic would be considered at certain meetings and the relevant service lead would attend to present this. Officers will suggest appropriate and relevant topics.
- Committee Work Plan: All parties agreed on the value of the GAS Committee and discussed a number of approaches to support the development of their ongoing work plan. It was suggested that GAS Members would benefit from raised awareness of preparations for the pending HMICFRS inspection regime for Fire and Rescue Services including consideration of key assurances around the inspection themes Leadership, Efficiency and Effectiveness.
- Member Skills: To support the identification and coverage that the committee provides in their scrutiny role, members need to ensure that the knowledge, skills and experience of members is understood by management and the Authority.
- Business Planning Cycle: Members highlighted that it would be beneficial to receive the business planning cycle for all committees. This would provide a clearer understanding of the areas of assurance being reported, provide opportunity for improved forward planning and to avoid any unnecessary duplication.
- Focus and Impact: Members will receive feedback, at agreed frequencies, as to how recommendations from members are being implemented.

With regard to the timing of meetings and agenda items the report indicated that the majority of agenda items are reported to both the GAS Committee and to the Authority and stated that the GAS Committee provides independent advice and scrutiny on topics which are then considered at the Authority, this remains an important function. Due to meeting scheduling within the Business Planning Framework there are occasions when GAS Committee meetings will follow, rather than precede Authority meetings. Officers will bring all relevant HFA Reports before the GAS Committee, either for scrutiny and comment, or for information if already reported to and approved by the Authority. By way of conclusion and the way forward the report indicated that the GAS Committee and officers recognise the important role the Committee undertakes as part of the overall governance framework of the Authority. The request to refresh workshop actions reflects the Committee's and officers' attentiveness to its responsibilities and its commitment to the continuous development of its operations as facilitated through the Development Plan attached to the report now submitted and through future workshop sessions. GAS Members supported by officers remain committed to setting the tone of constructive challenge in order that good practice and value outcomes are demonstrable.

With regard to Member Skills the Chairperson stated that there was no need for the information supplied by individual GAS Committee Members to be published on the Authority's website.

Resolved – That the report be noted and that Mr Lloyd (MIAA) be thanked for his work on the report.

PERFORMANCE, RISK AND PROGRAMME MANAGEMENT

5661 Service Performance and Risk Report – 2nd Quarter Period April – September 2017 - The Corporate Planning & Performance Manager submitted a report providing information relating to the Service's Performance and Risk Framework for the 2nd quarter period April – September 2017 which was highlighted in the following summary table:

Prevention Performance		
Accidental Dwelling Fires	22% below 3 year average.	
Other Accidental Fires (exc. Vehicles)	1.4% below 3 year average.	
Deliberate Primary Fires	29.4% above 3 year average.	
Deliberate Secondary Fires	52.8% above 3 year average.	
Automatic Fire Alarms	6.8% above 3 year average.	
Fatalities	2 fatalities (aspirational target 0)	
Injuries	28 injuries (aspirational target 0)	
Response Performance		
First engine response	6.3% better than target	
Second engine response	9.7% better than target	
Projects Update		
<ul style="list-style-type: none"> • Infrastructure • ICT • Collaboration 	A summary of progress for Strategic Projects is provided at Paragraph 9 within the body of this Report.	
Strategic Risks		Score
Reduction in external financial support.	No change in risk.	72
East Coast and Hertfordshire Control Room Project (ECHCR).	No change in risk.	36
Incident Command System.	No change in risk. System is stable.	40
National and local operational learning from incidents and arising issues is integrated into operational development and learning.	Reduction in Risk. Operational Assurance processes and training interventions used to mitigate risk.	45
Complaints		
Driving related.	1 Upheld	0 Not Upheld
Conduct of employees.	2 Upheld	2 Not Upheld
Performance of employees.	4 Upheld	2 Not Upheld
Damage to property whilst responding to incidents.	0 Upheld	0 Not Upheld
Other	1 Upheld	2 Not Upheld
Compliments and Messages of Thanks		
19 compliments and messages of thanks were received in the 2 nd Quarter and posted on our Website: Compliments and Messages of Thanks		

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 and also Appendix 2 which included charts for each Unitary Authority Area showing the trend for accidental dwelling fires over the last three years and also the severity level for the same incidents, over the same period.

A Member referred to the Ark Flood Preparation and Response Centre mentioned in paragraph 8(b) of the report and indicated that funding for this project was not included in the Capital Programme. The Head of Finance confirmed that that was correct and stated that the allocation of reserves was a matter for the Authority but that when the arrangements were more formalized with the University he will report back. A Member referred to the reference to complaints and noted that there were no previous year's figures. The Corporate Planning & Performance Manager stated that previous year's data could be included in future reports and reminded Members that he had previously suggested that the Management of Complaints was an area Members might wish to consider. A Member referred to page 92 of the report and the reference to the continued delay in validating data within the Firewatch System and expressed concern regarding this protracted issue.

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

5662 Health, Safety and Environmental Report for the 2nd Quarter Period July – September 2017 - The Head of Service Support presented a report by the Director of Service Support providing information with regard to Health, Safety and Environmental outcomes for the 2nd quarter period July – September 2017. A summary of the statistical data was set out in Appendix 1 to the report. During the reporting period there were 28 incidents recorded (Figs 2 & 3 to the report) that resulted in some form of personal injury compared to 31 for the same period last year. Due to the makeup of the workforce, the highest number of accidents were incurred by Full-time Fire Fighters and Control staff (19). The total number of reported accidents for the quarter had decreased slightly, by just under 10%, compared to the same quarter for last year (Fig 3 to the report) and was below the five year rolling average figure for the same period (30). This showed that the long term accident trend continues to fall. Activity areas showing an increase were Training and Special Service. Injuries related to Fire and Physical training remained the same and Routine Activities and Road Traffic Collisions (RTCs) showed a reduction.

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

5663 ABSENCE MANAGEMENT ACTION PLAN & PROGRESS UPDATE - The Director of Human Resources submitted a report containing extracts from a report on Absence Management that had been considered by the Authority at its meeting on 20 October 2017 (Minute 5642 refers). The action plan set out in the report followed the report prepared by Capsticks Business Solutions in July 2017 and presented to the Authority on 22 September 2017. Following an internal review of the report and its recommendations a detailed action plan had been compiled to improve and enhance the management of absence within the service from a Human Resources (HR), Occupational Health (OH), and Line Manager and Employee perspective. The report listed those the elements which had already been actioned and were being undertaken.

Resolved – That the report be noted

5664 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.

5665 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.

5666 ANY OTHER BUSINESS – The following matters were briefly discussed:

- Scrutiny Reviews – Equality and Inclusion – Scoping Report – The Chairperson suggested that this item which was included in the Committee's Scrutiny

Programme for 2017/18 that was approved by the Committee in April 2017 be held in abeyance for the time being.

- Calendar of Meetings – The Chairperson suggested that it would be helpful if meetings could be organised so that there is not such a gap between meetings.
- Elected Member Day 24 November 2017 – Members who had attended this event reported back on matters discussed.
- HFR Solutions – A Member reported that it had been mentioned at the Member Day on 24 November 2017 that it might be necessary to strengthen the Board to bring in more expertise as the company expands its activities. A Member stated that a previous Chief Fire Officer & Chief Executive had declined to be a Board Member so that there was a clear separation of roles between the Authority and the company and suggested that there was a need to have a documented position so that the Authority's position is clear in the event of a conflict of interest arising.

Meeting closed at 11.37 a.m.