

MINUTES OF THE MEETING OF THE ROYAL BERKSHIRE FIRE AUTHORITY'S AUDIT AND GOVERNANCE COMMITTEE



Held on Thursday 1 November 2018 at 6.30pm

RBFRA Headquarters, Newsham Court, Pincents Kiln, Calcot,
Reading, Berkshire RG31 7DS

Members: Councillor Alistair Auty
(* present) * Councillor Christine Bateson
* Councillor Jeff Brooks
* Councillor Paul Bryant
* Councillor Adrian Edwards
Councillor Jan Gavin
* Councillor Iain McCracken
Councillor Satpal Parmar
* Councillor Dexter Smith

In Attendance: Alex Brown (Head of Property Capital Projects & Estates, HCP&E)
Conor Byrne (Head of Finance and Procurement, HF&P)
Becca Chapman (Data and Performance Analysis Manager)
Stephen Chard (Clerk)
Trevor Ferguson (Chief Fire Officer, CFO)
Steve Foye (Deputy Chief Fire Officer, DCFO)
Dan Harris (Internal Auditor, RSM)
Becci Jefferies (Head of Human Resources, Learning and Development)
Simon Jefferies (Assistant Chief Fire Officer, ACFO)
Allison Kennett (External Auditor, Ernst & Young)
Andrew McLenahan (Head of Facilities, Fleet and Equipment)
Katie Mills (Head of Corporate Services, HCS)
Jim Powell (Area Manager Service Delivery)
Nikki Richards (Director of Support Services, DSS)
Councillor Angus Ross (Strategic Assets Lead Member)
Fayth Rowe (Democratic Support Lead)
Tony Vincent (Head of Business and Information Systems)

Action

16. APOLOGIES FOR ABSENCE

Apologies for inability to attend the meeting had been received from Councillors Alistair Auty, Jan Gavin and Satpal Parmar.

17. DECLARATIONS OF INTEREST

In accordance with the provisions of the Fire Authority's Local Code of Conduct there were no declarations of interest received from Members.

There were no Declarations of Interest received from Officers.

18. MINUTES OF THE MEETING HELD ON 26 JULY 2018

RESOLVED that the Minutes of the meeting held on 26 July 2018 be approved as a true and correct record and signed by the Chairman.

19. CONSIDERATION OF ANY MATTERS PROPERLY REFERRED TO THIS COMMITTEE FOR DECISION

It was noted that Agenda Item 12 (Capital Projects Closedown – Newsham Court and Wokingham Fire Station) had been referred to the Audit and Governance Committee for consideration by Management Committee at its meeting on 4 December 2017.

20. INTERNAL AUDIT UPDATE

The Head of Finance and Procurement (HF&P), introduced the report which outlined progress with delivering the 2018/19 Audit Plan. The report included the draft scopes for two call-off audits on vehicle disposal and recruitment practices for approval, as requested by the Committee at its July 2018 meeting.

The Internal Auditor (RSM) directed Members to the Internal Audit Progress Report. It was noted that the audit of the Capital Investment Strategy had been completed and was detailed in the report. The outcomes for the Facilities Management audit would be reported at the Committee's next meeting. A number of other audits were also scheduled, it was expected that the outcome of these would be reported from March 2019.

Turning to the detail of the Capital Investment Strategy audit, the Internal Auditor explained that no issues were identified which required management action. The audit report concluded that the action and risk treatments framework implemented by the Royal Berkshire Fire and Rescue Service (RBFRS) were well designed and fully complied with.

Councillor Iain McCracken requested that any acronyms be shown in full at their first mention, i.e. PSIAS.

Councillor McCracken noted the RSM request to move the Firefighter Pension Administration Audit from November 2018. He queried the reasoning for this and when it would be rescheduled. The Internal Auditor explained that it had been rescheduled for scheduling reasons and while the dates had not yet been confirmed, the final report would be presented to the March 2019 Audit and Governance Committee.

Returning to the Capital Investment Strategy report, Councillor McCracken requested greater clarity on the statement 'We were not able to verify the capabilities for one position as the documentation was not made available due to the RBFRS retention scheme and time elapsed since recruiting.' The Internal Auditor advised that this related to information required for the audit which was not available as the time period for retaining the specific recruitment paperwork had elapsed.

It was noted that the findings from the post capital project evaluation report were detailed in the Part II report on this agenda.

The draft scope for the vehicle disposal audit was then discussed. The scope of the review noted that staff were not provided access to the purchase of vehicles in any way through the RBFRS. Councillor McCracken queried if that also applied to the relatives of staff. The Deputy Chief Fire Officer (DCFO) advised that it did and he would revise the document in this regard.

SF to action

Councillor Dexter Smith asked who was able to purchase redundant fire vehicles. The DCFO explained that disposal would be via auction once the vehicles had been de-badged. The purchaser was very often an enthusiast.

Councillor Smith followed this by asking if competitive bids were received from charities, i.e. for use overseas in third world countries. The DCFO advised that vehicles were donated to developing nations if they had gone beyond their reasonable use in this country. The Chief Fire Officer (CFO) added that the HF&P would ultimately take the view on the disposal method to ensure value for money was obtained where possible.

Councillor Jeff Brooks queried if there was any scope for a firefighter to bid for an appliance as an enthusiast. The CFO explained that they could through a private auction, the restriction on staff was from purchasing vehicles through RBFRS. Councillor McCracken felt that this point could be made clear in the report.

SF to action

Councillor Paul Bryant queried the number of vehicles that were donated to developing nations. The DCFO agreed to check this figure, he would then confirm this outside of the meeting.

SF to action

RESOLVED THAT:

- The internal auditor's progress report be noted.
- The internal audit scopes for vehicle disposal and recruitment practices be agreed, subject to the minor amendments noted for vehicle disposal.

21. EXTERNAL AUDIT UPDATE

The External Auditor (Ernst & Young) introduced the item. She explained that Ernst & Young were in the planning stage for the audit of the 2018/19 Statement of Accounts. This was progressing well and no issues had been identified to date. The aim was to sign off the accounts well in advance of the deadline. The External Audit Plan would be submitted in due course.

The External Auditor explained that the independence of the External Audit team from the Fire Authority had been explored and there were no areas of conflict.

RESOLVED THAT:

- The verbal update from the External Auditor be noted.

22. EMERGENCY SERVICES MOBILE COMMUNICATION PROJECT UPDATE

The Head of Business and Information Systems (HBIS) introduced the report which provided an update and assessment of the progress of the National Emergency Services Mobile Communication Programme (ESMCP) and

delivery of the Emergency Services Network (ESN) that would replace the current Airwave provision. The HBIS explained that he had taken over as internal project sponsor for this project.

The HBIS highlighted the update provided in the exchange of correspondence between the Fire Authority and Sir Phillip Rutnam, Home Office Permanent Secretary. This was detailed in the appendices to the report. The Home Secretary had announced on 21 September 2018, that the review into the programme concluded that ESN was the right strategic direction for communications in the emergency services. ESN would be delivered in an incremental way so that the new capabilities were available sooner to FRS. This was guardedly welcomed by RBFRS. The Home Office Permanent Secretary would be invited to a future Fire Authority meeting to discuss this further.

The business case for the ESN was being reviewed by the ESMCP National Programme and it was anticipated that this would be completed by the end of 2018, but, as it would be subject to agreement within the Home Office, a decision and publication of the business case was not expected until January/February 2019.

The planned cessation of the existing Airwave network had been indicated as being at the end of 2022. The window of opportunity for migration from Airwave to ESN was expected to be between Q3 2020 and Q4 2022 by which time ESN Prime would be available.

The overall cost was unknown at this stage.

The HBIS pointed out that the contract for the Thames Valley Fire Control Service (TVFCS) system was due for renewal and this point was being taken into account. Currently, the assumption was to work to Q4 of 2021 for this renewal, prior to the termination date of Airwave.

In response to Councillor Paul Bryant's question in relation to the level of risk to the RBFRS, HBIS advised that two separate risks were being routinely tracked. The risk profile remained largely static and, in fact, was slightly lower when considering the incremental approach that had been described.

Councillor Bryant stated that he lacked confidence that the new system would be ready by the time that Airwave terminated in 2022 and this was therefore a particular risk. The CFO agreed that greater assurance was needed, this was a view shared by other FRS. The situation would continue to be carefully monitored. The CFO welcomed the additional oversight of Audit and Governance Members. DCFO added that this was also a concern for other blue light services and concerns had been raised with the National Programme. Risks were being clearly articulated.

Councillor Paul Bryant stated it was worth noting the collapse of the South East Regional Control Centre. This had occurred at a very late stage in the process and had severe implications.

Councillor Iain McCracken commented that the Airwave termination review had been extended on three occasions to date and would likely need to again should work on the business case slip. This process had been a subject of concern for half a dozen years. He was concerned about the work already

undertaken by officers. Councillor McCracken queried at what cost had this work come and what the budget requirement was.

HF&P reported that the level of risk had been assessed and considered against a potential requirement from the General Fund and as a result £375k had been allocated from the General Fund. The HBIS added that the work completed had not been wasted and had been in preparation of the transfer. The work undertaken was not specific to the ESN technology.

In answer to a question from the Chairman on whether an extension to Airwave had actually been agreed, the DCFO understood that the agreement was in place until 2022, however it had become apparent that this would not be a possible deadline date for key blue light services. There was however resistance to a further extension to Airwave as this would require further investment in this system. The DCFO agreed that the work undertaken to date had been useful and advised that funding for this project could be drawn down from the Section 31 Home Office Grant.

Councillor Christine Bateson sought to understand the approach and stance being taken in other FRS. The CFO reiterated the point that all blue light services were challenged by the implementation of ESN. However, his view was that the close monitoring helpfully given to this by the Audit and Governance Committee was not being replicated elsewhere.

Councillor Iain McCracken referred to bullet point one of paragraph 3.1.8 which highlighted the requirement for a significant change to RBFRS ways of working. He requested that a greater understanding be provided of this requirement at the next meeting. The DCFO agreed this would be provided. He was hopeful that the Business Case would have been received by that time.

Councillor Bryant felt it would be beneficial to receive a presentation on this technology, the benefits it would bring etc. The DCFO and the HBIS agreed to provide this. This could tie in with the attendance of the Home Office Permanent Secretary and/or member of the Programme Team at a future Fire Authority meeting. Councillor McCracken felt that a conversation could be held at this time on the potential planning requirement for additional phone masts.

**SF/TV to
action**

RESOLVED THAT:

- The report be noted.
- A presentation on the new ways of working required from the introduction of ESN technology and the benefits it would bring to a future Audit and Governance Committee.
- The Home Office Permanent Secretary and/or member of the Programme Team would be invited to attend a future Audit and Governance Committee meeting.

**23. QUARTERLY PERFORMANCE REPORT 2018-19 – QUARTER 1
(APRIL TO JUNE 2018)**

The Data and Performance Analysis Manager introduced the report which provided an overview of RBFRS first quarter performance for the 2018/19

financial year. She highlighted that performance was reported in four quadrants: Service Provision, Corporate Health, Priority Programmes and Corporate Risk.

She highlighted the following Quarter 1 highlights:

Successes:

- Highest number of Safe and Well (S&W) visits carried out for a year, in excess of 2,000.
- Six wholtime recruits had completed training and were working on station.
- A decrease in the percentage of working time lost to sickness. This was heading back towards the target figure.

Concerns and Risks:

- An increase in casualties and accidental dwelling fires.
- The number of fire safety audits remained below target.
- The impact of dry weather.

The Data and Performance Analysis Manager concluded her introduction of the report by highlighting a correction to page 5, paragraph 6 of the Quarter 1 performance report. This should state: 'The percentage of spend subject to competition continues to improve and has exceeded the target by **8.1** percentage points.' (Not 23.1 percentage points).

The Committee then worked through the performance report.

Page 11 – Outcomes of Full Fire Safety Audits (Quadrant One)

Councillor Jeff Brooks sought an explanation as to why both informal and formal activity were reporting as 'red', whether appropriate targets were in place and sought reassurance that improvements were being made.

Jim Powell, Area Manager Service Delivery, explained that the targets had been based around Members decision following Integrated Risk Management Plan (IRMP) consultation in 2017. As a result, there is now a greater focus on those most at risk and targets have been revised accordingly, however, it would take time in terms of enforcement activity.

The AM Service Delivery also explained a review of RBFRS protection function had been held post Grenfell. RBFRS recruited ten new Fire Inspection Officers and, therefore, capacity would increase once officers had been fully trained to address risks. Targets would be reviewed over this time to reflect the increased resource.

Councillor Brooks queried when performance was expected to get back on track. DCFO advised that this would begin once the newly appointed Fire Inspection Officers had been fully trained. The current target ensured the necessary focus was placed upon areas assessed as high risk and it was vital that this continued. The DCFO added that a new team member had also been appointed with a remit focused on protection and prevention work.

Page 13 - % of shifts/hours where there was adequate crewing on frontline fire engines (Quadrant One)

Councillor Adrian Edwards queried whether the number of wholetime staff was near to the establishment figure. He noted that six wholetime recruits completed their training during Q1. The DCFO reported the wholetime availability in Q1 was 100% and a further 14 commenced training in July 2018, with a view to join the duty system in Q2.

Councillor Jeff Brooks turned to the Retained Duty System (RDS) part of this measure which was reported as 'red' and queried when it would be possible to close this gap. In response, the DCFO referred to the coverage in place for each station with RDS officers (page 14 of the papers). He added that through the RDS Project Board good progress was being made on recruitment in support of all stations. However, there was a time lag from when a new firefighter was recruited to a retained station to actually taking up their role. This was because of the time it took for a retained recruit to go through all the necessary training courses. Therefore a focus would continue to be given to improving the recruitment process and reducing delays where possible.

Councillor Brooks did not consider this to be a new issue and questioned whether a wider review should be undertaken of the RDS. The DCFO commented that the issues being experienced were common across all FRS with a RDS. In response to Councillor Brooks' request for a presentation and wider debate on this issue/ways to tackle it at a future meeting.

SF to action

Councillor Paul Bryant asked numerically the required recruitment figure for the RDS resource. The DCFO explained that recruitment was ongoing, but it took up to six months for a new recruit to then complete their training. He added that RBFRS had 74 retained firefighters, but not all were fully trained. The Area Manager Service Delivery added that the optimum number differed for each station, but a figure in the region of 100 was felt to be sufficient for the entire RDS.

Page 20 - % of working time lost to sickness across all staff groups (Quadrant Two)

Councillor Adrian Edwards was pleased to note the progress being made in recognising the importance of mental health awareness and promoting this. Councillor Edwards also commended the training session he attended, but added that only 6 of the 18 expected delegates were in attendance and no apologies had been received. The Head of Human Resources, Learning and Development (HHR&L&D) advised that this training was mandatory and therefore staff would need to attend an alternative session. The Director of Support Services (DSS) added her understanding that the absent staff referred to had been required to perform operational duties.

Page 22 - % of eligible staff with Personal Development Appraisals (Quadrant Two)

In response to Councillor Jeff Brooks' query on the 'red' measure, HHR&L&D explained that figures only accounted for Personal Development Interviews recorded on the system up to and including 30 June 2018. In many cases the interviews had been held but not recorded. The recording of these interviews had since improved and performance was in the region of 90% at Q2.

Page 29 – Financial Position as at June 2018 (Capital) (Quadrant Two)

Councillor Brooks noted that almost all capital schemes were reporting a zero variance from budget at Q1 and he questioned the accuracy of that. HF&P

explained that these capital schemes were run over a lengthy timeframe and therefore variances were not reported at this time. He acknowledged that this was a change to the way that expenditure against capital projects had been presented previously.

Councillor Brooks followed this up by specifically referring to the capital scheme for the Firehouse. This had a zero variance which Councillor Brooks queried when this project was due to complete in Q2. HF&P explained that the final figures and any variance would be reported in Q2.

Page 32 – Transition Bids Spend Summary (Quadrant Two)

Councillor Iain McCracken queried the reasons behind the overspend against Comms and Engagement activity. The HF&P explained that this project had previously been closed but had since reopened as there remained areas to be delivered. Therefore, the expenditure incurred in 2018/19 should have been recorded as £8k rather than £41,546.

Councillor McCracken then noted that all transition spend projects listed some areas as 'to be delivered'. He therefore queried if these projects were on target.

It was noted that each of the remaining projects were on target: Core Skills Training Programme, HR Advisor Support, Systems Business Partner – Resource, Data and Performance Analysis Manager, Review of competency assessments, Temporary Accounts Officer, Temporary Procurement Officer, temporary resource to manage the introduction of a Learning Management System and dedicated mental health support post.

Page 66 – Response to Home Office Reform Programme (Quadrant Four)

Councillor McCracken queried whether the date for the HMICFRS (Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services) inspection had been confirmed. The Head of Corporate Services (HCS) explained that RBFRS had a new Service Liaison Lead and it had therefore been necessary to undertake additional engagement activity.

In terms of dates, 'Discovery' week would be week commencing 10 December 2018, (the next Audit and Governance Committee would be held on 11 December 2018). The inspection would take place in week commencing 28 January 2019.

Councillor Paul Bryant queried whether any feedback had been obtained from other FRS who had already gone through this new style inspection process. The HCS confirmed that learning was being shared and there are linkages with other fire and rescue services. HMICFRS was also sharing areas of learning. The CFO added that the first tranche of inspection reports would be published on 6 December 2018.

Councillor Adrian Edwards queried the cost that would likely be incurred by the RBFRS in preparing for this inspection, i.e. the resources devoted to producing documents. The HCS responded that other fire and rescue services had estimated that the time spent on inspection preparation has been in the region of 900 hours. The time spent at RBFRS is in addition to officers performing their normal duties. Therefore, a cost could be estimated. Councillor Edwards noted that this would be significant.

Councillor McCracken was concerned that effort was being duplicated with the change in the service liaison lead. The HCS agreed this was a factor.

The HCS then commented on the breadth of the inspection. It would cover three core areas – efficiency, effectiveness and people, and beneath that came a number of areas of questioning. These included: understanding risk, prevention, protection and response. The HCS agreed to e-mail all Audit and Governance Members with full detail on this.

Page 71 – Audit Recommendations (Quadrant Four) – Cyber Security or Cyber Risk Management

Councillor Christine Bateson highlighted that it would be useful to quickly understand from the report whether performance against a particular measure was improving or not. She felt that this could be provided by the inclusion of an indicative arrow. Councillor McCracken asked that this be included in the Q2 report.

KM to action

Councillor McCracken thanked officers for producing this very comprehensive report. He was also pleased that fellow Committee Members had come prepared to the meeting with points to question and clarify. Finally, he noted that a clearer picture on performance would be provided at December's meeting (Q2) and this would include those issues highlighted at this evening's meeting.

BC to action

RESOLVED THAT:

- Performance against Service Provision and Corporate Health Measures for the targets agreed by the Fire Authority for 2018/19 be noted.
- The progress made on the two priority programmes be noted.
- The position of corporate risk be noted.
- Further actions be agreed as noted.

24. DATE OF NEXT MEETING

Tuesday 11 December 2018 at 6.30pm, RBFRS Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD.

25. EXCLUSION OF THE PUBLIC

RESOLVED that:

Under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following Agenda Items on the grounds that they involve the likely disclosure of exempt information, as defined in the Paragraph 3 of Part I of Schedule 12A of the said Act indicated and is exempt information if, and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

26. PART II MINUTES OF THE MEETING HELD ON 26 JULY 2018

RESOLVED that the Minutes of the Part II meeting held on 26 July 2018 be approved as a true and correct record and signed by the Chairman.

27. CAPITAL PROJECTS CLOSEDOWN – NEWSHAM COURT AND WOKINGHAM FIRE STATION

The Audit and Governance Committee considered an exempt report which detailed the work undertaken by the Capital Projects Closedown Task and Finish Group with regard to Newsham Court and Wokingham Fire Station.

RESOLVED THAT:

- The recommendations in the exempt report be agreed.

(The meeting concluded at 7.52pm)