

Governance, Audit and Scrutiny Committee  
9 April 2018

Report by the Monitoring Officer/  
Secretary

**COMMITTEE WORKSTREAMS/SCRUTINY PROGRAMME 2017/18  
AND ANNUAL REPORT TO HUMBERSIDE FIRE AUTHORITY**

REPORT EXECUTIVE SUMMARY

Members will recall that each Committee receives a report annually which outlines broadly the substantive reports that Members, as a minimum, could expect to receive during the forthcoming year. A draft Annual Report to the full Fire Authority in accordance with the Constitution is attached which briefly outlines progress against the workstreams/scrutiny programme agreed by the Committee at its meeting on 10 April 2017

The details in respect to attendances will need updating after this meeting of the Committee prior to the Annual Report being submitted to the Fire Authority (AGM) in June 2018.

## RECOMMENDATIONS

1. The Committee is asked to discuss and approve this report (the Annual Report will go before the full Fire Authority AGM on 4 June 2018).

## BACKGROUND

2. The intention behind the workstreams for 2017/18 was to provide Members with a broad indication of the reports that they could expect to receive during the year. This enabled forward planning for the Corporate Management Team. Members will recall that the workstreams agreed were not exhaustive, but indicative. An update against the agreed workstreams is set out in the attached draft Annual Report (paragraph 6).
3. The intention behind the scrutiny programme 2017/18 was to allow Members to focus on a small number of topics during the year. The Committee at its meeting on 10 April 2017 agreed a Workstreams/Scrutiny Programme 2017/18 that included reviews of Business Continuity and Counter Fraud (Minute 5424 refers) and an update setting out the outcome of those scrutiny topics is set out in the draft Annual Report (paragraphs 8-9). The Committee agreed that a scrutiny review of absence management be held in abeyance. The approved scrutiny programme also included a feedback report on Members' Allowances – Role of Vice Chairperson of HFA.

## ANNUAL REPORT

4. Under the Constitution the Governance, Audit and Scrutiny Committee should submit an Annual Report to the full Authority, essentially to set out how the Committee has discharged its functions. A copy of Article 6 of the Constitution setting out the functions of the Governance, Audit and Scrutiny Committee applicable during 2017/18 is set out in Appendix 1 to the draft Annual Report. The Annual Report also supports the assurance framework.
5. The Annual Report should be reviewed by the Committee and then go before the full Fire Authority (AGM) on 4 June 2018, to be presented by the Chairperson of the Committee.

## STRATEGIC PLAN COMPATIBILITY

6. Corporate governance is a key enabler of the Strategic Plan.

## FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

7. None arising directly.

## LEGAL IMPLICATIONS

8. None arising directly.

## EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

9. None arising directly.

## CORPORATE RISK MANAGEMENT IMPLICATIONS

10. None arising directly.

## HEALTH AND SAFETY IMPLICATIONS

11. None arising.

## COMMUNICATION ACTIONS ARISING

12. None arising directly

DETAILS OF CONSULTATION/AND OR COLLABORATION

13. Corporate Management Team.

BACKGROUND PAPERS AVAILABLE FOR ACCESS

14. None.

RECOMMENDATIONS RESTATED

15. The Committee is asked to discuss and approve this report (the Annual Report will go before the full Fire Authority AGM on 4 June 2018).

**M BUCKLEY**

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JS  
20 March 2018



**DRAFT**

**Annual Report  
to Humberside Fire Authority  
June 2018**

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**Governance, Audit and  
Scrutiny Committee**

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# **Humberside Fire Authority**

## **Annual Report**

### **Foreword**

There has been no change to the composition of the GAS Committee during the year and the Committee continues to enjoy a good working relationship with the HFRS Directors and their teams, the Internal Auditor – Mersey Internal Audit Agency (MIAA) and the External Auditor (KPMG).

2017/18 has once again been a challenging period for HFRS and the GAS Committee are pleased that their contribution throughout the period has been recognised.

The GAS Committee's major contribution continues to be primarily employed on Scrutiny topics, whilst remaining mindful of its responsibility concerning Governance and Audit. As a Committee we meet constitutionally 7 times per year, however in order to be able to deliver reports in a timely manner so that the output complements the undertaking, scrutiny sub groups of the Committee have met on an additional basis. As Chairperson I am extremely grateful to the Members of the GAS Committee for their cooperation and commitment and am certain that the Authority and HFRS benefit from their expertise, experience and contribution.

Visibility of the GAS Committee and its work across the wider organisation continues to improve and its role and remit is becoming better understood.

The GAS Committee has also benefitted from involvement at Member Days.

We respectfully regard our role as one in complete support of the Service and the Authority, delivering positive outcomes that in turn add value to the HFRS.

**Doug Chapman**  
**Chairperson, Governance, Audit and Scrutiny Committee**

# Governance, Audit and Scrutiny Committee

## Annual Report

### 1. Membership (7 Independent Co-opted Members)

Chairperson: Mr. Doug Chapman

Mr. Martin Allingham  
Mr. James Doyle  
Mrs. Pam Jackson  
Mr. Andrew Smith  
Mrs. Mandy Thomlinson  
Mr. Clive Vertigans

### 2. Number of Meetings of Governance, Audit and Scrutiny Committee

16 June 2017  
17 July 2017  
18 September 2017  
27 November 2017  
29 January 2018  
5 March 2018  
9 April 2018

### 3. Attendance record at meetings of Governance, Audit and Scrutiny Committee

	Number of meetings attended 7 (6 to date)
Mr. Chapman	6
Mr. Allingham	5
Mr. Doyle	6
Mrs. Jackson	6
Mrs. Thomlinson	6
Mr. Smith	5
Mr. Vertigans	6

In addition the following Elected Members of the full Fire Authority attended meetings of the GAS Committee as observers:

	Number of meetings attended 7 (6 to date)
Councillor Briggs	5
Councillor Green	5

### 4. Attendance record at other meetings

It has become the practice for the Chairperson of the GAS Committee, or in his absence a Member nominated by the Committee, to attend meetings of the Authority to present the minutes of meetings of the Committee and also for Independent Co-opted Members to attend meetings of the HFA to observe governance arrangements and to report back to the GAS Committee on any issues. In addition Members of the Committee may attend Member Days when invited to do so by the Authority. In 2017/18 GAS Committee Members were invited to all 6 Member Days.

Number of other meetings attended from 16 June 2017 to 9 April 2018:

Independent Co-opted Member	Fire Authority (9)(8 to date)	Member Days (6)
Mr. Chapman	6	5
Mr. Allingham	2	1
Mr. Doyle	2	2
Mrs. Jackson	1	0
Mr. Smith	8	5
Mrs. Thomlinson	7	2
Mr. Vertigans	5	5

**5. Functions of the Governance, Audit and Scrutiny Committee**

The functions of the Governance, Audit and Scrutiny Committee during 2017/18 are set out in the Constitution, Article 6. Article 6 is attached at Appendix 1.

**6. Progress against Workstreams 2017/18**

The following workstreams were agreed at the April 2017 Governance, Audit and Scrutiny Committee meeting:

<b>JUNE 2017 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. External Audit report	1. Reported
2. Internal Audit reports	2. Reported.
3. Annual Statement of Accounts (unaudited)	3. Reported.
4. Treasury Management Annual Report 2016/17	4. Reported.
<b>JULY 2017 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. External Audit report	1. Reported
2. Internal Audit reports	2. Reported.
3. Annual Statement of Accounts (audited)	3. Reported.
4. Annual Statement of Assurance 2016/17	4. Reported.
5. Draft Annual Performance Report 2016/17	5. Reported
6. 4th Quarter Performance and Risk Report 2016/17	6. Reported as part of 5.
7. 4th Quarter H&S and Environment Report 2016/17	7. N/A
<b>SEPTEMBER 2017 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. Management Accounts – Period ending 30 June 2017	1. Reported
2. External Audit report	2. Reported.
3. Internal Audit reports	3. Reported.
4. 1st Quarter Performance and Risk Report 2017/18.	4. Reported.
5. 1st Quarter H&S and Environmental Report 2017/18.	5. Reported
<b>NOVEMBER 2017 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. Management Accounts – Period ending 30 September 2017	1. Reported
2. External Audit report	2. Reported.
3. Internal Audit reports	3. Reported.



<b>JANUARY 2018 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. Management Accounts – Period ending 31 December 2017	1. Reported
2. External Audit report	2. Reported.
3. Internal Audit reports	3. Reported
4. 2nd Quarter Performance and Risk Report 2017/18	4. Reported November 2017
5. 2nd Quarter H&S and Environmental Report 2017/18	5. Reported November 2017
<b>MARCH 2018 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. External Audit report	1. N/A
2. Internal Audit reports	2. Reported
3. Treasury Management Policy 2018/19.	3. Reported
4. Draft Internal Audit Plan 2018/19	4. Reported
5. 3rd Quarter Performance and Risk Report 2017/18	5. Reported
6. 3rd Quarter H&S and Environmental Report 2017/18	6. Reported
7. Pay Policy Statement 2018/19.	7. Reported
<b>APRIL 2018 COMMITTEE MEETING</b>	
<b>Agreed Workstreams</b>	<b>Update</b>
1. Management Accounts – Period ending 28 February 2018	1. Reported
2. External Audit report	2. N/A
3. Internal Audit reports	3. Reported
4. Annual Governance Statement 2017/18	4. Reported
5. Performance Reporting and Service Performance Indicators 2018/19	5. Reported
6. CSE Audit Outcomes.	6. Reported March 2018
7. Annual Report to HFA.	7. Reported
8. Committee Workstreams/Scrutiny Programme 2018/19	8. Reported
9. Use of Delegated powers under Fire Authority Constitution by Chief Fire officer & Chief Executive	9. Reported
10. Annual Review of Constitution	10. Reported
11. Result of any external inspections	11. N/A

## 7. **Other reports considered during 2017/18**

During 2017/18 in addition to the workstreams, the Committee considered a number of other reports, including:

### Procedural

- Appointment of Chairperson of the Committee 2017/18

### Governance

- Term of Office of Members of the GAS Committee
- Gender Pay Gap Report

### Scrutiny Programme

- Scrutiny Work Programme 2017/18 – Scrutiny Programme – Implementation of Review Outcomes - Feedback
- 2017/18 Scrutiny Programme – Update

## Audit

- Anti-Fraud and Corruption Statement 2016/17
- Annual Report re. Declarations of Interest Registers and Gifts, Hospitality and Sponsorship Registers
- External Audit: Report to those charged with governance (ISA 260) 2016/17
- Annual Audit Letter 2016/17
- External Audit Appointment for 2018/19 onwards
- Review of Anti-Fraud Related Strategies
- Update Report on the Declaration and Registration of Interests by Members
- Treasury Management Mid-Year Update Report 2016/17
- 2017/18 Annual Accounts Closedown Timetable
- Internal Audit – Governance and Scrutiny Committee (Workshop Outcomes Review) 2017/18
- HMICFRS Consultation on Fire and Rescue Services Inspection
- Fire and Rescue National Framework for England – Government Consultation
- Public Sector Audit Appointments (PSAA) – Report on the Results of Auditors’ Work 2016/17: Local Government Bodies
- Public Sector Audit Appointments (PSAA) – Appointment of External Auditors 2018/19
- External Audit Plan 2017/18
- Fair Funding Review: A Review of Relative Needs and Resources – Technical Consultation
- Internal Audit – Audit Review Reports:
  - Organisational Learning
  - Local Government Transparency Code
  - Combined Financial Systems
- Internal Audit Update and draft Internal Audit Plan 2018/19
- Internal Audit Update
- Director of Audit Opinion and Annual Report 2017/18

## Performance, Risk and Programme Management

- Absence Management
- Public Safety Light Touch Peer Review Outcomes
- Update On The Firewatch, Data Validity And Establishment Project
- Annual Performance Report 2016/17 National Benchmarking Data
- Draft Strategic Planning Framework 2018/21 For Consultation
- Equality And Inclusion Annual Report 2017
- Joint Emergency Services Interoperability Programme (JESIP) Audit
- Absence Management Action Plan & Progress Update
- Implementation of the General Data Protection Regulations
- Update on Public Safety

There are also a number of standing reports to the Committee:

- Update: Matters Arising/ Feedback from Fire Authority
- HMICFRS Update
- Inspection of Members Register of Interests/Gifts and Hospitality
- Inspection of Officers Register of Interests/Gifts and Hospitality

## **8. Progress against Scrutiny Programme 2017/18**

The following scrutiny programme was agreed at the April 2017 Governance, Audit and Scrutiny Committee meeting:

Topic	Report submitted for Scrutiny to GAS Committee
1. Business Continuity	9 April 2018
2. Counter Fraud	9 April 2018
3. Feedback report on Members' Allowances – Role of Vice Chairperson of HFA.	18 September 2017

9. The following table outlines the outcomes of the scrutiny undertaken during 2017/18.

Topic	Update/Comments
1. Business Continuity	Outcomes reported to HFA
2. Counter Fraud	Outcomes reported to HFA
3. Feedback report on Members' Allowances – Role of Vice Chairperson of HFA	Outcomes reported to HFA

10. **Scrutiny Outcomes 2017/18**

The Committee are pleased that in respect of the Scrutiny topics listed in item 9 above the Authority has agreed as follows:

Topic	HFA Decision
1. Business Continuity	[insert decision from HFA 23 April 2018]
2. Counter Fraud	[insert decision from HFA 23 April 2018]
3. Feedback report on Members' Allowances – Role of Vice Chairperson of HFA	The Authority accepted the recommendation of the GAS Committee that the Chairperson and Vice-Chairperson of the Authority work together to develop their relationship and the scope for some roles such as attending certain Committees/ meetings to be delegated to the Vice-Chairperson as this will help the holder of that post develop in their role, and will also assist succession planning.

11. During the period further feedback has been received regarding Scrutiny recommendations.

The Committee would not have been able to produce the reports had it not been for the cooperation and support of the relevant Service Directors and their teams.

We are pleased that the Authority and HFRS appreciates our contribution and we are sure that the Scrutiny outcomes can only add value to the works of HFRS.

12. **Compliance with functions under Article 6 of the Constitution (As applicable during 2017/18)**

**12.1 Article 6.1 - Composition**

The Composition of the Committee has been in accordance with the Constitution.

**12.2 Article 6.2 – Frequency of Meetings**

The Committee has met regularly from June 2017 in accordance with the published schedule of meetings.

### **12.3 Article 6.3 - Functions**

#### **(a) 6.3.1 – Governance**

All Members are required to complete a declaration accepting to abide by the Code of Conduct and to register any Interests. At each meeting the Committee reviews the Registers of Members and Officers Interests.

#### **(b) 6.3.2 - Internal Control and Risk Management**

This has been complied with.

#### **(c) 6.3.3 – Internal Audit**

This has been complied with.

#### **(d) 6.3.4 – External Audit**

This has been complied with.

#### **(e) 6.3.5 – Performance Risk and Programme Management**

This has been complied with.

#### **(f) 6.3.6 – Scrutiny – Generally**

This has been complied with.

#### **(g) 6.3.7 – Additional Powers**

This has not been exercised in 2017/18.

### **12.4 Article 6.4 – Power to Establish Sub-Committees or Panels**

The Committee set up two Scrutiny Sub Groups in 2017/18 in respect of Business Continuity and Anti-Fraud.

### **12.5 Article 6.5 – Annual Report and Minutes**

This has been complied with.

## **13. Assurance to Fire Authority**

The Governance, Audit and Scrutiny Committee has discharged its functions under the Constitution.

## **Article 6 – Governance, Audit and Scrutiny Committee**

### **6.1 COMPOSITION**

- (a) The membership of the Governance, Audit and Scrutiny Committee shall be determined at the Annual General Meeting of the HFA. The size of the Committee shall be decided by the HFA.
- (b) The HFA may if it considers it necessary or desirable appoint such number of Independent Co-opted Members of the Committee as it shall determine who shall be selected for their relevant expertise, particularly in:
  - Audit and financial governance
  - Corporate governance
  - Scrutiny of decision making

The HFA will approve a selection process and criteria.

- (c) The Chairperson of the Committee may be appointed annually at the Annual General Meeting of the HFA or elected at the first meeting of the Governance, Audit and Scrutiny Committee following the Annual General Meeting.
- (d) The quorum for meetings of the committee shall be decided by the HFA at its AGM.

### **6.2 FREQUENCY OF MEETINGS**

The Schedule of meetings shall be decided at the Annual General Meeting of the HFA. In addition, extraordinary meetings may be called at such other times as the Committee or Chairperson of the Committee may determine.

### **6.3 FUNCTIONS**

The Governance, Audit and Scrutiny Committee shall have the following functions, unless decided otherwise by the HFA: -

#### **6.3.1 Governance**

- (a) To make observations to the HFA concerning its governance arrangements;
- (b) To assist the HFA in promoting and maintaining high standards of conduct by Members, including Independent Co-opted Members, appointed Members of Committees and Officers;
- (c) Generally assisting the Members to observe the Members' Code of Conduct;
- (d) Providing views to the HFA on the adoption or revision of the Members' Code of Conduct;
- (e) Advising, training or arranging to train Members and Officers on matters relating to the Members' Code of Conduct;
- (f) The monitoring of and issues relating to the declaration of interests and offer/receipt of gifts and hospitality by Members and Officers;

- (g) Such other matters in connection with governance as may be specified under this Constitution, or that the HFA may ask the Committee to consider.

In addition the Committee shall receive reports on the following matters (the Committee shall have no delegated authority but may make observations to the Fire Authority):

#### 6.3.2 Internal Control and Risk Management

- (a) To consider the HFA's Annual Governance Statement prior to its adoption to the HFA.
- (b) To maintain an overview of the HFA's Constitution, particularly in respect to the contract procedure rules and financial procedure rules.
- (c) To review any issue referred to it by the Chief Fire Officer & Chief Executive, S.151 Officer or Secretary, or the HFA.
- (d) To monitor the effective development and operation of corporate risk and project management and corporate governance in the HFA.
- (e) To monitor the effectiveness of the internal control environment.

#### 6.3.3 Internal Audit

The Committee shall consider and make observations to the HFA with regard to:

- (a) The Internal Audit Annual Work Programme;
- (b) Internal Audit reports;
- (c) The Internal Audit Annual Report;
- (d) The appointment of an effective and efficient Internal Audit Service; and
- (e) The performance of the Internal Audit Service.

#### 6.3.4 External Audit:

The Committee shall consider and make observations to the HFA with regard to:

- (a) The appointment of External Auditors;
- (b) The External Auditor's Annual Audit letter;
- (c) The Annual Financial Statements and Statement of Assurance;
- (d) Feedback to the External Auditor upon performance of the external audit;
- (e) All External Audit Assessments concerning the Authority;
- (f) The audit aspects of the draft annual financial statements. These aspects will include the External Audit Opinion, the Statement of Members' Responsibilities, the Annual Governance Statement and any relevant issue raised in respect to the annual auditing

process. The Committee should, where appropriate, confirm with the Internal and External Auditors that the effectiveness of the internal control system has been reviewed, and comment on this in its Annual Report to the HFA.

#### 6.3.5 Performance Risk and Programme Management

The Committee shall consider and make observations to the HFA with regard to:

- (a) The effectiveness of performance management;
- (b) The achievement of Strategic Plan objectives;
- (c) The achievement of the Integrated Risk Management Plan (IRMP) objectives;
- (d) The achievement of agreed performance indicators;
- (e) The effectiveness of corporate risk management processes;
- (f) The effectiveness of programme management processes;
- (g) The performance of the Humberside Fire and Rescue Service generally.

#### 6.3.6 Scrutiny - Generally

##### Scrutiny Function

- (a) The Committee shall review and scrutinise decisions of the HFA proposals of the HFA and the implementation of policy at Humberside Fire and Rescue Service;
- (b) The Committee shall be responsible for setting its own work programme which shall be tightly focussed on a small number of major issues;
- (c) In setting its work programme the Committee will consider items for scrutiny put forward by the HFA, CMT and Members of the Committee;
- (d) The HFA shall refer business to and seek advice from the Committee as it considers appropriate. Such referrals will be accompanied by an indication of its preliminary view of the matter under consideration;
- (e) The Committee shall respond as soon as their work programme permits to requests from the HFA to review a particular issue or issues;
- (f) In exercising its scrutiny role, the Committee will ensure that any observations are non-political and are not designed to displace the functions or responsibility of the HFA;
- (g) The Committee shall make such recommendations as it considers appropriate to the HFA arising out of the scrutiny process.

#### 6.3.7 Additional Powers

- (a) The Committee is authorised to investigate any activity within its terms of reference and to seek any information it requires from any employee. All employees are directed to co-operate with any request made by the Committee.
- (b) The Committee is authorised to obtain outside legal or other independent advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the Secretary, Chief Fire Officer & Chief Executive and Chairperson of the HFA. However, it may not incur direct expenditure in this respect without the prior approval of the HFA.

#### 6.4 **POWER TO ESTABLISH SUB-COMMITTEE OR PANELS**

- (a) The Governance, Audit and Scrutiny Committee shall have the power to establish a sub-committee of the Members of the Committee and any such sub-committee shall be authorised solely to make recommendations to the Governance, Audit, and Scrutiny Committee.
- (b) The Governance, Audit and Scrutiny Committee shall be entitled to establish such panels or groups as it considers necessary to assist in the discharge of its functions. No delegated authority shall be granted to such a panel and the composition of a panel shall not be confined to the Members of the Committee and the rules of political proportionality shall not need to apply.

#### 6.5 **ANNUAL REPORT AND MINUTES**

- (a) The Committee shall report annually to the HFA upon the discharge of its functions;
- (b) Minutes of the Committee will be circulated to all Members of the HFA and shall be included as an agenda item on the HFA;
- (c) The Chairperson of the Committee or nominated representative will be invited at the discretion of the Chairperson of the HFA to present the minutes at the meeting of the HFA and to respond to any questions that the HFA may have in respect to any matter concerning the Committee.